

Explanatory Memorandum to The Welsh Language Standards (No. 10) Regulations 2026

This Explanatory Memorandum has been prepared by the Education, Culture and Welsh Language Group and is laid before Senedd Cymru in conjunction with the above subordinate legislation and in accordance with Standing Order 27.1.

Cabinet Secretary's Declaration

In my view, this Explanatory Memorandum gives a fair and reasonable view of the expected impact of The Welsh Language Standards (No.10) Regulations 2026. I am satisfied that the benefits justify the likely costs.

Mark Drakeford MS
Cabinet Secretary for Finance and Welsh Language
10 February 2026

PART 1

1. Description

- 1.1 The Welsh Language Standards (No. 10) Regulations 2026 ('Regulations') make standards specifically applicable to a person who has been included within the list of social landlords maintained by the Welsh Ministers under section 1(1) of the Housing Act 1996(3) ('body'). These persons are also known as Registered Social Landlords ('RSLs'). A full list of RSLs can be found on the Welsh Ministers' register of RSLs: <https://www.gov.wales/registered-social-landlords>.
- 1.2 The Regulations specify service delivery standards; policy making standards; operational standards; record keeping and supplementary standards.
- 1.3 The Regulations will enable the Welsh Language Commissioner ('the Commissioner') to give a compliance notice to those bodies, requiring them to comply with one or more of the standards within the Regulations.
- 1.4 The Regulations also make an amendment to The Welsh Language Standards (No. 2) Regulations 2016 ('the No.2 Regulations') by adding Community Housing Cymru to Schedule 6 to the No.2 Regulations.

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

2.1 Numbers in the Regulations

The Regulations use the Welsh alphabet, i.e. (a), (b), (c), (ch) etc. This style is different to the usual numbering style adopted in subordinate legislation made by the Welsh Ministers. Usually, the Welsh and English version adopt the English alphabet. In this case, because of the nature and the subject matter of the Regulations, the Welsh alphabet had been used in the English and Welsh versions to ensure consistency and to remove any possibility of confusion when cross-referring. The same style was adopted within The Welsh Language Standards (No. 1) Regulations 2015 (SI 2015/996) and subsequent Regulations specifying Welsh language standards.

2.2 Name of the Regulations

The title of the Regulations is The Welsh Language Standards (No. 10) Regulations 2026. If passed by the Senedd, these will be the 9th Welsh Language Standards Regulations to be made¹. It is intended that all the Regulations made under section 26 of the Welsh Language (Wales) Measure 2011 ('the Measure') will be made in a series, in the same way as commencement orders. It is felt that this approach will make the Regulations easier to deal with and to refer to, particularly when compliance notices refer to Regulations.

¹ Welsh Language Standards (No.3) Regulations were rejected by the then National Assembly for Wales.

- 2.3 The Welsh Language and Education (Wales) Act 2025 ('the Act')
The Act places a duty on Welsh Ministers to complete a review of certain standards which are specified under section 26 of the Measure within 12 months of publishing a Code to describe Welsh Language ability ('the Code'). The purpose of the review will be to determine whether amendments are necessary to certain standards to facilitate meeting targets set in a revised Welsh Language Strategy or to reflect the Code prepared under the Act.

3. Legislative background

- 3.1 The Regulations are made in exercise of the powers conferred on the Welsh Ministers under sections 26, 27, 39 and 150(5) of the Welsh Language (Wales) Measure 2011 ('the Measure'). Section 26 of the Measure enables the Welsh Ministers to specify standards by regulations. Section 27 enables the Welsh Ministers to specify different standards in relation to different conduct. It also enables them, in relation to a particular conduct, to specify one standard or a number of standards.
- 3.2 Before the Commissioner can give a person a compliance notice requiring them to comply with a standard, that standard has to be specifically applicable to the person (section 25). Section 39 provides that a standard is specifically applicable to a person once the Welsh Ministers have authorised the Commissioner to give that person a compliance notice in respect of that standard. Section 105(5) provides that any power of the Welsh Ministers to make regulations includes a power to make such transitional, transitory, consequential, saving incidental and other provision as the Welsh Ministers think necessary or appropriate.
- 3.3 The Regulations, pursuant to section 150(2) of the Measure must be laid before and approved by resolution of Senedd Cymru.

4. Purpose and intended effect of the legislation

- 4.1 The Measure confirmed the official status of the Welsh language in Wales and created a new legislative framework for the language. A key step in giving effect to the Measure is specifying standards and authorising the Commissioner to require persons to comply with those standards.
- 4.2 Section 25 of the Measure provides that a person is required to comply with a standard specified by the Welsh Ministers where certain conditions are met. Those conditions include:
- i. That a standard is specifically applicable to the person (i.e. the Welsh Ministers have authorised the Commissioner to give that person a compliance notice in respect of that standard);
 - ii. That the Commissioner has given a compliance notice to the person;

- iii. The compliance notice requires the person to comply with the standard; and
 - iv. The compliance notice is in force.
- 4.3 These Regulations enable the Commissioner to impose in a compliance notice standards which fall into one or more of the following categories:
- **Service-delivery standards** relate to the delivery of services in order to promote or facilitate the use of the Welsh language, and to ensure that it is treated no less favourably than English.
 - **Policy-making standards** require consideration to what effect policy decisions have on the ability of people to use the language and on the principle of treating Welsh no less favourably than English.
 - **Operational standards** deal with the internal use of Welsh by bodies.
 - **Record-keeping standards** make it necessary to keep records about some of the other standards, and about any complaints received by a body.
 - **Supplementary standards** deal with various matters including the production of an annual report, oversight arrangements and the provision of information to the Commissioner.
- 4.4 The standards have been prepared with the aim of:
- increasing the use people make of Welsh-language services;
 - improving the services Welsh-speakers can expect to receive from bodies in Welsh;
 - making it clear to bodies what they need to do in terms of the Welsh language.
- 4.5 The Regulations, when they come into force, will not have a direct effect on bodies and they will not, by themselves, create rights for people. That will only happen when all the conditions in section 25 of the Measure have been met (see paragraph 4.2 above). However, the Regulations are a crucial step in the Measure's framework and will enable the Commissioner to require bodies to comply with standards.
- 4.6 It will be for the Commissioner to choose which standards to impose on bodies by way of issuing a compliance notice. These Regulations set out the range of standards which could be imposed on a body. A body may have to comply with the standard only in some circumstances and not in others – depending on what is stated in their compliance notice. The compliance notice will also set the date by which the body is required to comply with a standard.
- 4.7 Before giving the body a compliance notice the Commissioner must consult with them in accordance with section 47 of the Measure (unless the Commissioner is satisfied that they have already been consulted or given the opportunity to be consulted on that matter in connection with a standards investigation).

Means of appeal

4.8 Bodies will be able to challenge the requirements to comply with a particular standard on the grounds of whether it is reasonable and proportionate to require them to do so. In the first place, a body will be able to present a challenge to the Commissioner. If they wish to challenge the Commissioner's decision, there is a route of appeal available to the Welsh Language Tribunal, and thereafter to the High Court.

Sanctions

4.9 The Commissioner will be responsible for monitoring compliance with the standards. In cases where the Commissioner determines that a body has failed to comply with a standard, the Commissioner may take enforcement action. Enforcement action under the Measure can vary from the making of recommendations or giving advice to a body, to the imposition of a civil penalty not exceeding £5,000.

5. Risks if Regulations are not made

5.1 If the proposed Regulations are not made, the following risks will be realised:

- A key component of the Measure will not be implemented. That is introducing the standards system and authorising the Commissioner to require a body to comply with standards.
- A body that deals with Welsh language users may not be included in the new standards system.
- There will be inconsistency in terms of the duties placed on bodies in the same sectors.
- People will be unsure about which services they can expect to receive in Welsh. This uncertainty will continue if the Regulations are not made allowing standards to be made specifically applicable to bodies that fall into one or more of the categories in Schedule 6 to the Measure.
- Bodies that have a Welsh Language Scheme introduced under the Welsh Language Act 1993 will not transition to the standards system. If Welsh language schemes remain in place there will be no enforcement mechanism if a body breaches their scheme.

5.2 More detailed information about the risks and benefits of implementing the standards can be found in the Regulatory Impact Assessment (RIA) below, with the risks of not introducing standards highlighted in the 'Option 1: do nothing' section of the benefits.

6. Consultation

6.1 The Welsh Ministers held a public consultation on draft Welsh Language Standards Regulations for Registered Social Landlords, and on a proposal to add Community Housing Cymru to Schedule 6 to the Measure

and then to the Welsh Language Standards (No.2) Regulations 2016, between 24 June 2025 and 16 September 2025.

- 6.2 The consultation included a call for bodies subject to the Regulations to submit data to allow the Welsh Ministers to prepare a Regulatory Impact Assessment (RIA). The RIA is included in Part 2, below.

PART 2 – REGULATORY IMPACT ASSESSMENT

7. Options

7.1 Bodies named in section 1(4) of these Regulations (i.e. a person who has been included within the list of social landlords maintained by the Welsh Ministers under section 1(1) of the Housing Act 1996), and Community Housing Cymru, were asked to take part in a Regulatory Impact Assessment (RIA) data collection exercise, which was distributed with the consultation on draft Regulations held between 24 June and 16 September 2025. The deadline for responses to the RIA exercise was later extended beyond 16 September to encourage more responses. 17 bodies subject to the proposals submitted a response.

7.2 The following analysis of the costs and benefits associated with the standards are based on the responses provided by those 17 bodies.

8. Summary of responses

8.1 The bodies were asked to consider the economic, social, environmental, and linguistic benefits of complying with standards. 16 of the 17 bodies that responded to the RIA data capture exercise considered that there were benefits to the body in complying with the proposed Welsh language standards; 1 body did not consider that there were any benefits.

8.2 The responses can be summarised as follows:

Type of benefit	No. of bodies that noted a benefit	Description of the benefit of complying with the proposed standards noted by bodies
Economic	12	<ul style="list-style-type: none">• Improved access to Welsh speaking tenants may increase reach and meet need of Welsh speakers leading to greater tenant satisfaction and trust.• Helps streamline communication with Welsh speaking customers and reduce misunderstanding and duplicated efforts.• Increases employment opportunities for Welsh speakers, contributing to retention in Welsh language communities and Wales.• Encouraging staff to develop Welsh language skills can enhance employability, and retention, particularly in Welsh language communities.• Potentially opens up new funding and partnerships opportunities.

		<ul style="list-style-type: none"> • Makes bodies more attractive to skilled candidates in a competitive labour market.
Social	13	<ul style="list-style-type: none"> • Promotes equality of opportunity by ensuring Welsh speakers have the same access to services and information as English speakers. • Helps build stronger relationships with communities, shows respect for cultural identity, builds trust, and fosters a sense of belonging in communities. • Helps normalise the everyday use of Welsh, contributing to more inclusive and connected communities. • Promotes social inclusion, and respects the rights of Welsh language speakers. • Helps strengthen cultural identity and social cohesion. • Operational standards encourage staff to use and learn Welsh, creating an inclusive work environment. • Welsh language provision helps retain people in their communities, supports local jobs, and addresses age imbalances. • Normalising Welsh in daily life can help people feel engaged which contributes to well-being. • It is important that Welsh language provision is available to support vulnerable groups (e.g. elderly, those with dementia). • Increases visibility of Welsh in the community. • Communicating in the tenants preferred language reduces risk of misunderstanding and complaints.
Environmental	10	<ul style="list-style-type: none"> • Language preservation contributes to the sustainability of rural Welsh-speaking communities, helping to maintain population levels and local services. • Encourages greater use of digital communication (websites, apps, intranet), reducing reliance on printed materials and lowering carbon footprint. • Embedding bilingualism from the start avoids duplication and reprinting costs.

		<ul style="list-style-type: none"> • Improved communication may support better engagement with environmental initiatives. • Supporting local companies, events and cultural initiatives in Welsh reduces the need for external services, lowering travel and carbon impact. • Using Welsh for place names and sustainability initiatives fosters local pride encouraging more environmentally conscious behaviours. • Communicating in Welsh builds trust, making it easier to engage communities on recycling, insulation, and energy efficiency.
Linguistic	15	<ul style="list-style-type: none"> • Shows commitment to Welsh language and supports Welsh Government's Cymraeg 2050 goal of reaching one million Welsh speakers by 2050. • Supports the preservation and growth of the Welsh language, normalising its use in public services and daily interactions. • Ensures that the language remains alive and relevant in everyday life, education, work and public services. • Contributes to the intergenerational transmission of the language. • Encourages more people to learn and use the language. • Creates opportunities for staff to learn and use Welsh, future-proofing organisations and improving service quality.
Other	10	<ul style="list-style-type: none"> • Bilingual services enhance communication, accessibility, and overall customer experience. • Meeting Welsh Language Standards ensures alignment with the Welsh Language (Wales) Measure 2011. • Compliance strengthens public confidence and reinforces organisational accountability. • Promotes Welsh language and culture, creating a sense of belonging and supporting community identity. • Positions bodies as inclusive and culturally aware, improving sector reputation and stakeholder relationships.

		<ul style="list-style-type: none"> • Provides a clear framework for bilingual service delivery, reduces risk of non-compliance, and supports continuous improvement through structured processes.
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8.3 17 bodies that will be subject to the Welsh Language Standards (No.10) Regulations 2026 provided information on the cost of their current Welsh Language Scheme and / or provided an estimate of the cost of complying with Welsh Language Standards.

9. Accuracy and Usefulness of Financial Data

9.1 Whilst the bodies who responded to the RIA data capture exercise have made an effort to assess the implications of the standards, we have some concerns around the reliability of the data received from bodies and whether it gives us basis to produce a robust and accurate RIA.

9.2 Most of the bodies that submitted RIAs were able to provide data in relation to the costs of delivering their current Welsh Language Scheme or Welsh language services although costs presented by one body may actually be future costs as opposed to current costs of complying with its Welsh Language Scheme. Providing accurate estimations for compliance with Welsh language standards has proved more challenging for bodies. Several RIAs noted that bodies expect increases in translation costs, ICT and / or staffing costs but some have failed to quantify those costs.

9.3 Where estimated costs have been provided, some bodies stressed the difficulties of providing accurate data when they did not know which of the draft standards they would be expected to comply with, and under which circumstances. We recognise the difficulty this presents in enabling bodies to accurately estimate costs. One body, for example, noted that it had provided estimated costs for complying with every single standard.

9.4 When duties have been imposed on bodies subject to previous Standards Regulations, the Commissioner has not imposed every standard within Regulations on any single body. The likelihood of this occurring without any conditions is small. If the Regulations are passed by the Senedd, further information will be collected from bodies when the Commissioner consults on draft compliance notices. Upon receiving a draft compliance notice, a body will have a far greater understating of the exact nature of the duties the Commissioner proposes to impose on them. It will therefore be in a better position to provide accurate costs. A fuller financial impact assessment will then be possible, and it would be considered by the Commissioner as part of her consideration of what duties are reasonable and proportionate to impose on the individual bodies.

9.5 Bodies have also interpreted the questions in different ways and presented their costs in varying ways. For example, some bodies have included all or most their estimated costs for complying with standards under one category

of standards. Some bodies appear to have misinterpreted some the standards (e.g. policy making). This has made it more difficult to assess the implications of the different category of standards within the Regulations.

9.6 One body has estimated costs of almost £2.5 million to ensure compliance with standards, with the highest costs presented for compliance with service delivery standards (£642,000) and operational standards (£1,792,000). The estimate of costs to ensure compliance with standards was significantly higher than costs provided by other bodies for these standards, and overall. The overall estimate included £976,000 system costs and £1,502,000 staff costs. The body recognises that there are already some costs being incurred to ensure compliance with their Welsh language scheme, however additional costs to ensure compliance with Welsh language standards is estimated to be over £2 million based on the costs presented. These estimates alone have not led us to believe that the standards are unreasonable as other bodies have suggested that they would be able to comply at a far lower cost. This is an example of where the Commissioner could seek further information and consider whether the standard is reasonable for a particular body, or whether a condition should be included in the compliance notice to ensure that the standard is imposed in a reasonable manner.

10. Options: Costs and benefits

10.1 This Regulatory Impact Assessment considers two options:

- **Option 1:** Do nothing – the bodies would continue to operate their existing Welsh Language Schemes under the Welsh Language Act 1993, if they have one.
- **Option 2:** Introduce Welsh Language Standards for the bodies subject to the Regulations.

10.2 The following analysis considers the costs and benefits associated with each of these options in turn.

Costs

Option 1: Do Nothing

10.3 There are no additional costs under this option. The bodies would not be required to comply with Welsh Language Standards but they would be expected to continue to deliver their existing Welsh Language Schemes. If a body does not have a Welsh Language Scheme then they will continue to operate without any commitments or duties with regards to their provision of Welsh language services.

10.4 Table 1 summarises the information received from bodies about the cost of complying with their existing Welsh Language Schemes or providing Welsh language services.

Table 1 – costs for delivering existing Welsh Language Schemes or Welsh language services (per annum). Total costs are in bold.

Name of body:	Compliance costs	Staffing costs
Adra (Tai) Cyfyngedig	£17,000 £12,000 – translation costs £5,000 – printing costs	£100,000
Anonymous	£9,000 – translation costs	Unable to provide.
Beacon Cymru Group Ltd	£0	£0
Bron Afon Community Housing Limited	£2,200 £2000 – Translation costs £200 – Training costs	£11,000
Cadarn Housing Group Limited	£5,000	£15,000
Cardiff Community Housing Association Limited	Nil	Nil
ClwydAlyn Housing Limited	£30,000	Variable
First Choice Housing Association Limited	Expect to be in excess of £40,000*	£40,000
Grŵp Cynefin	£28,000 – translation costs	£35,000
Hendre Limited	£37,000 £22,000 – translation costs £15,000 – printing costs	£100,000
Tai Hedyn Limited	£10,000 – translation costs	£18,000
Merthyr Tydfil Housing Association Limited	£5,000	£0
Pobl Group Limited**	£26,000 – translation costs	£58,000
Taff Housing Association Limited	£0	£1,000
Anonymous	£0	£0
Anonymous	£10,000 – translation costs	£0
Wales and West Housing Association	£24,000	£160,000

*response suggested that some costs presented may actually be future costs as opposed to current costs of complying with Welsh language scheme.

**now known as Codi Group Ltd, created through the merger of Linc Cymru and Pobl.

10.5 The main costs associated with delivering Welsh Language Schemes or current Welsh language services include translation, staff, training, communications, and printing.

10.6 The costs presented by bodies in relation to current Welsh Language Schemes or Welsh language services range from £0 to £184,000. 3 bodies reported that there were currently no costs associated with delivering their existing Welsh Language Schemes or Welsh language services. The reasons given were that one body does not operate a Welsh language scheme, another is focusing its efforts on preparing for Welsh language standards, and a third reported no formal requests for Welsh language services during the past year.

10.7 3 bodies presented costs in excess of £117,000. The majority of these costs are due to staff costs with all 3 bodies noting staff costs of £100,000 or higher.

10.8 The responses suggest that the level of Welsh language services provided at present, and the internal capacity within these bodies to deliver those services varies greatly. 7 bodies indicated that there are currently no staffing costs, or that it is difficult to quantify a cost. Several of the bodies also appear to rely on external translation services. We recognise that some bodies may not currently have sufficient arrangements in place to offer Welsh language services to the same level as required by standards. Complying with standards to cover the full range of services they provide to the public in Wales could therefore result in greater system and staffing costs. It is a matter for the Commissioner to decide whether to impose standards on a body or not, and then to decide which standards to include in the body's compliance notice. The Commissioner must consult with the bodies before issuing a final compliance notice and factors such as reasonability and proportionality of complying with standards must be considered at this stage.

Option 2: Introduce Welsh Language Standards for the bodies listed in the Regulations.

10.9 We consider that it is likely that there will be additional one-off and recurrent costs incurred by the bodies to comply with the standards.

10.10 Table 2 summarises the information received from bodies about the cost of complying Welsh Language Standards, per category of standard. Total costs are in bold.

Name of Body	Service Delivery Standards Costs	Policy Making Standards Costs	Operational Standards Costs	Record Keeping / Supplementary Standards Costs	Total Cost of compliance with Welsh Language Standards
Adra (Tai Cyfyngedig) (Adra)	No costs noted	No costs noted	No costs noted	No costs noted	Unclear
Anonymous	No costs noted	No costs noted	No costs noted	No costs noted	Unclear
Beacon Cymru Group Ltd (Beacon)	Upwards of £20,000 – system costs £60,000 – staff costs Total: Upwards of £80,000	£5,000 – system costs No staff costs noted Total: £5,000	No costs noted	No costs noted	Upwards of £25,000 – system costs £60,000 – staff costs Total: Upwards of £85,000
Bron Afon Community Housing Limited (Bron Afon)	No costs noted	No costs noted	No costs noted	No costs noted	Unclear
Cadarn Housing Group Limited (Cadarn)	£3,000 – system costs £10,000 – staff costs Total: £13,000	£1,000 – system costs £2,000 – staff costs Total: £3,000	£2,000 – system costs £5,000 – staff costs Total: £7,000	£1,000 – system costs £2,000 – staff costs Total: £3,000	£7,000 – system costs £19,000 – staff costs Total: £26,000
Cardiff Community Housing Association Limited (CCHA)	£62,000 – system costs £31,000 – staff costs Total: £93,000	No costs noted – costs included in operational costs	£32,000 – system costs £365,000 – staff costs Total: £397,000	£1,000 system costs No staff costs noted Total: £1,000	£95,000 – system costs £396,000 – staff costs Total: £491,000

Clwyd Alyn Housing Limited (ClwydAlyn)	£50,000 – system costs £110,000 – staff costs Total: £160,000	£3,000 – system costs £0 – staff costs Total: £3,000	£50,000 – system costs £200,000 – staff costs Total: £250,000	No costs noted	£103,000 – system costs £310,00 – staff costs Total: £413,000
First Choice Housing Association (FCHA)	£80,000 – system costs £45,000 – staff costs Total: £125,000	£49,000 – system costs £45,000 – staff costs Total: £94,000	No costs noted – included elsewhere	No costs noted – included elsewhere	£129,000 – system costs £90,000 – staff costs Total: £219,000
Grŵp Cynefin	Not applicable	Not applicable	Not applicable	Not applicable – system costs £5,000 – staff costs Total: £5,000	Not applicable – system costs £5,000 – staff costs Total: £5,000
Hendre Limited (Hafod)	£15,000 – system costs £100,000 – staff costs	No costs noted – included elsewhere	No costs noted – included elsewhere	No costs noted	£15,000 – system costs £100,000 – staff costs

	Total: £115,00				Total: £115,000
Tai Hedyn Limited (Hedyn)	£409,000 – system costs £26,000 – staff costs Total: £435,000	Not applicable £1,000 – staff costs Total: £1,000	£0 – system costs £121,000 – staff costs Total: £121,000	£16,000 – system costs £14,000 – staff costs Total: £30,000	£425,000 – system costs £162,000 – staff costs Total: £587,000
Merthyr Tydfil Housing Association (MTHA)	£30,000 – system costs No costs noted Total: £30,000	No costs noted	No costs noted £30,000 – staff costs Total: £30,000	No costs noted £5,00 – staff costs Total: £5,000	£30,000 – system costs £35,000 – staff costs Total: £65,000
Pobl Group (Pobl)	£526,000 – system costs £116,000 – staff costs Total: £642,000	No costs noted – included elsewhere No costs noted – included elsewhere	£417,000 – system costs £1,375,000 – staff costs Total: £1,792,000	£33,000 – system costs £11,000 – staff costs Total: £44,000	£976,000 – system costs £1,502,000 – staff costs Total: £2,478,000
Taff Housing Association Limited (Taff Housing)	£20,000 – system costs £20,000 – staff costs Total: £40,000	£10,000 – system costs £5,000 – staff costs Total: £15,000	£50,000 – system costs £20,000 – staff costs Total: £70,000	No costs noted No costs noted	£80,000 – system costs £45,000 – staff costs Total: £125,000

Anonymous	£105,000 – system costs £80,000 – staff costs Total: £185,000	No costs noted - included elsewhere	No costs noted – costs unknown No costs noted – costs unknown or included elsewhere	No costs noted – costs unknown No costs noted – costs unknown	£105,000 – system costs £80,000 – staff costs Total: £185,000
Anonymous	£201,000 – system costs £55,000 – staff costs Total: £256,000	No costs noted No costs noted	£31,000 – system costs £30,000 - staff costs Total: £61,000	No costs noted No costs noted	£232,000 – system costs £85,000 – staff costs Total: £317,000
Tai Wales and West	£8,000 – system costs £137,000 – staff costs Total: £145,000	£3,000 – system costs £8,000 – staff costs Total: £11,000	£469,000 – system costs £166,000 – staff costs Total: £635,000	£1,000 – system costs £30,000 – staff costs Total: £31,000	£481,000 – system costs £341,000 – staff costs Total: £822,000

Service delivery standards

- 10.11 16 of the 17 bodies that responded indicated that the Service Delivery Standards would likely have an impact on their resources; 1 body noted that these standards would not have an impact on their resources stating that they did not expect to incur any additional costs as they already provide all their services bilingually.
- 10.12 The aim of Welsh language standards is to build on commitments already made in Welsh Language Schemes. Apart from operational standards the majority of standards should not be entirely unfamiliar to the bodies named in these Regulations.
- 10.13 3 bodies did not present any costs. Of those bodies the following comments were made: one body noted that they already operate bilingually but noted concerns regarding potential additional costs related to courses and ensuring that apps are in Welsh; another body anticipates moderate to significant initial and ongoing costs for compliance with standards related to telephone services, apps, and online chat, as well as an increased workload. A third body noted potential additional ongoing translation and printing costs, particularly if customer language preferences are not captured, as well as costs for building translation into IT systems and staffing costs.
- 10.14 13 bodies presented costs of complying with the Service Delivery Standards. Estimated additional costs for complying with Service Delivery Standards were, on the whole, amongst the highest of the four categories of standards (service delivery; policy making; operational; record keeping and supplementary). Costs ranged from £13,000 to £642,000, with 3 bodies citing an estimated cost in excess of £250,000 to comply with this category of standards alone. This is despite the Service Delivery Standards being the category of standards that most closely resemble commitments made in Welsh Language Schemes. The range in costs is likely to reflect differences in the size and remit of the bodies involved, the level of Welsh language services currently provided as well as possible differences in the interpretation of the questions in the questionnaire.
- 10.15 Several of the bodies which provided information foresaw the need for additional investment in translation, IT, and staff in order to comply with standards. Most bodies anticipate both system and staff costs (both one-off and ongoing). Some system costs are expected to be one-off or transitional (e.g. IT upgrades, translation of templates, bilingual functionality for portals), while ongoing costs are predominantly related to translation (e.g. simultaneous translation for events and public meetings, bespoke correspondence) and staff costs (e.g. additional time from current staff and recruiting additional staff such as a bilingual customer service agents, and translators to assist with compliance). Some bodies noted that it is difficult to estimate future costs because they do not yet know which specific standards will apply or under what

circumstances. One body also referenced intranet in its response, which would not be relevant to this category of standards.

10.16 5 bodies set out a breakdown of staff costs (ongoing) and translation costs (transitional and ongoing). These included costs for translation of documents, policies and letters; simultaneous / consecutive translation for public meetings & events; social media posts, production of bilingual videos; signage & stationery as well as bilingual website design. Not all of the 5 bodies presented costs for all of these activities. Common costs across the 5 responses included translation costs for documents, correspondence, and policies ranging from £10,000 to £75,000; simultaneous or consecutive translation for public meetings and events (£5,000 to £67,000), and costs for signage and stationery (£5,000 to £40,000). The largest estimated costs are for translating planning applications (£270,000 to £325,000), explaining the high costs from 2 bodies. Under the standards, Welsh language signage will only be required when erecting new or revising signs, therefore the cost of signage would be spread over many years and would only be a requirement when signs need to be renewed. Additionally, the corporate identity standard has been divided into two separate standards in the Regulations to recognise that some bodies do not currently have a Welsh language corporate identity. Instead, they will be required to incorporate Welsh language identity when creating or revising their corporate identity.

10.17 We recognise that every body's circumstance is different, and that there may be varied cost implications depending on the nature of the bodies. We also acknowledge that some bodies may have higher one-off costs initially if there are less Welsh language provisions in place. The Regulations have been drafted with the intention to ensure that there is flexibility for the Commissioner to impose standards that she believes are reasonable and proportionate for a particular body. We expect that the Commissioner when consulting with bodies will seek further information to establish whether a standard is reasonable for a particular body, or whether a circumstance should be included in the compliance notice to ensure that the standard is imposed in a reasonable manner. By then, bodies will be clearer on what standards are likely to be imposed on them. This will enable bodies to provide a fuller and more detailed financial impact assessment as part of any consultation by the Commissioner.

Policy making standards

10.18 16 of the 17 bodies that responded indicated that the Policy Making Standards would likely have an impact on their resources; 1 body noted that these standards would likely not have an impact on their resources; they did not provide any costs or comments to support their response.

10.19 Another 5 bodies did not present any specific costs and 4 bodies referred to their response to costs for another category of standards. 2

bodies noted that costs would depend on the final standards and that additional staff time could create costs and take up considerable staff time due to the number of policies. One body also stated that staff would need to dedicate more time to conduct Impact Assessments. Another body does not anticipate that these standards will require any 'system' investment, but noted that this was still unknown. 4 bodies that did not present costs referred to initial translation of policies and templates, whilst another body considered that information sessions for 396 staff would be needed to ensure understanding.

- 10.20 Overall, bodies that presented costs estimated costs to be between £1,000 - £15,000 (staff and system costs). One body has estimated costs of £94,000 (staff and system costs), which is considerably higher than other bodies. They did not provide any comment to support their costings.
- 10.21 4 bodies that presented costs noted that their costs related to the translation of policies. One body considered this would be an ongoing cost with another noting system costs but unable to estimate staff costs. One body considered that there would be an increase and future ongoing costs to reflect current review together with increased practices and associated resources to give conscientious consideration. Another body noted only staff costs associated with completing Welsh Language Impact Assessments.
- 10.22 Complying with policy making standards should in their own right not result in a body having to translate policies into Welsh. The duties brought about by those standards relate to considering the effect of a policy on the Welsh language, rather than the language of the policy document itself.
- 10.23 Policy making standards, if applied to a body, would require a body to consider the effect of the body's own policies on the Welsh language. This could include a policy relating to a service provided to service users or a policy relating to staff. For example, a policy relating to contracts of services or staff training would be required to consider the effects on the Welsh language.
- 10.24 The Commissioner has the flexibility to decide whether to impose standards on a body or not, and then to decide which standards to include in a body's compliance notice. The Commissioner can impose a standard in certain circumstances but not in others. The Commissioner must consult with the bodies before issuing final compliance notices and must consider whether it would be reasonable and proportionate to impose policy making standards.

Operational standards

- 10.25 15 of the 17 bodies that responded indicated that the Operational Standards would likely have an impact on their resources; 1 body noted

that these standards would not have an impact on their resources as they already comply with the proposed standards. One other body did not note whether there would be a likely impact on resources but did present system and staff costs in their response.

- 10.26 7 bodies did not present any specific costs. One body noted that the cost of providing bilingual training/education for some specialist courses may be significant, but was unable to give a specific amount until there was greater clarity around staff education and training. Another body noted that cost impact is likely to be moderate, and anticipates that there will be a need to update and improve current systems (e.g. intranet and online job application portal) which will lead to increased costs. However, it noted that this would depend on the exact standards imposed on it.
- 10.27 One body noted that Microsoft 365 is available in Welsh but other software, such as a maintenance management product, cannot be provided in Welsh and so it could not associate a system cost. Other products, such as its housing management system, can be used in Welsh with translation software but it was unsure if this kind of automatic translation would be acceptable under the standards, or what the associated costs would be. It also identified staff costs associated with a project for implementing Welsh provision.
- 10.28 One body struggled to provide costs but noted that system costs are likely to be significant with staff costs related to courses relating to the implementation of operational standards.
- 10.29 3 bodies referred to their response to costs for other standards. Two of those bodies noted that these standards would likely have an impact on staff costs, with one suggesting additional costs for salary uplifts for existing Welsh speaking staff to act as translators/proof readers. The same body also considered that there would be a likely impact on service delivery to tenants without additional funding. The third body did not provide any further comments.
- 10.30 9 bodies presented costs. Estimated additional costs for complying with operational standards were, along with service delivery standards, amongst the highest of the four categories of standards (service delivery; policy making; operational; record keeping). This could be attributed in part to the introduction of operational standards, which focuses on the internal use of Welsh within the body. Similar commitments do not typically form part of Welsh Language Schemes therefore initial costs to comply with these new standards are to be expected.
- 10.31 Costs presented ranged from £7,000 to over £1.7 million. One body noted that costs, which may be transitional, relate to staff training and updating operational procedures. Another body considers that the most efficient way to meet the standards would be to employ Welsh speakers which would incur staff cost as well as opportunity costs for staff training. It also noted additional costs to modify or procure systems that can

ensure compliance with the proposed standards. While the maximum cost estimate is an outlier (it is over £1million higher than the next highest cost estimate), there were other bodies that identified a significant compliance cost. 6 of the 9 bodies that presented costs, estimated costs of £250,000 or below.

- 10.32 Several bodies that presented costs highlighted ongoing and transitional costs related to staff training, recruitment, and IT system upgrades to meet Welsh Language Standards. Costs noted include salary uplifts for Welsh-speaking staff acting as translators or proofreaders, backfilling or overtime to cover staff training, and procurement of bilingual HR or learning systems. Translation costs were also a recurring theme, covering documents, policies, courses, and communications, alongside additional workload for HR, Learning & Development, and Technology teams. Ongoing training to upskill staff and support compliance was noted by several bodies.
- 10.33 One body estimated a cost of £60,000 for developing a bilingual intranet, with additional translation costs year-on-year. Another body projected significant resource allocation, estimating 25% of HR and related staff time at an ongoing cost of £1.29 million. One organisation requested clarity on whether standards would apply to platforms such as Sell to Wales or planning information, while another anticipated costs for recruiting a bilingual learning and development officer.

Record keeping and Supplementary standards

- 10.34 5 of the 17 bodies that responded considered that there would be no likely impact on resources due to having to comply with record keeping or standards dealing with supplementary matters. Only one of these provided comments to support its response stating that it does not anticipate any major additional cost as long as complaints about Welsh standards can be incorporated into its normal complaints process.
- 10.35 2 bodies noted that costs were unknown at present. One body hoped that neither the record keeping or supplementary standards would require any 'system' investment but noted that it anticipates the need to update and improve current systems which will increase costs, and additional workload. One body questioned whether there is scope to look at how monitoring could be linked in with existing regulatory reporting.
- 10.36 One body noted that costs were included under other standards. One body noted a likely impact but did not present any costs or comments in relation to these standards. Another body identified ongoing staff (i.e. assurance team) and compliance and monitoring costs (i.e. reporting tools, survey and audit) but was unable to quantify those costs.
- 10.37 8 bodies presented costs, ranging from between £0 to £44,000. 5 of those 8 bodies noted costs of £5,000 or under. 3 bodies stated that these additional costs would relate to staff time, for example, to monitor

and oversee compliance. Another body also expects that some record keeping systems will need to be updated.

- 10.38 3 of the 8 bodies presented costs between £30,000 and £44,000. One of these bodies anticipates that 10% of the assurance team staff time will be required as an ongoing cost as well as £32,000 ongoing costs for reporting tools, surveys and audit and £1,000 ongoing cost for external audit or consultant. Another body's costs are linked to an expected increase in resources to evaluate, support and monitor compliance. The third body noted ongoing colleagues costs of £15,000 for oversight and £1,000 ongoing compliance and monitoring costs for reporting tools, and additional survey questions. In addition, it noted transitional compliance and monitoring costs for a potential future audit (£9,000) and consultant support (£5,000).

Additional Costs

- 10.39 6 of the 17 bodies did not provide any comments in relation to additional costs.
- 10.40 6 bodies provided a summary of current costs and / or cost of compliance with standards:

Name of RSL	Current costs	Cost of compliance with standards
Pobl	£84,000	£2,478,000 – Total £220,00 – transitional costs £2,258,000 – ongoing costs
Hedyn	£28,000	£587,000 – Total £10,000 – transitional costs £577,00 – ongoing costs
FCHA	-	£125,000
Grŵp Cynefin	-	£1,000 - ongoing
MTHA	£5,000 per annum	£65,000
Cadarn	-	£13,000 - Total £8,000 – transitional costs £5,000 – ongoing costs

- 10.41 One body's costs relate to time and cost of Welsh language training whilst another body's transitional costs relate to initial system upgrades and staff training with expected ongoing costs for maintaining bilingual services.
- 10.42 One body noted that costs presented were estimates (without providing a summary) and that they were based on a review that all standards were to be applied immediately.
- 10.43 4 other bodies did not provide a summary of the costs; instead, they only provided comments. One body noted that it is in the process of replacing its housing management system and building a new CRM system with costs expected to be significant. Costs to ensure the system is bilingual were not included in the RIA.
- 10.44 Another body considers that the associated cost would be disproportionate to current awareness of demand for services or correspondence through the medium of Welsh, stating that the proactive approach to Welsh language services would be cost prohibitive and favouring an 'as requested' approach.
- 10.45 One body anticipates improvements to existing processes and systems, resulting in additional costs and increased time commitments. It also foresees a rise in workload across a number of service areas, but is unclear of the exact scale at present suggesting that existing budgetary constraints may necessitate further resource allocation or investment. The body also noted that there may be a further cost impact if the standards are applied to subsidiaries.
- 10.46 One body noted that it did not anticipate substantial costs (particularly at the beginning of implementation) but that it was difficult to identify any additional costs until they start to implement the standards in practice.
- 10.47 In addition to the compliance costs incurred by the bodies, there are also likely to be costs incurred by the Commissioner and the Welsh Language Tribunal for monitoring and enforcing compliance with the standards.
- 10.48 In addition to the above costs, bodies and the Commissioner would need to allocate resources if they are involved in a case which has been referred to the Tribunal. If a body made an appeal to the Tribunal it would have to allocate resources into that process. This is likely to be staff resources working in the bodies' standards compliance field, as well as legal expertise. During 2024-25 the Tribunal received 3 applications; there were no applications from bodies wishing to appeal against decisions made by the Commissioner in her compliance notice to them.

Community Housing Cymru

10.49 The Regulations also make an amendment to The Welsh Language Standards (No. 2) Regulations 2016 by adding Community Housing Cymru to Schedule 6 to the Measure and then to the No.2 Regulations.

10.50 Community Housing Cymru were invited to provide information to help inform this Regulatory Impact Assessment but did not submit a response. As a result, the likely financial impact of the Regulations on Community Housing Cymru is unknown at this stage. The Commissioner must consult with bodies before issuing a final compliance notice and factors such as reasonability and proportionality of complying with standards must be considered at this stage.

Benefits

Option 1: Do Nothing

10.51 This is the baseline option and there are no additional benefits associated with this option. This option would maintain the status quo where Welsh Language Schemes are complied with (where bodies have a scheme). The Commissioner would continue with the work of monitoring compliance with schemes. Where a body does not have a Welsh Language Scheme then they will continue to operate without any commitments or duties with regards to their provision of Welsh language services.

Option 2: Introduce Welsh Language Standards

10.52 The aims of the standards are outlined in paragraph 4.4, above. At this stage (and until the Commissioner issues a body with a compliance notice), it is only possible to outline the expected benefits of the standards in general terms as it is not known what standards each body would be expected to comply with.

10.53 Placing bodies subject to the Regulations under the standards system will either move them from the Welsh Language Scheme system, which came into force under the 1993 Welsh Language Act, to the standards system brought about by the Welsh Language (Wales) Measure 2011 or help formalise and build on arrangements already in place to ensure that Welsh language services are available. It will also ensure that these bodies are under the same regulatory system as bodies already included in existing standards regulations.

10.54 The standards will make clear what the bodies need to do in terms of the Welsh language, so that people will know what to expect with regards to Welsh language services. This clarity, both for the public and the bodies, will help ensure that the standards can be effectively enforced and should ensure that bodies are clear as to what level of service they need

to provide in Welsh. The Commissioner can only impose standards that are reasonable and proportionate for each individual body.

10.55 The Commissioner has no enforcement powers under the Welsh Language Act 1993; only under the Welsh Language Measure. The enforcement regime provided for under the standards system allows for a more effective means of dealing with alleged non-compliance to ensure the best outcomes for service users. The Commissioner has recently introduced a co-regulation approach that involves working more closely and proactively with bodies to ensure compliance with Welsh language standards.

10.56 The Commissioner has to date imposed Welsh language standards on over 130 bodies. The Commissioner also commissions an annual survey of Welsh speakers. The results of the latest annual survey as reported in her Annual Report 2024-25 showed that:

- 79% of respondents felt that they could usually deal with public bodies in Welsh if they wish to do so,
- 75% of respondents were of the opinion that the Welsh language services provided by public bodies were improving (increase of 1% from 2023-24 report).
- 75% of respondents considered that public bodies asked them in which language they would like to deal with them.
- 70% of respondents agreed that they were more likely to use Welsh language services if organisations make it clear that they are available (increase of 5% from 2023-24 report).

11. Conclusion

11.1 The current uncertainty surrounding which of the standards bodies will need to comply with, and under what circumstances, means that it is not possible to produce a robust assessment of the costs and benefits associated with the Regulations at this stage.

11.2 The Commissioner must consult with the bodies before issuing final compliance notices and factors such as reasonability and proportionality of individual standards will be considered at this stage. As part of this process, bodies could present an assessment of the relative costs and benefits associated with the standards. This could be considered by the Commissioner as part of the process of coming to a decision on whether the standards are reasonable and proportionate.

12. Duties

Well-Being of Future Generations (Wales) Act 2015

12.1 The Regulations supports the Welsh Governments well-being goals and principles, especially a *Wales of Vibrant Culture and Thriving Welsh language - protects culture, heritage and the Welsh language*. The Welsh Government has a duty to promote and facilitate the use of Welsh and

work towards the well-being goals. The Regulations will facilitate the use of Welsh when people deal with the bodies named in the Regulations.

UN Convention on the Rights of the Child

12.2 The Welsh Government's Children's Rights Scheme has been considered, and it was concluded that these Regulations do not impact upon the rights of children and young people.

Welsh language

12.3 A Welsh language impact assessment has been undertaken and concluded that these Regulations would have a positive impact on people's opportunities to use the Welsh language, and will not result in the Welsh language being treated less favourably than English.

Equalities

12.4 An Equality Impact Assessment has been undertaken for the Regulations. They do not raise any issues with regard to equality and human rights. There are no negative impact on people in protected groups. The Regulations will allow Welsh speakers to receive Welsh language services from these bodies, and those services will be available to all service users irrespective of whether they are in protected groups.

13. Competition Assessment

13.1 The making of the Regulations is not expected to impact on the competitiveness of businesses, charities or the voluntary sector.

14. Post-implementation review

14.1 The Measure provides opportunities for the Commissioner to bring the suitability of the standards specified in the Regulations to the Welsh Ministers' attention. The Commissioner may make recommendations or provide advice to the Welsh Ministers (Section 4 of the Measure) which could directly recommend amending the Regulations. Advice given by the Commissioner could also lead to the Welsh Ministers determining that it would be appropriate to review the standards. The Welsh Ministers must have due regard to any written recommendations or advice that the Commissioner makes or gives when exercising the function to which the recommendation or advice relates.

14.2 Section 18 of the Measure requires the Commissioner to produce an annual report which must include a review of issues relevant to the Welsh language (among other matters) and could also include any other matters the Commissioner think it is appropriate to include.

14.3 The Commissioner also has the power to undertake Standards Investigations (sections 61 and 62 of the Measure) which can consider

which standards should be, or should continue to be, specifically applicable to a person, whether or not the standards are already specified by the Welsh Ministers. After a Standards Investigation the Commissioner must produce a Standards Report, a copy of which must be provided to the Welsh Ministers. The Welsh Ministers must have due regard to such report in accordance with section 66 of the Measure.

- 14.4 Subject to their compliance notices, bodies will publish Annual Reports, which deal with how they have complied with the standards imposed on them. These Annual Reports could also raise issues regarding the suitability of the standards specified.