

DRAFT REGULATORY IMPACT ASSESSMENT (RIA)

Purpose of RIA:

The Child Minding and Day Care Exceptions (Wales) Order 2010 ('the 2010 Exceptions 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 is not required.

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

Eight proposals are being considered in this RIA; only two options have been presented for each proposal. This is due to extensive engagement work having been undertaken prior to formal consultation. This engagement aimed to discuss options and identify a favourable option that meets the requirements of a wide range of stakeholders.

This RIA outlines the articles from the 2010 Exceptions Order which we propose to change, identifying the costs, benefits and risks of maintaining each article as presented in the 2010 Exceptions Order (Option 1).

This RIA then outlines the proposed changes reflected in the 2026 draft Exceptions Order, identifying the costs, benefits and risks of changing the exception (Option 2).

Limitations of RIA:

Option 2 of each proposal will impact upon some currently unregistered childcare, playwork and activity sectors. Little is known about the size and breadth of this part of the sectors, and their current practises and operation. It is evident that there will be considerable variation amongst the providers, both in terms of their provision and any changes they would be required to make if they were to become registered. Additionally, due to lack of knowledge of these providers, there is limited knowledge regarding how they will respond to proposals and the impact this may have on Care Inspectorate Wales (CIW). As a result, the impact of these proposals is difficult to estimate.

PROPOSAL 1

Article 3: A person does not act as child minder where the care provider is by a parent, foster parent, or relative of the child.

Option 1: Do nothing

This option reflects the current position. Under this option, the wording would remain.

Cost:

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

Benefits:

There are no identified benefits for any stakeholders with this option.

Risks:

At present, there is some disparity between the article and practice guidance by the Childcare Offer for Wales and Care Inspectorate Wales. This leads 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 or able to register as a child minder in order to care for a relative who lives in the same domestic premises and the child minding takes place at the child's home.

Option 2: Amend wording 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 amended to stipulate 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 that all of the following conditions are met:

- They are not the child's parents and do not have parental responsibility,
- 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:

There are no identified costs for any stakeholders with this option.

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).

Benefits:

Through rewording 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 Care Inspectorate Wales 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 in order to care for a relative or child they reside with.

Risks:

There are no identified risks for any stakeholders with this option.

Conclusion

Based on the appraisal of the costs, benefits and risks of both options, option 2 is the preferred option.

PROPOSAL 2

Article 6: A person does not act as a childminder where the care is provided only between 6pm on any one day and finishes by 2am the following day.

Article 13: A person does not provide day care where the care only takes place between the hours of 6pm and 2am, is provided at a hotel, guest house, or other similar establishment for a child staying there and the person providing the care does so for no more than two different clients at the same time.

Article 5: A person does not act as a childminder where care is provided by a person employed directly by the parents of up to two families (such as a nanny or au pair) and the care is provided in the home of either of the families.

Option 1: Do nothing

This option reflects the current position. Under this option, the articles would remain unchanged.

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 these exceptions. This allows parents to exercise their parental choice and make flexible arrangements that would suit their family.

Risks:

Through maintaining these three articles for providers who care for children in their own or another family home, hotel, guest house or similar establishment, the exceptions for these providers lack simplicity and are open to varying interpretation. The terms of exceptions are different for those employed as nannies and au pairs and those whose services are engaged as a babysitter. The time caveat may limit parents' ability to employ someone to care for their child beyond 6pm-2am for babysitting which may restrict their childcare options.

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 a maximum of 2 families 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 2 families 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 eligible to join the Approval of Home Childcare Providers (Wales) Scheme 2021. The current cost of this is £55. However, joining the scheme is voluntary and thus the cost is payable by choice. While there would be a cost to Care Inspectorate Wales to administer any new applications, the fee would at least partially offset the administrative cost but the applications are expected to be minimal in any case.

Benefits:

Clarity and simplicity will be obtained through creating parity for nannies, au pairs and babysitters in terms of number of families, location of the care, and stipulating the arrangements are to be made between parents and provider. This will remove the opportunity for confusion when parents are wishing to use flexible arrangements for care. This will also remove any time restrictions for babysitting which enables parents more flexibility and better meets the childcare needs of a changing society. Through using a provider who is on the Providers on the Approval of Home Childcare Providers (Wales) Scheme, eligible families may be able to use Universal Credit Childcare or Tax-Free Childcare to help cover the cost of the care. As more providers would become eligible for the approval scheme, more parents would have access to this financial support.

Risks:

There are no identified risks to option two.

Conclusion

Based on the appraisal of the costs, benefits and risks of both options, option 2 is the preferred option.

PROPOSAL 3

Article 16: A person does not provide child minding or day care if the person solely provides a youth service for young persons who have attained the age of eleven and any care provided is incidental to the provision of that youth service.

Option 1: Do nothing

This option reflects the current position. Under this option, the article would remain unchanged.

Cost:

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

Benefits:

There are no identified benefits for any stakeholders with this option.

Risks:

Providers of youth services cannot offer transitional youth services to 10-year-olds under this option. They are thus 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 be made to exempt a youth service providing transitional youth services for children aged from 10.

Cost:

There are no identified costs to option two. Youth services are free to attend or 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 adhere to 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 be introduced to transitional youth services available to them.

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

Based on the appraisal of the costs, benefits and risks of both options, option 2 is the preferred option.

PROPOSAL 4

Article 14: 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.

Option 1: Do nothing

This option reflects the current position. Under this option, the article would remain unchanged.

Cost:

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

Benefits:

Schools would continue to be able 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 2 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 is 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 3 or older.

Under this option, the exception would be amended to allow it to apply only where children attending the school for educational provision are aged 3 or older. Any schools that wish to offer provision to children aged 2 or under would be required to register that part of their school as a day care provider.

Cost:

Under this option, if providers wished to continue to offer provision to children aged 2 or under, they would be required to register with Care Inspectorate Wales as a day care provider.

Costs to providers

In order to meet the requirements set out in [the Child Minding and Day Care \(Wales\) Regulations 2010](#) and [National Minimum Standards for Regulated Childcare](#), providers may need to amend elements of their provision. The amendments 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.

Figures relating to the possible costs of an unregistered provider becoming registered have been provided by Coram Pacey, Clybiau Plant Cymru and Early Years Wales. This information is presented in Annex 1.

If a setting is already running in line with the Child Minding and Day Care (Wales) Regulations 2010 and National Minimum Standards for Regulated Childcare, the only costs they may incur is to procure a medical reference at a cost of £50 and a DBS certificate for £65 if they do not have one dated within the last 3 months or subscribe to the update service. In contrast, the figures suggest that a provider who is required to make significant amendments to their provision in order to meet the 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.

Costs to Care Inspectorate Wales

There would be an administration cost to Care Inspectorate Wales of approximately £3,100 for each provider who registers, with an ongoing administration cost of approximately £1,100 per provider, per annum.

Benefits:

Schools offering provision to children aged 2 and under would be required to register with Care Inspectorate Wales 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 Care Inspectorate Wales and providers would be required to meet standards that would ensure the provision is suitable.

Risks:

There are 5 independent schools currently offering formal education to children younger than the age of 3. The risk of this option is that they may remove this provision and provide education to children only from age 3 and above. This would reduce choice for parents who wish their child to attend these settings.

Conclusion

Based on the appraisal of the costs, benefits and risks of both options, option 2 is the preferred option.

PROPOSAL 5

Article 15: A person does not provide day care where the carer is providing coaching or tuition in no more than two of the following activity categories:

- o Sport***
- o Performing arts***
- o Arts and crafts***
- o School study or homework support***
- o Religious or cultural study***

Option 1: Do nothing

This option reflects the current position. Under this option, the article would remain unchanged.

Cost:

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

Benefits:

Providers of coaching and tuition would continue to be able to offer activities from up to two different activity types. This maintains choice and opportunities for children to develop their skills.

Risks:

There is limited distinction between what is offered by registered and unregistered providers. This creates disparity in the sector in terms of the standards that similar providers are expected to meet. The current activity types lack clarity, which leads to confusion and/or loopholes. They do not clearly reflect the provision that currently exists in the sector.

Option 2: Amend to exempt provision if coaching or tuition is delivered in one activity type only. Amend the categories of activities.

Under this option, the exception would be amended to allow it to apply only where providers offer coaching and tuition in one type of activity. The list of activity types will also be amended.

Cost:

Under this option, if providers wish to continue to offer two types of activities, they would be required to register with Care Inspectorate Wales as a day care provider.

Costs to providers

In order to meet the requirements set out in [the Child Minding and Day Care \(Wales\) Regulations 2010](#) and [National Minimum Standards for Regulated Childcare](#), providers may need to amend elements of their provision. The amendments 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.

Figures relating to the possible costs of an unregistered provider becoming registered have been provided by Coram Pacey, Clybiau Plant Cymru and Early Years Wales. This information is presented in Annex 1.

If a setting is already running in line with the Child Minding and Day Care (Wales) Regulations 2010 and National Minimum Standards for Regulated Childcare, the only costs they may incur is to procure a medical reference at a cost of £50 and a DBS certificate for £65 if they do not have one dated within the last 3 months or subscribe to the update service. In contrast, the figures suggest that a provider who is required to make significant amendments to their provision in order to meet the 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.

Costs to Care Inspectorate Wales

There would be an administration cost to Care Inspectorate Wales of approximately £3,100 for each provider who registers, with an ongoing administration cost of approximately £1,100 per provider, per annum.

Benefits:

There will be clearer distinction between what is offered by coaching and tuition providers and day care providers. Exempt providers of coaching and tuition will be more distinct in their offering as they will only offer one type of activity, thus creating the clearer specialism of coaching and tuition that the article seeks to exempt. The amendment will still retain choice and opportunities for children to develop their skills. The amendment of activity types will more clearly reflect the provision that currently exists. The education category will align with the Curriculum for Wales themes and thus will create greater understanding of what falls within this exception.

Risks:

Providers currently offering activities from more than one activity type may choose to no longer operate their provision. This could reduce choice for children and their parents who wish their child to attend these settings. There may be fewer opportunities for children to engage in a range of activities at a single location or session.

Conclusion

Based on the appraisal of the costs, benefits and risks of both options, option 2 is the preferred option.

PROPOSAL 6

Article 15: A person does not provide day care where the carer is providing coaching or tuition.... This exclusion does not apply where the children are below the age of 5 and attend for more than four hours a day.

Option 1: Do nothing

This option reflects the current position. Under this option, the article would remain unchanged.

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 5 for up to four hours a day. This provides opportunities for parents to use these services to work and for children to immerse themselves in the activities.

Risks:

Stakeholder engagement indicated that it is considered unlikely children aged 4 or under can focus on a coaching or tuition activity for up to 4 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 so that children aged 4 and under may attend for a maximum of two hours per day, unless accompanied by their parent or legal guardian in which case the time restriction does not apply.

Under this option, if a child aged 4 or under attends a coaching or tuition provision without their parent or carer for more than 2 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 4 and under can only attend up to 2 hours per day unless their parent is with them. This rule would not apply to children aged 5 and over, who can attend for an unspecified period of time. It 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 4 and under for a period greater than two hours per day without a parent present, they would be required to register with Care Inspectorate Wales as a day care provider.

Costs to providers

In order to meet the requirements set out in [the Child Minding and Day Care \(Wales\) Regulations 2010](#) and [National Minimum Standards for Regulated Childcare](#), providers may need to amend elements of their provision. The amendments 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.

Figures relating to the possible costs of an unregistered provider becoming registered have been provided by Coram Pacey, Clybiau Plant Cymru and Early Years Wales. This information is presented in Annex 1.

If a setting is already running in line with the Child Minding and Day Care (Wales) Regulations 2010 and National Minimum Standards for Regulated Childcare, the only costs they may incur is to procure a medical reference at a cost of £50 and a DBS certificate for £65 if they do not have one dated within the last 3 months or subscribe to the update service. In contrast, the figures suggest that a provider who is required to make significant amendments to their provision in order to meet the 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.

Costs to Care Inspectorate Wales

There would be an administration cost to Care Inspectorate Wales of approximately £3,100 for each provider who registers, with an ongoing administration cost of approximately £1,100 per provider, per annum.

Benefits:

The reduction of the length of time that children aged 4 and under can attend coaching and tuition without their parent or guardian recognises their stages 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 maintaining but amending the exception, parents will still have access to opportunities for their children to attend activities without them present, albeit for a shorter length of time.

Risks:

Some providers who currently offer coaching and tuition to children aged 4 and under 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

would reduce opportunities for children aged 4 and under to engage in coaching and tuition.

Conclusion

Based on the appraisal of the costs, benefits and risks of both options, option 2 is the preferred option.

PROPOSAL 7

Articles 4 and 10: A person does not act as a child minder or provide day care if the total period of care in any one day does not exceed two hours.

Option 1: Do nothing

This option reflects the current position. It does not consider the use of the exceptions by providers who have had their registration suspended by Care Inspectorate Wales, through their 'Securing Improvement and Enforcement' process. Under this option, providers who have been suspended from registration would be permitted to amend their provision to operate under the exceptions during the period of their suspension.

Cost:

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

Benefits:

There are no identified benefits for any stakeholders with this option.

Risks:

Care Inspectorate Wales can suspend a provider's registration when there are safeguarding concerns and when they have reasonable cause to believe that the provision of care could expose children to the risk of harm. Through maintaining the exceptions without restrictions, suspended providers would be able to amend their provision and continue to operate under the exceptions during the period of their suspension. This could potentially place children at risk.

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

Under this option, if a registered provider is suspended through the Care Inspectorate Wales' 'Securing Improvement and Enforcement' process, they would not be able to operate under these exceptions during the period of their suspension.

Cost:

Under this option, providers who are 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 the time costs of this.

Benefits:

Children will more safeguarded where providers have been suspended by enforcement. Suspended providers will not be able to continue to operate under the exceptions and therefore offer potentially unsafe care to children.

Risks:

There are no identified risks to this option.

Conclusion

Based on the appraisal of the costs, benefits and risks of both options, option 2 is the preferred option.

PROPOSAL 8 (not included in the 2026 draft Exceptions Order)

Articles 4 and 10: A person does not act as a child minder or provide day care if the total period of care in any one day 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.

Article 15: A person does not provide day care where the carer is providing coaching or tuition. This exclusion does not apply where the children are below the age of 5 and attend for more than four hours a day.

Option 1: Do nothing**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 5. 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 2 and under have greater care needs than older children. Some stakeholders have concerns that there is no quality assurance that these needs are being met in settings where these exceptions are used.

Option 2: Amend the exceptions relating to 2 hours, 5 days and coaching and tuition to exempt provision only where children attending are all aged 3 and above

Under this option, the exemptions relating to 2 hours, 5 days and coaching and tuition will be amended so that they would not apply where the provider cares for children aged 2 and under and a parent is not present. There is additional consideration being given to whether parents remaining on premises should influence whether a provider should be required to register in these circumstances.

This proposal is in addition to the proposals 5 and 6. Although these proposals are not featured in the 2026 Draft Exceptions Order, the Welsh Government would like to seek the public's view in relation to these possible changes.

If there is support for the proposal that child minding and day care for children aged 2 and under, even for less than 2 hours, should require registration, this will be considered alongside the proposal that the coaching and tuition exemption should not apply when children aged 4 or under attend for more than 2 hours in a day.

If both proposals are adopted, coaching and tuition providers would need to register if they care for children aged 2 and under, while children aged 3 and 4 could attend such provision for up to 2 hours without a parent. The interplay of responses will be analysed carefully.

Cost:

Under this option, if providers wish to continue to care for children aged 2 and under without a parent present, they would be required to register with Care Inspectorate Wales as a day care provider.

Costs to providers

In order to meet the requirements set out in [the Child Minding and Day Care \(Wales\) Regulations 2010](#) and [National Minimum Standards for Regulated Childcare](#), providers may need to amend elements of their provision. The amendments 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.

Figures relating to the possible costs of an unregistered provider becoming registered have been provided by Coram Pacey, Clybiau Plant Cymru and Early Years Wales. This information is presented in Annex 1.

If a setting is already running in line with the Child Minding and Day Care (Wales) Regulations 2010 and National Minimum Standards for Regulated Childcare, the only costs they may incur is to procure a medical reference at a cost of £50 and a DBS certificate for £65 if they do not have one dated within the last 3 months or subscribe to the update service. In contrast, the figures suggest that a provider who is required to make significant amendments to their provision in order to meet the 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.

Costs to Care Inspectorate Wales

There would be an administration cost to Care Inspectorate Wales of approximately £3,100 for each provider who registers, with an ongoing administration cost of approximately £1,100 per provider, per annum.

Benefits:

Removing the option for children aged 2 and under to attend unregistered provisions without a parent present, 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. Requiring childcare settings for children aged 2 and under to become registered could possibly lead to them operating for longer service durations as they would no longer be limited to 2 hours or 5 days. Registration may enable providers to deliver funded programs such as the Childcare Offer for Wales and Flying Start, and may enable eligible families to claim Tax-Free Childcare or Universal Credit Childcare, depending on operational hours.

Risks:

Through making the exceptions not applicable where children aged 2 and under attend without a parent, there may be a reduction in the amount of provision available. Providers offering this care may not wish to take on the burden of registration and may thus close their provision. An additional risk is that they may remain open but amend their service to only provide for children aged 3 years old and above. This could reduce options for children aged 2 and under, limiting social and developmental opportunities and impacting on child and family well-being. Additionally, the opportunity for new settings to use these exceptions to market test their service before proceeding to set up a registered provision, or while their application is being processed, will be removed. This may also lead to a reduction in provision as providers may decide not to take the risk of opening a setting as they have not been able to ascertain whether it is sustainable in the market. A further risk is that the increased operating costs associated with running a registered setting may result in providers passing these costs onto families, thus making them less affordable and accessible.

Conclusion

Based on the appraisal of the costs, benefits and risks of both options, at this stage the Welsh Government does not have a preferred option. The public consultation will be used to gather information and views from the public relating to this proposed change, seeking information about the rationale for their views and the potential

impact of this proposed change. The Welsh Government will analyse this information post consultation and recommend a preferred option at that stage.

COMPETITION ASSESSMENT

A competition filter test has been completed. Overall, the proposed exceptions 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 through the voluntary and charitable sector. 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 impact upon some providers due to being brought into scope of registration and thus incurring costs relating to the additional demands of meeting the requirements set out in [the Child Minding and Day Care \(Wales\) Regulations 2010](#) and [National Minimum Standards for Regulated Childcare](#). 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 amendments they would be required to make in order to meet the regulatory requirements of registration.

POST IMPLEMENTATION REVIEW

Following the public consultation, the Welsh Government will consider information gathered and views from the public relating to the proposed changes. This information will be analysed and the 2026 draft Exceptions Order may be further amended as required. An appropriate post implementation review will be put into place at that stage to ensure the correct areas of implementation are reviewed.

Annex 1

Examples of amendments that may be required with costs that could be incurred:

Requirement	Cost (Financial and Time)
Qualifications	Staff may be required to undertake qualifications to meet the requirements set out in the NMS. Variable financial costs dependent upon qualification required and whether funding is available Also time costs relating to the period of time required to undertake the required training
Recruitment	Estimated cost £200 to advertise for new staff
Staff Ratios / Recruitment	May require additional staff to meet the required ratios set out in the NMS Approximate hourly rate £13ph
Safeguarding training	All staff will require safeguarding training at a level specified in the NMS Financial costs from free to £180, dependent upon level required and whether funding available – renewal required so ongoing Time cost for undertaking of training
Food hygiene training	Those responsible for the preparation and handling of food will require food hygiene training Financial costs from free to £30 dependent upon provider and whether funding available – renewal required so ongoing Time cost for undertaking of training
Paediatric first aid training	All staff require a paediatric first aid qualification at a level specified in the NMS Financial costs from free to £132 dependent upon funding and accessibility – renewal required so ongoing Time cost for undertaking of training
DBS check	£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
Certificate of heating safety check	Approx £100 per annum
Registration with Information Commissioner's Office	£52 or £78 per annum
Legal Status	From free 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 free 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 free to £62 per annum

Source: Figures provided by Coram Pacey, Clybiau Plant Cymru and Early Years Wales