



Llywodraeth Cymru
Welsh Government

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Welsh Government
Consultation – summary of response

Removing profit from children's care

Health and Social Care (Wales) Act 2025 Implementation:

Removing profit from children's care – local authority sufficiency plan duty

8 July 2026

Mae'r ddogfen hon ar gael yn Gymraeg hefyd / This document is also available in Welsh
Rydym yn croesawu gohebiaeth a galwadau ffôn yn Gymraeg / We welcome correspondence and telephone calls in Welsh

Overview

This document summarises responses to the consultation about implementing the removal of profit from children's care in Wales. That consultation covered:

- the proposed approach and potential content of regulations relating to sufficiency plans. This includes the proposed use of regulation making powers under new section 75A regarding the form and content of plans.
- the proposed approach and processes regarding new section 75B - Duty to secure accommodation: procedure for approval of sufficiency plan, and section 75C - Duty to secure accommodation: procedure if draft plan not approved by Welsh Ministers, inserted by the 2025 Act.
- the relationship between sufficiency plans and existing planning and strategy documents relating to children looked after.

Action Required

This document is for information only.

Further information and related documents

Large print, Braille and alternative language versions of this document are available on request.

Contact details

Enabling Division
Social Services and Integration Directorate
Welsh Government
Cathays Park
Cardiff
CF10 3NQ

Email: removingprofit@gov.wales

This document is also available in Welsh: [Dileu elw o ofal plant: dyletswydd cynllun digonolrwydd awdurdodau lleol | LLYW.CYMRU](#)

Additional copies

This summary of response and copies of all the consultation documentation are published in electronic form only and can be accessed on the Welsh Government's website.

Link to the consultation documentation: [Removing profit from children's care: local authority sufficiency plan duty | GOV.WALES](#)

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Background

On 24 March 2025, [the Health and Social Care \(Wales\) Act 2025](#) ('the 2025 Act') became law in Wales. The 2025 Act includes provisions intended to restrict the extraction of profit by providers of children's home services, secure accommodation services and fostering services. These are known collectively as 'restricted children's services'.

The 2025 Act sets out a series of arrangements which started to take effect from 1 April 2026, that will ultimately restrict the provision of restricted children's services (except where provided by local authorities) to 'not-for-profit' entities registered with Care Inspectorate Wales (CIW).

The Law Wales website provides an overview of [the 2025 Act](#) and its development. This includes links to the [consultation on proposed changes to primary legislation](#), undertaken by the Welsh Government in 2022 and an [Explanatory Memorandum](#) that offers a detailed explanation of the legislative changes made by the 2025 Act, along with an assessment of the regulatory and [other impacts](#) identified.

Implementation

This consultation concerned a specific element of implementation, regarding new requirements on local authorities to prepare and publish an annual sufficiency plan, linked to a duty to secure sufficient accommodation for looked after children in their area ('the local authority sufficiency duty').

The 2025 Act amends the Social Services and Well-Being (Wales) Act 2014 ("the 2014 Act") by inserting new sections 75A-75D. It also strengthens the local authority sufficiency duty (within section 75(1)) with effect from 1 April 2026.

Following these amendments, local authorities must prepare and publish an annual sufficiency plan setting out how they will take all reasonable steps to secure accommodation for looked after children within or near their area, using only local authority or not-for-profit providers and ensuring provision meets a range of needs.

Sections 75B and 75C require draft sufficiency plans to be submitted to the Welsh Ministers for approval and set out the procedure where a plan is not approved, while section 75D requires annual reporting on progress against these plans, any use of supplementary placements and any variance from estimates made.

The consultation covered implementation of these new duties, including the proposed content and form of sufficiency plans to be set out in regulations under section 75A; the processes for Ministerial approval or non-approval of plans, under sections 75B and 75C; and the relationship between sufficiency plans and existing planning and strategy documents for children looked after.

The consultation

An 8-week consultation was undertaken between 9 February and 7 April 2026. Respondents were invited to submit their views via an online form, by email or post. Notification of the consultation was sent via email to a range of stakeholders with an

interest in the proposals and the then Minister for Children and Social Care announced the start of the consultation via a [Written Statement](#).

Consultation response

In total Welsh Government received 17 consultation responses. Broadly these comprised a mix of individual local authorities and umbrella organisations representing the interests of local government, trade unions and those representing the interests of children's home and fostering service providers and those of children and young people. Not all consultees responded to all chapters of the consultation.

Question 1. Do you agree with the proposal to prescribe that sufficiency plans should take the form of a template to be developed by Welsh Government in partnership with local authorities?

The majority of respondents agreed with the proposal to require local authority sufficiency plans to be completed using a nationally prescribed template.

Supporters considered that a common template would promote consistency, comparability and transparency across Wales, reduce the risk of differing interpretations of statutory requirements, and make clearer what information must be provided. Several respondents also noted that a standardised approach would support Welsh Ministers in undertaking their approval and oversight functions under sections 75B and 75C.

A number of respondents, highlighted that a national template would improve the quality and consistency of data and narrative, enable aggregation at a national level, and strengthen scrutiny, assurance and identification of emerging risks, gaps in provision and areas requiring further support. Related to this one respondent highlighted that sufficiency plans could help improve data on foster care specifically, where current systems are seen by some as ineffective and overly bureaucratic. They suggested the data could support the development of a national foster carer register to help address gaps in provision and improve placement planning.

Many respondents emphasised the importance of co-production with local authorities and the need for the national template to be proportionate and practical, particularly for smaller or rural authorities. There was strong support for retaining flexibility within a standardised structure so that local circumstances, risks, market conditions and Welsh language considerations can be properly reflected.

A small number of respondents raised concerns that an overly rigid template could become a “box-ticking exercise” or limit local realism and innovation, particularly in relation to specialist provision. These respondents favoured a more flexible or hybrid approach, combining a core framework or minimum dataset with scope for locally tailored content, supported by clear guidance.

Welsh Government analysis and response:

We note the support for prescribing a nationally developed template for local authority sufficiency plans. We agree that a common template will play an important role in promoting consistency, comparability and transparency across Wales, also in supporting effective oversight of the new sufficiency planning duties introduced by the 2025 Act. A standardised approach will also assist the Welsh Ministers in assessing whether plans demonstrate that local authorities are taking all reasonable steps to secure appropriate accommodation, in line with sections 75A-75C.

Regarding the possibility of a national foster care register the Welsh Government notes the Children, Young People and Education Committee’s recommendation regarding a national foster carer register. Our consultation on regulations to improve adoption, fostering and kinship services in Wales, which closed on 27 October 2025, included questions on the introduction of a fostering register. Responses have

provided useful insight into the potential benefits and challenges, including considerations around data sharing, governance and delivery.

These findings will inform future policy development. However, any decision to progress a national register will need to be considered by the current Welsh Government, taking account of wider priorities for children's services and available resources. We will ensure the consultation evidence supports this consideration.

In the meantime, we will continue to work with Social Care Wales, local authorities and partners to improve data on fostering provision and support the sufficiency of high quality placements for children and young people in Wales.

We recognise respondents' emphasis on the importance of co-production and will continue to work closely with local authorities, including through ADSS Cymru, in developing the national template. The template will be designed to be practical and proportionate, while ensuring that core statutory requirements are addressed in a consistent way. We also acknowledge concerns about excessive rigidity and will ensure the national template allows sufficient flexibility for authorities to reflect local circumstances, risks and mitigations.

Respondents' comments on timescales, data reference points and the need for clarity will inform the development of accompanying non-statutory guidance. This guidance will support local authorities in completing sufficiency plans and help ensure that the national template supports meaningful, evidence-based planning rather than being perceived as a purely compliance-driven exercise.

Question 2. Do you agree that Welsh Government should bring forward regulations under section 75A(3)(d)(iii) and (iv) from April 2030, as listed in Chapter 1?

The majority of respondents agreed with the proposal to commence regulations under section 75A(3)(d)(iii) and (iv) from April 2030, considering this a proportionate and pragmatic approach aligned with the wider transition to not-for-profit provision. These sections related to prescribing information about for-profit providers who provide accommodation in Wales, or in England, and who are likely to be named in supplementary placement applications.

Respondents who supported the proposed timing highlighted that it would allow sufficient time for market transition, provider reconfiguration and the development of sustainable not-for-profit capacity. Several local authorities considered that earlier commencement could risk placing additional pressure on already constrained placement markets and undermine placement stability at a critical stage of implementation.

A number of respondents emphasised that the proposed timeline would help ensure that data collected under these provisions is meaningful and reliable, noting that introducing detailed information requirements too early could result in incomplete or inaccurate data during the transition period. Several respondents also highlighted the benefits of early clarity on future expectations to support preparation, planning and alignment with inspection and monitoring arrangements.

Some respondents, while broadly supportive of the direction of travel, stressed the need for continued pragmatism in how the provisions are applied in practice, particularly where supplementary placements may still be required in a child's best interests. These respondents emphasised the importance of professional judgement and maintaining flexibility during the transition period.

A smaller number of respondents did not agree with the proposed commencement date. These respondents argued that delaying the regulations until 2030 could create a gap in transparency at a time when reliance on for-profit provision and supplementary placements is likely to be most acute. They considered that earlier implementation would provide Welsh Government and the sector with better visibility of emerging risks and dependencies during the transition.

Welsh Government analysis and response:

We note the broad support for commencing regulations under section 75A(3)(d)(iii) and (iv) from April 2030.

The importance of transparency during this interim period is recognised. However, the proposed commencement date aligns with the intended introduction of the supplementary placements process, which is expected to operate from April 2030. As these regulatory provisions relate specifically to information regarding supplementary placements, legislating for them earlier would deliver no practical benefit, as the relevant arrangements would not yet be in place. In practice, this would result in a nil return from local authorities and would not improve visibility or oversight ahead of the planned implementation of supplementary placements.

On this basis, our intention is to proceed with the current implementation timeline, continuing to keep the operation of the supplementary placement framework and associated information requirements under review, as the arrangements develop, with consultation on legislative proposals for the regulations to support this, nearer to the coming into force date of April 2030.

Question 3. What are your views on the potential areas to be included within regulations under section 75A(3)(d)(iii) and (iv) as listed in Chapter 1?

Most respondents agreed that the areas proposed for inclusion within regulations under section 75A(3)(d)(iii) and (iv) were appropriate and broadly proportionate and would support strategic oversight of circumstances where supplementary placements may be required.

Respondents highlighted the value of requiring high-level information on provider identity and legal status, service type, and location and capacity, noting that this would improve transparency and support a better understanding of reliance on for-profit provision, including cross-border placements. Several respondents considered that this information would assist Welsh Government and sector partners in identifying emerging sufficiency risks.

A number of respondents emphasised the importance of ensuring that information requirements remain strategic rather than operational, and do not duplicate existing commissioning or regulatory data. Several also stressed the need to protect commercial sensitivity and children's anonymity, particularly in relation to location and provider-specific detail.

Some respondents suggested that the proposed areas could be strengthened by including additional contextual information, such as the types of need being met, reasons why supplementary placements may be required, and risks associated with specialist and complex provision, in order to better understand the drivers behind reliance on supplementary placements.

A small number of respondents raised concerns about the feasibility of predicting which for-profit providers might be required in future, particularly in emergency or highly specialised circumstances, and cautioned against requirements that could result in overly speculative reporting.

Welsh Government analysis and response

We note the broad support for the proposed areas to be included within regulations under section 75A(3)(d)(iii) and (iv), and the general view that these provide an appropriate basis for understanding reliance on supplementary placements where these may be required.

We agree that information gathered under these provisions should be strategic, proportionate and focused on supporting oversight, rather than duplicating existing commissioning or regulatory processes. The intention is to enable visibility of patterns, risks and dependencies, while avoiding unnecessary administrative burden on local authorities.

We recognise the importance of protecting commercial sensitivity and personal anonymity, particularly in relation to provider-specific and location information and will ensure that regulations and guidance are framed to avoid the inclusion of unnecessary or potentially identifying detail.

Suggestions around including contextual information on need and risk highlight the importance of grounding sufficiency planning in realism. We will consider these points further through the development of the national template and supporting guidance, ensuring that requirements remain meaningful and achievable.

Question 4 – Are there any other areas you think should be included within regulations under Section 75A(3)(d)(iii) and (iv)?

Many respondents did not identify additional areas that should be included within regulations and considered the proposed areas to be sufficient at this stage. Those respondents generally emphasised the importance of allowing the new arrangements to bed in before expanding the scope of regulatory requirements.

Some respondents suggested that additional areas could be included to strengthen understanding of sufficiency risks and system resilience. These included workforce capacity and skills, transition planning and collaboration at regional or cross-border level, dependency on specific providers, market exit risks, and continuity of care should providers withdraw or restructure during the transition. A number of respondents also highlighted the importance of specialist, integrated, and Welsh-language provision being visible within planning assumptions.

Several respondents stressed that any expansion of information requirements should be proportionate and evidence-based, and cautioned against increasing reporting burdens or duplicating information already collected through other statutory plans and returns. It was suggested that learning from the first set of sufficiency plans should inform any future amendments to regulatory requirements.

A smaller number of respondents noted that some issues raised, such as financial transparency, workforce terms and conditions, or inspection and safeguarding arrangements, may sit outside the scope of these particular regulations and could be more appropriately addressed through other mechanisms or guidance.

Overall, while there was some appetite to explore additional areas over time, many respondents emphasised the importance of clarity, proportionality and stability in the initial implementation of the regulations.

Welsh Government response

We note that many respondents did not propose additional areas for inclusion at this stage and supported allowing the initial regulatory framework to bed in before considering any expansion. We also recognise the constructive suggestions made about areas such as workforce capacity, market risks, specialist provision and transition resilience. Some of the areas proposed by respondents, including those relating to workforce and broader system context, align with matters intended to be considered under the regulation-making power at Section 75A(3)(f). This provision enables annual sufficiency plans to include such other information as may be prescribed by regulations and is intended to support a dynamic and proportionate approach to sufficiency planning, allowing requirements to evolve over time if deemed necessary.

At this stage, we consider the proposed areas within regulations under Section 75A(3)(d)(iii) and (iv) to provide a proportionate and appropriate starting point. These regulations are intended to focus on key strategic information relevant to the potential use of supplementary placements, without duplicating other statutory planning or creating unnecessary additional burdens for local authorities.

We agree that it is important to allow the first cycle of sufficiency plans to inform future decisions about whether further areas should be included. Any consideration of additional requirements will be evidence-led and informed by engagement with local authorities and sector stakeholders, as well as learning from early implementation. Where appropriate, issues raised by respondents may be more suitably addressed through guidance, the design of the national template or existing planning and assurance arrangements rather than be prescribed through regulation.

Question 5 - Do you agree that Welsh Government should bring forward regulations under Section 75A(3)(f), listed in chapter 1?

The majority of respondents who expressed a view agreed that regulations under section 75A(3)(f) should be brought forward. For context section 75A(3)(f) provides that annual sufficiency plans must include 'such other information as may be prescribed by regulations'.

Many respondents generally viewed these powers as an important mechanism to ensure sufficiency plans remain meaningful, responsive and capable of evolving as the children's care system transitions to not-for-profit provision. One respondent commented that a tight deadline would give impetus to improve the current system.

Several respondents also noted that these regulations are important to ensure that sufficiency plans remain aligned with wider evidence. One highlighted the ability for regulations to adapt over time in order for lessons learned from the initial reports to inform future requirements

Some respondents raised caveats. These included the need for accompanying national guidance to provide clarity and avoid excessive administrative burden, the importance of focusing on outcomes for children and young people rather than organisational form, and the capacity of smaller authorities to undertake these sufficiency plans alongside the Placement Commissioning Strategy.

Overall, respondents were largely supportive of the proposal, viewing regulations under section 75A(3)(f) as a necessary and enabling power to ensure sufficiency plans remain robust, responsive and focused on delivering the policy intent.

Welsh Government response

We welcome the broad support for bringing forward regulations under section 75A(3)(f). The regulation-making power provides flexibility to ensure sufficiency planning can evolve over time in response to evidence, learning from early plans, market conditions and emerging risks during the transition to full not-for-profit provision.

We consider this power to be an important safeguard to ensure sufficiency plans remain meaningful and focused on meeting children's needs, rather than becoming static or overly procedural. We also agree with respondents that these regulations must be supported by clear and proportionate guidance, developed in partnership with local authorities and sector stakeholders, to ensure expectations are well understood and administrative burden is minimised.

We will continue to engage with sector partners as implementation progresses, to ensure that any future use of this power is evidence-led, proportionate and aligned with the overarching policy intent of securing sufficient, stable and high-quality not-for-profit care for children and young people in Wales.

Question 6- What are your views on the potential areas to be included within regulations under Section 75A(3)(f) as listed in chapter 1?

Respondents who commented on the proposed areas to be included within regulations under section 75A(3)(f) were generally supportive and considered the list to be appropriate and comprehensive. There was broad agreement that the areas proposed would strengthen sufficiency planning by supporting a more evidence-based, forward-looking and transparent approach.

Several respondents highlighted the importance of including needs profiles and demand projections, workforce considerations and identification of key risks. These elements were seen as critical to understanding future pressures, supporting realistic planning and strengthening decision-making at local, regional and national levels. Several respondents noted that such information would also align well with inspection frameworks and existing strategic planning activity.

A number of respondents emphasised the value of clearer expectations around monitoring, accountability and governance. Suggestions included requirements for regular review and updating of sufficiency plans, clarity on senior leadership and/or elected-member sign-off, and arrangements for performance monitoring, escalation and reporting where risks to sufficiency are identified. Some also highlighted the importance of linking sufficiency plans with other statutory plans and datasets to improve coherence and reduce duplication.

Several respondents stressed the need for proportionality in any data requirements. Some local authorities in particular cautioned against duplication with existing returns and strategies such as Area Plans and Market Stability Reports, and highlighted the importance of aligning requirements with data already collected. Others emphasised the importance of guidance to support consistent interpretation of the regulations and to provide clarity on metrics, methodologies and expectations.

Requests for additional areas included specialist and complex needs, workforce sufficiency, and capital and revenue assumptions.

Overall, respondents were largely supportive of the proposed areas, while emphasising the importance of clarity, proportionality and strong guidance to support effective implementation.

Welsh Government response

We welcome the overall support for the proposed areas to be included within regulations under section 75A(3)(f). We agree that the areas identified provide a strong foundation for robust, evidence-based sufficiency planning that supports forward-looking decision-making and effective oversight.

We recognise the importance of proportionality and will be mindful of potential duplication with existing plans, datasets and statutory returns. Our intention is that the regulations and accompanying guidance work together to provide clarity on expectations, support consistency across authorities and minimise unnecessary administrative burden.

We also note the emphasis placed on workforce considerations, specialist provision and risk management. These issues align closely with the policy intent of ensuring sufficiency plans are credible, realistic and focused on meeting children's needs. We will continue to work with local authorities and sector partners to refine guidance and ensure that requirements are clear, proportionate and deliverable as sufficiency planning is implemented and developed over time.

Question 7 - Are there any other areas you think should be included within regulations under Section 75A(3)(f)?

Summary of responses

Many respondents did not identify additional areas to be included and indicated general satisfaction with the scope of the proposals. Several of these respondents emphasised the importance of allowing the initial framework for sufficiency plans to bed in before considering introducing further regulatory requirements.

Where additional areas were suggested, respondents focused on strengthening risk management, transparency and links with wider system planning. Several respondents highlighted the importance of addressing provider exit risk and potential impact. Others highlighted the value of clearer links between sufficiency planning and safeguarding, education, health and therapeutic provision.

Several respondents suggested that greater emphasis could be placed on engagement and consultation, including with providers, foster carers, regional commissioning bodies and children's services partners. There were also calls for improved clarity around planning assumptions and confidence in forecasts.

Overall, while some respondents proposed a range of possible additions, there was broad recognition by many that any further requirements should be evidence-led, proportionate and introduced over time, informed by experience of early sufficiency plans.

Welsh Government response

We note that many respondents did not propose additional areas for inclusion at this stage and emphasised the importance of allowing the initial sufficiency planning framework to be implemented, embedded and assessed before introducing further regulatory requirements.

We agree that learning from the first round of sufficiency plans will be critical in determining whether additional areas should be included in future. The regulation-making power under section 75A(3)(f) provides the flexibility to respond to evidence, emerging risks and system learning over time, without placing unnecessary burden on local authorities at the outset.

We also recognise the issues raised around risk management, engagement, Welsh language considerations and specialist provision. These themes will inform the development of accompanying guidance and ongoing discussions with partners. We will continue to work collaboratively with local authorities and sector stakeholders to ensure that any future changes are proportionate, evidence-based and aligned with the core objective of securing sufficient, stable and appropriate care for children and young people in Wales.

Question 8 - What are your views on the potential areas to be included within proposed guidance on submission and approval of sufficiency plans? Are there any other areas you think should be included?

Respondents were generally supportive of the proposed areas to be included within guidance on the submission and approval of sufficiency plans, and many considered the areas identified to be appropriate and necessary to support consistent implementation. Clear processes, timelines and approval criteria were widely viewed as critical to avoiding delay, ensuring transparency and providing confidence to local authorities and other stakeholders.

Many respondents emphasised the importance of clarity within the guidance around submission routes, approval criteria, feedback processes and expectations where plans are not approved. Several highlighted the value of clearly setting out the evidence base and quality thresholds that plans are expected to meet, alongside expectations for proportionality and realism.

A number of respondents stressed the need for guidance to address governance and accountability arrangements, including requirements for senior leadership and elected-member sign-off, record-keeping and audit trails. Others highlighted the importance of setting out how Welsh Ministers will take account of local constraints, such as workforce availability, legacy market arrangements and regional collaboration, when assessing the credibility of plans.

Several respondents suggested additional emphasis within guidance on engagement and collaboration, including with regional partners, providers, foster carers and children's services stakeholders. Some also recommended referencing wider duties, such as social partnership working, and clarifying how sufficiency planning aligns with inspection, assurance and other statutory planning frameworks.

While there was broad support for comprehensive guidance, respondents cautioned against excessive prescription and duplication. Many emphasised that guidance should be proportionate, stable and aligned with existing planning processes, with sufficient notice given of any requirements to support effective local implementation.

Overall, responses highlighted the importance of guidance in underpinning consistent, credible and proportionate sufficiency planning and approval arrangements across Wales.

Welsh Government response

We welcome the strong support for clear and comprehensive guidance on the submission and approval of sufficiency plans. We agree that well-defined processes, timelines and approval criteria are essential to support consistency, transparency and timely decision-making.

We recognise the importance of clarity around evidence expectations, governance and accountability arrangements and the role of proportionality in assessing plans. The guidance will be designed to support local authorities to develop credible and realistic plans, while allowing appropriate flexibility to reflect local circumstances and regional working arrangements.

We also note the emphasis placed on engagement, social partnership working and alignment with inspection and assurance frameworks. These considerations will inform the development of the guidance, alongside continued collaboration with local authorities and sector partners. Our intention is that the guidance supports effective implementation without placing unnecessary burden on local authorities, also that it provides a stable framework which can be built upon over time as learning from early plans emerges.

Question 9 - What are your views on how best to align the planning and strategy documents referenced above (particularly Placement Commissioning Strategies) with annual sufficiency plans? What should be the relationship, if any, between the documents in the future?

Respondents on this question consistently emphasised the importance of clarity in how the annual sufficiency plans align with other existing planning and strategy documents. Many respondents highlighted the risks of duplication, inconsistency and unnecessary administrative burden if the relationship between these documents is not clearly defined.

A common view among local authorities and sector bodies was that annual sufficiency plans should operate as the primary statutory document, drawing together and summarising relevant insights from longer-term or regional strategies. Several respondents suggested that the Placement Commissioning Strategy (PCS) should function as an operational or supporting document that flows from the annual sufficiency plan, rather than sitting alongside it as parallel requirements. Several respondents raised questions around the need for both the PCS and annual sufficiency plan with one suggesting that over time consideration could be given to rationalising documents to reduce complexity and administrative burden. Another sought confirmation on whether the PCS would require Welsh Government approval.

Many respondents called for consistency of datasets, assumptions and forecasting methodologies across planning documents, to avoid conflicting narratives and improve coherence at local, regional and national levels. Others emphasised the need for flexibility, noting that PCS's and other plans often serve different timescales and purposes, and should retain the ability to respond to local circumstances.

Overall, respondents supported stronger alignment between sufficiency plans and related documents, with a clear hierarchy and purpose for each, to support effective planning, transparency and delivery while minimising unnecessary burden.

Welsh Government response

We welcome the consistent message from respondents on the importance of clear alignment between annual sufficiency plans and other planning and strategy documents. We agree that sufficiency plans should act as the primary statutory vehicle for demonstrating how local authorities are meeting their duties relating to children looked after, while drawing appropriately on existing strategies, assessments and regional documents.

We recognise the need to minimise duplication and ensure consistency of data, assumptions and evidence across plans, while allowing sufficient flexibility to reflect different purposes and timescales. The relationship between sufficiency plans and other documents, including the PCS, will be clarified through non-statutory guidance.

We will continue to work with local authorities and sector partners to support a coherent planning framework that strengthens accountability and transparency without placing unnecessary administrative burden on the system.

Question 10 - What are your views on Sections 1 and 8 of the Integrated Impact Assessment? Are there any specific areas where you feel further detail is required, or any specific issues you wish to highlight which may have an impact on a specific group?

Many respondents who commented in relation to this question considered draft sections 1 and 8 of the Integrated Impact Assessment to be broadly reflective of the policy intent and anticipated impacts. Respondents acknowledged recognition within the document of the benefits improved stability, reinvestment of resources and long-term outcomes for children and young people.

Several respondents identified areas where further detail could strengthen the assessment. Common themes included the need for greater emphasis on workforce sufficiency and retention, particularly given existing pressures and the role of the workforce in delivering sustainable sufficiency. Others highlighted the importance of recognising differing impacts across local authorities, including those with rural geographies, smaller scale provision or limited existing not-for-profit capacity.

A number of respondents emphasised the specific risks associated with residential care and specialist or integrated provision, noting that these parts of the market face higher levels of fragility, provider exit risk and workforce challenge. Some also raised concerns about potential short-to-medium-term disruption during transition, particularly for children with complex needs or those placed further from home. One respondent also cited concerns that the transitional costs had not been fully funded for local authorities.

Issues relating to data, administrative burden, funding uncertainty and market behaviour were also raised. Other respondents highlighted the importance of safeguarding anonymity, avoiding stigmatising language when describing children's needs, and ensuring Welsh language considerations are adequately reflected.

Overall, while respondents broadly supported the assessment, many encouraged fuller articulation of transitional risks, workforce impacts and differential effects across groups and geographies.

Welsh Government response

We welcome respondents' views and note the general support for the way Sections 1 and 8 describe the policy intent and anticipated benefits. We also recognise the importance of reflecting the full range of risks and impacts associated with system transition.

We note the calls for clearer articulation of workforce considerations, specialist provision, residential care pressures and differential impacts across local authorities and groups of children. These points will inform the ongoing development and refinement of the full assessment, alongside consideration of Welsh language, equality and children's rights impacts.

We also note that a number of respondents raised concerns relating to market fragility, provider exit risk, workforce pressures and potential short to medium-term disruption, particularly in residential and specialist provision. While these are

important considerations, they largely relate to the implementation of the wider Removing Profit policy and the transition to a not-for-profit model established through the 2025 Act, rather than the specific impact of the sufficiency planning duty and associated regulations.

Similarly, concerns raised regarding transitional costs for local authorities are recognised. A Regulatory Impact Assessment will be prepared to accompany the sufficiency plan regulations, when laid before Senedd Cymru; however, this will not revisit the costs associated with implementing the overall policy, which have already been considered and outlined through the Regulatory Impact Assessment for the 2025 Act.

The feedback we have received through this exercise will help ensure the final Integrated Impact Assessment provides a balanced and realistic assessment of both opportunities and risks, with appropriate mitigations clearly identified.

Question 11 - What other impacts (including any costs or benefits) do you think the proposals might have on local authorities, different organisations or sectors within health and social care? Your views on how positive effects could be increased, or negative effects could be mitigated, would also be welcome.

Respondents identified a range of potential impacts arising from the proposals. Potential benefits highlighted included improved transparency, stronger national and local oversight, more consistent analysis of need and improved strategic planning to support the transition to not-for-profit provision. Some respondents also highlighted potential longer-term benefits for workforce stability, commissioning coherence and reinvestment of resources into care.

At the same time, many respondents drew attention to potential pressures and risks, particularly during the transition period. Local authorities frequently highlighted increased planning, analytical and reporting pressures, alongside capacity constraints, workforce shortages and uncertainty around funding for new provision. Concerns about the broader policy were also raised including market stability, workforce impact, provider exit risk and the availability of specialist and integrated placements.

Respondents suggested a range of mitigations, including phased implementation, clear and proportionate requirements, realistic funding assumptions, regional collaboration and continued engagement with providers, foster carers and other stakeholders. Many emphasised that success will depend on ensuring sufficiency plans are realistic, credible and supported by adequate capacity and investment.

Welsh Government response

We acknowledge the range of impacts identified by respondents, including both the potential benefits of improved planning, transparency and accountability and the challenges associated with transition, capacity and market stability. As per the previous question, this feedback will help ensure the final Integrated Impact Assessment (and Regulatory Impact Assessment) provides a balanced and realistic assessment.

We agree that careful implementation, supported by clear guidance, collaboration and proportionate requirements will be essential to maximise positive impacts and mitigate risks. We recognise the importance of workforce capacity, specialist provision, funding assumptions and regional working in supporting sustainable delivery.

We will continue to engage with local authorities and sector partners as implementation progresses, to ensure that emerging issues are identified early and that sufficiency planning supports stable, high-quality care for children and young people across Wales.

Question 12 - What, in your opinion, would be the likely effects of the proposed regulations on the Welsh language?

Respondents identified a range of potential positive and adverse effects on the Welsh language arising from the proposed regulations. Many respondents highlighted the opportunity for sufficiency planning (as part of the wider removing profit policy) to support Welsh language continuity by promoting more locally based provision, enabling children to remain closer to their home communities, families and linguistic environments.

Several respondents emphasised that sufficiency plans could provide a stronger, more evidence-based understanding of Welsh-medium and bilingual placement availability, helping to identify gaps in provision and inform future commissioning and workforce development. A number of respondents supported explicit consideration of Welsh language needs within sufficiency planning and reporting.

At the same time, some respondents raised concerns about potential adverse impacts if local sufficiency cannot be achieved. These included increased use of out-of-area or cross-border placements, which could weaken Welsh language continuity, access to Welsh-medium education and contact with Welsh-speaking staff and communities. One respondent cautioned that unrealistic plans or insufficient local capacity could exacerbate these risks.

Overall, respondents recognised both the opportunities and risks for the Welsh language, with many emphasising the importance of planning explicitly for linguistic needs and monitoring the impact of placement decisions on children's ability to use Welsh.

Welsh Government response

We welcome respondents' views on the potential effects of the proposals on the Welsh language. We agree that effective sufficiency planning has the potential to support positive Welsh language outcomes by strengthening local provision, improving understanding of Welsh-medium capacity and enabling children to remain closer to their communities.

We also recognise the risks highlighted where local sufficiency cannot be achieved, particularly in relation to out-of-area placements and continuity of Welsh language use. Consideration of Welsh language needs, alongside workforce and placement planning, will be an important element of implementation.

Welsh language impacts will continue to be considered through developing the Integrated Impact Assessment and supporting guidance, informed by ongoing engagement with local authorities and sector partners.

Question 13 - In your opinion, could the proposals be formulated or changed so as to have more positive effects on the Welsh language, or to mitigate any negative effects?

Similar to responses to the previous question respondents who commented on this question generally supported strengthening the proposals to place greater emphasis on Welsh language considerations. Many suggested that sufficiency plans should explicitly assess Welsh-language demand and map Welsh-medium and bilingual placement capacity, alongside workforce capability. One highlighted the importance of addressing Welsh language impacts where out-of-area or cross-border placements are anticipated, including identifying mitigation actions where local Welsh-medium provision is limited.

Several respondents recommended clearer expectations around planning for Welsh-speaking staff and carers. One respondent suggested this could be included within guidance and regulation while another suggested that guidance, rather than regulation, may be the most appropriate mechanism to embed these considerations proportionately.

Overall, responses emphasised that clearer and more explicit consideration of Welsh language needs within sufficiency planning could help promote positive effects and reduce the risk of adverse impacts.

Welsh Government response

We note the constructive suggestions from respondents on how the proposals could further support the Welsh language. We agree that explicit consideration of Welsh language demand, provision and workforce capability within sufficiency planning can help promote positive linguistic and well-being outcomes for children.

We recognise that guidance will play an important role in setting clear and proportionate expectations, allowing local authorities to reflect Welsh language needs and identify actions to address gaps in provision. These considerations will inform the development of the non-statutory guidance and wider impact assessments.

We will continue to work with local authorities and sector partners to ensure that Welsh language considerations are appropriately embedded within sufficiency planning and implementation.

Question 14 - If you have any related issues which we have not specifically addressed, please use this space to report them.

Those respondents who did comment in response to this question largely reflected on broader implementation and policy considerations rather than proposing any further changes to the proposals.

Several respondents stressed the importance of ongoing collaboration and dialogue between Welsh Government, local authorities and sector partners to support realistic and proportionate implementation. Others highlighted challenges associated with specialist and nationally commissioned provision, including secure accommodation and low-volume, high-acuity services, noting that these cannot always be planned for effectively at individual local authority level.

Some respondents reiterated broader concerns about placement capacity, market stability, provider exit risk and the need for realism in sufficiency planning assumptions. Others welcomed the overall direction of travel set by the 2025 Act while some highlighted the significant work still required to realise the overall policy intention including the need for additional funding.

Overall, additional comments relating to the proposals for this question reinforced earlier themes around proportionality, realism, collaboration and the need for clarity to support safe and effective implementation.

Welsh Government response

We thank respondents for raising these additional issues and for the broader feedback reflecting on the wider policy and its implementation. We recognise the importance of continued engagement and collaboration with local authorities and sector partners as the new sufficiency planning arrangements are implemented.

We note the points raised about specialist and nationally commissioned provision, workforce challenges and the importance of clarity and realism in planning assumptions. These issues will inform ongoing implementation discussions and the development of supporting non-statutory guidance.

We remain committed to working closely with partners to ensure the new arrangements are implemented in a way that is proportionate, transparent and focused on securing stable and appropriate care for children and young people across Wales.

Next steps

We will continue to work with local authorities and sector partners to develop accompanying non-statutory guidance and a national template for sufficiency plans, informed by feedback from this consultation. These are intended to be shared with authorities in September 2026, to allow sufficient time to utilise them, prior to the submission of their first annual sufficiency plans, in draft form, by 1 December 2026.

Regulations under Section 75A(2)(a), relating to prescribing the form of annual sufficiency plans and Section 75A(3)(f), prescribing other information to be included within those plans (as outlined above), will also be prepared and laid before Senedd Cymru in autumn 2026. Subject to the Senedd Annulment procedure, it is intended these will come into force prior to the 1 December deadline for submission of the first annual sufficiency plans.

We also intend to proceed with developing regulations under section 75A(3)(d)(iii) and (iv), relating to further information about for-profit providers who provide accommodation in Wales and private providers who provide accommodation in England, where those providers are likely to be relevant. These regulations are proposed to come into force in April 2030. It is expected that following full consultation nearer to the time, they will be laid before Senedd Cymru in autumn 2029, ahead of the supplementary placements framework coming into effect from April 2030.

The impacts of the overall policy will be continuously reviewed. Following submission of the first annual sufficiency plans in December 2026, officials intend to engage with local authorities and sector partners during 2027 to review the requirements, guidance and template, and consider whether any further changes needed.