

WELSH GOVERNMENT INTEGRATED IMPACT ASSESSMENT

Title of proposal:

Integrated Impact Assessment for the Annual Returns (Miscellaneous Amendments) (Wales) Regulations 2026 and the Regulated Services (Registration) (Wales) (Amendment) Regulations 2026

Official(s) completing the Integrated Impact Assessment (name(s) and name of team):

Regulation & Inspection Policy Branch

Department:

Health and Social Services Group

Head of Division/SRO (name):

Alistair Davey

Cabinet Secretary/Minister responsible:

Minister for Children and Social Care

Start Date:

Summer 2025

SECTION 1. WHAT ACTION IS THE WELSH GOVERNMENT CONSIDERING AND WHY?

Issue

The Regulation and Inspection of Social Care (Wales) Act 2016 (“the 2016 Act”) provides the statutory framework for the regulation and inspection of social care services and the regulation of the social care workforce in Wales. To help achieve this, the 2016 Act provides the Welsh Ministers with a range of regulation-making and other subordinate legislation powers.

The Health and Social Care (Wales) Act 2025 (“the 2025 Act”) received Royal Assent on 24 March 2025. It includes provision intended to make miscellaneous amendments to the Social Services and Well-Being (Wales) Act 2014 and the 2016 Act, to ensure this legislation can operate fully and effectively. This Integrated Impact Assessment relates to proposed changes to the regulation of social care services to:

- require service providers to publish their annual return on their website **within 91 days** of the end of the financial year (by 30 June);
- enable the offence of failure to publish an annual return within the required time limit to be **dealt with by a penalty notice**, and to specify the sum of the penalty; and
- **specify information that must be included** in a provider’s application to cancel their registration, and the form of the application.

Action proposed

Following Royal Assent changes to secondary legislation were identified to enable implementation of changes to the regulation of social care services. These changes are being taken forward via the Annual Returns (Miscellaneous Amendments) (Wales) Regulations 2026 and the Regulated Services (Registration) (Wales) (Amendment) Regulations 2026. Collectively, these statutory instruments make amendments to the Regulated Services (Annual Returns) (Wales) Regulations 2017; the Regulated Services (Penalty Notices) (Wales) Regulations 2019; and the Regulated Services (Registration) (Wales) Regulations 2017 to support implementation of the 2025 Act.

The Annual Returns (Miscellaneous Amendments) (Wales) Regulations 2026 prescribe a time limit within which a service provider must publish their annual return on their website. They prescribe that the failure to publish an annual return within the prescribed time limit is an offence which may be dealt with via a penalty notice and prescribe the sum payable. The Regulated Services (Registration) (Wales) Regulations 2026 prescribe the information required when a service provider applies to cancel their registration and the form of the application. They are referred to as “the Amendment Regulations” in this Integrated Impact Assessment.

How the five ways of working in the Well-being of Future Generations (Wales) Act 2015 are applied the proposed action, throughout the policy and delivery cycle

Long term

The Welsh Government's intention is for the regulatory framework for social care services to operate fully and effectively. This aligns with the aim of ensuring the regulatory regime for social care is fit for purpose and outcomes based. The specific legislative changes proposed to the timing of the publication of annual returns by service providers will enhance transparency and consistency as well as improving accessibility and public confidence. The option of a penalty notice is proportionate enforcement mechanism for deterring non-compliance without costly proceedings. The specific legislative changes proposed to require clear, standardised information when a provider applies to cancel their registration and the form of the application will ensure the regulator, Care Inspectorate Wales (CIW), has the information necessary to carry out its regulatory duties effectively during the closure period. The Welsh Ministers (in practice CIW) will have assurance as to the ongoing care, safety and well-being of individuals using or living at the service(s).

These measures promote consistent standards, minimise risks to vulnerable people, and align with Programme for Government priorities, including transparency, equality, and sustainability through digital processes.

The Amendment Regulations apply the Well-being of Future Generations (Wales) Act 2015 principles as they are proportionate, aligned with wider policy goals, and responsive to stakeholder needs. The Welsh Government will monitor and review their impact collaboratively. The proposal also reflects long-term trends such as digitalisation and demand for transparency. Requiring annual returns online on a provider's website improves accessibility and public confidence, while detailed cancellation information supports continuity of care.

Collaboration

The development of the amendments involved collaboration with CIW, supported by a 12-week public consultation.

Costs and Savings

The requirement to publish the annual return within a specified time period is not anticipated to have a cost implication as costs for website publication are generally negligible. Penalties apply only for non-compliance and act as a deterrent. The requirement for specified information when cancelling a provider's registration will only slightly increase administrative work for providers. The amendments are not expected to affect competition. Costs for CIW will be absorbed within existing budgets, with potential savings from reduced administration, more efficient enforcement, and improved oversight.

Involvement

People affected by the proposals have been involved through a public consultation on the proposals which ran from 16 July to 8 October 2025, which sought views on the practicality and impact of the proposed changes. Responses were received from 20 individuals and

organisations. A summary of the consultation including Welsh Government responses can be found here: [Proposed changes to the regulation of social care services | GOV.WALES](#)

Mechanism

As legislation is being brought forward, a Regulatory Impact Assessment is in development. This Integrated Impact Assessment will provide supporting evidence for that assessment.

SECTION 8. CONCLUSION

8.1 How have people most likely to be affected by the proposal been involved in developing it?

The proposals were developed through extensive engagement in line with the Well-being of Future Generations (Wales) Act 2015 and the Equality Act 2010. A formal consultation invited responses from service providers, representative bodies, and service users, alongside targeted engagement with care providers. Feedback received ensured they are clear, workable, and maintain high standards without unnecessary burden. Evidence from the consultation shows strong support and confirms the amendments are mainly administrative with no adverse impact on people using a registered care service.

8.2 What are the most significant impacts, positive and negative?

The impact on people, culture, the Welsh language, the economy, and the environment is expected to be minimal. These changes largely formalise existing practice and uphold equality and inclusion, with only a minor risk for those without internet access, mitigated by a requirement in the 2025 Act to make information available on request. Economic and environmental impacts are negligible as costs are minimal, and penalties apply only for non-compliance. Digital publication reduces printing and supports sustainability.

The proposals align with well-being goals and aim to improve accountability modestly without shifting policy direction.

8.3 In light of the impacts identified, how will the proposal:

- maximise contribution to our well-being objectives and the seven well-being goals; and/or,**
- avoid, reduce or mitigate any negative impacts?**

The Amendment Regulations have limited impacts but are in line with Welsh Government well-being objectives. Requiring providers to publish annual returns online within a prescribed timeframe promotes transparency and accountability.

Care Inspectorate Wales and Social Care Wales will continue collaborating to streamline data requests and reduce administrative complexity. Monitoring and feedback will help address any unintended effects, and the penalty system will be reviewed to remain

proportionate. Risks are minimal and manageable within existing frameworks. Clear guidance, support, and practical steps on equality, Welsh language, and sustainability will ensure the changes deliver benefits for people, communities, and the environment.

8.4 How will the impact of the proposal be monitored and evaluated as it progresses and when it concludes?

The impact of the Amendment Regulations will be monitored in conjunction with the service and workforce regulators.