

# WELSH GOVERNMENT INTEGRATED IMPACT ASSESSMENT

<b>Title of proposal:</b>	The Child Minding and Day Care Exceptions (Revocation and Transitional Provision) (Wales) Order 2026 ('the 2026 Exceptions Order') and proposed Voluntary Approval Scheme for Childcare, Playwork and Activity Providers
<b>Department:</b>	Health, Social Care & Early Years
<b>Cabinet Secretary/Minister responsible:</b>	Dawn Bowden MS, Minister for Children and Social Care

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

## **Background**

The [Child Minding and Day Care Exceptions \(Wales\) Order 2010](#), 'the 2010 Exceptions Order' , identifies circumstances where registration as a child minder or day care provider is not required. Being exempt means that these providers do not need to register with Care Inspectorate Wales (CIW) or comply with the [Child Minding and Day Care Regulations](#) and the [National Minimum Standards](#) for regulated childcare. It provides distinction between providers that need to be registered and those that don't.

## **Issue**

The Welsh Government has reviewed the exceptions following recommendations in these reports:

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

The aims of the review of the exceptions were:

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

## **Action Proposed**

At the start of the project each article of the 2010 Exceptions Order was reviewed and those exceptions requiring further consideration identified. The Welsh Government undertook a full 12

week public consultation regarding proposed changes about who should not be required to register as 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. Following the consultation, the draft Order was reviewed and will be laid as the Child Minding and Day Care Exceptions (Revocation and Transitional Provision) (Wales) Order 2026, ("the 2026 Order") which will revoke and replace the 2010 Order.

The Welsh Government has considered the responses to the consultation and will be taking forward the following changes to the exceptions:

- Permitting relatives to act as childminders in certain circumstances.
- Aligning rules for nannies, au pairs, and babysitters.
- Allowing youth services to deliver transitional youth work to 10-year-olds without being required to register.
- Adjusting coaching activities for children aged 4 and under to a maximum of 2 hours.
- Excluding coaching/tuition exception for children aged 2 and under.
- Removing 2-hour and 5-day exceptions for children aged 2 and under except where a parent is present or on the premises and can be summoned.
- Updating categories of coaching and tuition
- Requiring day care registration for schools where there are pupils aged 2 and under in attendance.
- Preventing suspended providers from operating under the exceptions relating to time-limited provision (2 hours or less per day).

The consultation also asked whether a provider should register as a day care provider if they offer coaching and tuition in more than one of the types of activity rather than the two permitted under the current exception. Although many consultation responses supported this proposal, comments provided in the consultation raised concerns regarding the negative impacts for children, families and communities specifically for rural areas, Welsh language and faith and community groups. The Welsh Government considers that the negative impacts of this proposal on children and families outweigh the benefits of making this change. Therefore, the Welsh Government will not proceed with the proposal to require a provider to register as a day care provider if they offer coaching and tuition in more than one of the types of activity. This means retaining the current status quo that a provider will not need to register as a day care provider if they offer coaching and tuition in no more than two types of activities from the specified list.

It is anticipated that the 2026 Exceptions Order will be made in April 2026, come into force in April 2027 and will be fully enforceable by April 2028 following a year transitional period. The Welsh Government proposes to publish guidance on the 2026 Exceptions Order to support the understanding and application of the 2026 Exceptions Order.

Alongside this review, the Welsh Government carried out a public consultation on the proposed introduction of a Voluntary Approval Scheme for Childcare, Playwork and Activity Providers for those who are exempt from registration as a child minder or day care provider. Eligible providers on the proposed Voluntary Approval Scheme will potentially be able to register with HMRC and Department for Work and Pensions (DWP) so that eligible parents can use [Tax-Free Childcare](#) or [Universal Credit Childcare](#). To be on the Voluntary Approval Scheme, providers will need to demonstrate they have basic safety checks in place which may offer parents some reassurance.

The Welsh Government has considered the responses to the consultation and will be taking forward the development of the Voluntary Approval Scheme, ensuring transparency about its aims and constraints, clarifying that it is not a substitute for registration, and supporting implementation with clear guidance and robust evaluation.

The next stage of work will be to refine the details of the Voluntary Approval Scheme. The anticipated target date for implementation of the Voluntary Approval Scheme is April 2027.

### **Five Ways of Working**

The proposals have been made in line with [The Well-being of Future Generations \(Wales\) Act 2015](#). Five Ways of Working. Proposals intend to support the childcare, play and activity sector and bring benefits to providers, children and families in the **long term** and promote **prevention** of closures of services, whether registered or unregistered. The Welsh Government [Relative Income Poverty](#) report reflected that in March 2023, 29% of children in Wales were living in relative poverty. All proposals have been considered to prevent any negative impact on child poverty.

The review of the exceptions has been carried out in conjunction with the reviews of the [National Minimum Standards](#) for childcare and the Childcare Sufficiency Assessments to ensure alignment and **integration**. Working in this way allows us to consider the issues systemically and understand various impacts. Current policies have been considered in detail, including the long term vision for [Early Childhood Play, Learning and Care \(ECPLC\)](#) and how proposals work towards meeting this. The proposals will contribute, in particular, towards realising the Well-being goals relating to a healthier Wales, a more equal Wales, a Wales of cohesive communities, a prosperous Wales and a Wales of vibrant culture.

**Collaboration and Involvement** has taken place throughout the review process. Between March and December 2024, the Welsh Government undertook extensive engagement work to better understand the opportunities provided across the registered and unregistered sector. It is estimated that the Welsh Government has engaged with approximately 400 participants including children, parents and carers, the registered and unregistered parts of the sector. In June 2024, the Welsh Government established a cross sector Advisory Group to represent the diverse needs of end-users to guide the policy development work. The Welsh Government has worked with Care

Inspectorate Wales to ascertain how proposed policy changes would work in practice and met with Local Authority childcare and play leads to explore local issues. Welsh Government's [Child Poverty Strategy](#) and the [UNCRC](#) were considered throughout and [ECPLC](#) principles have guided the consideration of impact on children aged 0-5.

## **Impact**

### **Positive Impacts**

- The proposed rewording of the exception relating to parents, foster carers, relatives and household members, will ensure consistency with Care Inspectorate Wales (CIW) practice and the Childcare Offer for Wales guidance. It supports parental choice and well-being, particularly for families with disabled children, cultural or language preferences, or atypical working hours. Stakeholders highlighted the need for clear wording on location. This change promotes fairness and parity across childcare settings, improves access in rural areas where options are limited, and helps sustain the childminding sector. Both consultation and focus group feedback advised that clear guidance will be essential to avoid unintended consequences.
- The proposal to maintain the exception for provisions operating under 2 hours or on five days or fewer will allow providers using these flexibilities to operate without the need for a register, including those who use short-duration delivery to test market viability before establishing a registered service. However, consultation feedback emphasised the need for clearer limits and safeguards—particularly for very young children—so that short-duration exceptions cannot be used as a loophole to avoid regulation where care needs are significant. Strengthening requirements for children aged 2 and under, preventing suspended providers from using the exceptions, and setting clearer expectations about parental presence all help ensure that these flexibilities remain proportionate while maintaining public confidence and supporting a safe, appropriate range of provision.
- The proposal to align exceptions in relation to nannies, au pairs and babysitters, will streamline and enhance flexibility of choice for families. The new proposed exception will allow for children to be cared for in a location and environment that is appropriate for them and meets the needs of them and their family.
- The proposed amendment to lower the age caveat from age 11 to 10 for transitional youth services will enable Year 6 children to access youth provision that supports their personal, social and educational needs during a critical transition period. It ensures that children can benefit from age-appropriate activities without misclassifying youth work as childcare, promoting continuity of support and encouraging engagement with youth services as they progress into adolescence. Focus group participants strongly supported recognising transitional support for 10 year olds, emphasising its importance in easing the move to secondary education. Youth workers also highlighted that youth work is an educational and

developmental discipline distinct from childcare, operating under its own statutory and professional frameworks. Feedback underscored the need to avoid inadvertently pulling youth work activities into childcare regulation, particularly where activities are used as engagement tools rather than as care provision.

- The proposed amendments relating to the care of children aged 2 and under, may provide greater quality assurance by strengthening safeguards for this highly vulnerable age group, ensuring appropriate qualifications, ratios and oversight where parents are not present. Focus group feedback strongly supported requiring registration for all providers caring for children aged 2 and under where a parent is not present, regardless of the duration or frequency of care. Parents and registered providers emphasised the heightened care needs of this age group and the importance of consistent safeguards across settings. Registered providers in particular expressed concern that unregistered care for this age group undermines professional standards and creates perceived unfairness., especially where exceptions are used to “test the market”.
- Views diverged on situations where a parent remains on the premises but is not in the same room. Some unregistered providers valued this flexibility for courses, parenting groups and support for asylum-seeking communities.
- The proposed amendment to require the part of a school with children aged 2 and under in attendance to register as a day care provider, will provide greater assurance that the care needs of these younger children are met to the same standards as other childcare and educational settings. Children aged 2 and under require intimate care routines, higher staff-to-child ratios, and specialist training, which cannot reasonably be considered incidental to education. Registration will ensure consistency, safeguarding, and quality of care across all settings, giving parents confidence that their child’s welfare and development needs are prioritised.
- Maintaining the exception for a provider to offer coaching and tuition from two activity types would maintain opportunities for children to follow their interests and develop their skills in specific areas.
- The proposed amendment is to remove the coaching and tuition exception for children aged 2 and under and stipulate children 3 and 4 years of age can be coached or tutored for maximum 2 hours per day under the exception. s. Consultation feedback recognised that younger children have limited attention spans and higher care needs, and that any activity beyond this duration is unlikely to remain incidental and would require childcare-level safeguards. Respondents also highlighted the importance of clear definitions to distinguish coaching and tuition from play-based provision and emphasised that families must be supported to understand the differences between registered and unregistered activities to ensure these arrangements remain safe and developmentally appropriate. Focus groups gave mixed views: parents supported the 2-hour cap but raised safeguarding concerns and said they would avoid unregistered services. Unregistered providers accepted the limit but questioned qualifications

and oversight. The feedback highlights the need for clearer definitions, stronger safeguards, and better communication to parents on registration.

- It is proposed that if a registered provider is suspended by enforcement, the exceptions relating to care for 2 hours or less a day will not apply. Consultation feedback strongly supported this approach, noting that suspension is only used where there are significant safeguarding or regulatory concerns. Preventing providers from operating under the exceptions during this period closes a loophole, upholds the integrity of enforcement action and ensures children are not exposed to potentially unsafe care while investigations or remedial actions are underway. If Care Inspectorate Wales have suspended the registration of a child minder or day care provider, they would not be able to continue to operate under the exceptions and therefore offer potentially unsafe care to children. This aims to safeguard children.
- The proposed Voluntary Approval Scheme (VAS) could enable a wider range of exempt childcare, playwork and activity providers to register with HMRC and DWP, allowing families to access [Tax-Free Childcare](#) or [Universal Credit Childcare](#). This would widen parental choice and improve the affordability of provision. The Voluntary Approval Scheme could also introduce a baseline level of safety checks, offering parents greater reassurance. In addition, it would give the Welsh Government improved visibility of unregistered provision, strengthening local Childcare and Play Sufficiency Assessments and helping providers demonstrate credibility and commitment to safe practice. The scheme could be of assistance to unregistered providers by offering support, monitoring, increased knowledge and oversight of provision.

### **Negative Impacts**

- The proposed changes affecting the 2-hour, five-day and coaching/tuition exceptions for younger children may reduce the number of providers willing to offer care where registration becomes required, particularly for those caring for children aged 2 and under or offering short-duration activities without parents present. Some providers currently use these exceptions to test market viability before committing to registration; removing this flexibility for the youngest children could deter new provision or lead existing providers to limit their services to older age groups. Consultation responses also highlighted that greater clarity will be needed around when parental presence applies to avoid uncertainty for informal creche and parent-support sessions.
- Views diverged on situations where a parent remains on the premises but is not in the same room. Parents generally felt registration should still be required. Registered providers remained of the view that parental presence elsewhere in the building does not sufficiently mitigate safeguarding risks for children aged 2 and under.
- Feedback from respondents, including local authorities, childcare organisations and faith-based groups, highlighted additional risks not fully reflected in the original assessment.

Stakeholders emphasised that removing or restricting short-duration exceptions for children aged 2 and under may have a disproportionate effect on low-cost, volunteer-led and faith-based providers who currently operate manned crèches, parent support sessions and community activities. These settings often serve families in deprived areas and may be the only accessible local provision.

- Concerns were also raised that additional regulatory requirements could lead to increased costs for parents or cause smaller or rural providers to withdraw services due to administrative burden or limited staffing capacity.
- The proposed change is to remove the coaching and tuition exception for children aged 2 and under and to state that 3 and 4 year olds can be coached or tutored for a maximum of 2 hours a day under the exception. Consultation feedback highlighted that activities for younger children often require higher levels of care, varied developmental readiness and clearer distinctions between coaching, tuition and play-based provision. As a result, some providers may curtail or adapt their offer, reducing the availability or range of activities for this age group. There is also a risk that providers offering longer, mixed-activity or play-based sessions may withdraw or alter their services if they fall within scope of registration. Focus groups warned that a clear activity limit could prompt some mixed-activity or play-based providers to stop offering sessions for children aged 4 and under to avoid registration. Parents and registered providers also raised safeguarding concerns about unregistered settings, which may deter families from using them. Registered providers opposed any unregistered provision for this age group.
- Maintaining the exception for two types of coaching and tuition activity may mean that it is difficult to distinguish between childcare and coaching and tuition activities.
- The proposal to maintain the exceptions for provisions operating under 2 hours or on five days or fewer may discourage providers from extending their provision, particularly where doing so would bring them within scope of registration. Consultation feedback highlighted that clearer safeguards for very young children and stronger expectations around parental presence, may lead providers to limit the age ranges or types of activities they deliver to remain exempt. Some coaching, tuition and mixed-activity providers may also adapt or reduce their services for children aged 4 and under if the 2-hour limit applies, further reducing the range of provision available.
- The proposed amendment to require the part of a school with children aged 2 and under in attendance to register as a day care provider, may lead to some schools withdrawing provision for this age group due to the additional administrative and regulatory burden. This could reduce parental choice and impact local childcare sufficiency, particularly in areas where schools currently provide wraparound care. There is also a risk that schools may adapt services to cater only for older children, limiting early support options for families. Clear guidance and support will be essential to mitigate these risks.
- It is proposed that if a registered provider is suspended by enforcement, the exceptions relating to care for 2 hours or less a day will not apply. Consultation feedback strongly

supported this approach as a necessary safeguard, but noted that temporary suspension may still lead to some disruption for staff and families, who must secure alternative arrangements at short notice.

- The proposed Voluntary Approval Scheme could unintentionally incentivise some existing CIW-registered providers to reduce elements of their provision in order to be able to de-register and operate under an approval model. Consultation responses expressed concern that a Voluntary Approval Scheme with lower requirements, fewer checks, and the ability to offer access to Tax-Free Childcare may create a two-tier system that undermines the value of fully registered care. This could affect the sustainability of registered settings, reduce the availability of high-quality provision, and increase confusion for parents about the differences between registered, approved and unregistered services.
- Additional consultation responses raised concern about the impact on disabled children and those with ALN. Several providers and representative organisations noted that smaller settings may lack the training or resources to meet the needs of younger or disabled children under a new model, risking unintentional exclusion unless dedicated support is provided.

### **Costs and Savings**

It is proposed that Care Inspectorate Wales administer the proposed Voluntary Approval Scheme. The estimated cost for setting up the scheme in year 1 is approximately £105,000 with an ongoing estimated annual running cost of between £14,000 and £23,000, dependent upon the number of providers applying to join. It is proposed that there will be a charge for providers to join and renew their place on the scheme with the intention to cover annual running costs in due course. Concerns were raised, through the consultation, that a joining fee could be a barrier, particularly for small charities, volunteer-led providers and multi-site organisations. Respondents felt fees should be proportionate, not exceed those of similar schemes, and should not exclude providers serving disadvantaged families.

In terms of additional costs due to providers being drawn into scope of registration, Care Inspectorate Wales have estimated additional costs of £108,000 in 2026-27, £300,500 in 2027-28 and £365,400 in 2028-29. This is based on an estimate of a 5% increase in the number of child-minding and day care providers needing to register each year (approximately 163 additional providers).

### **Mechanism for change**

The Child Minding and Day Care Exceptions (Revocation and Transitional Provision) (Wales) Order 2026 will be made under the Welsh Ministers' power in section 19 of the Measure and is subject to the Senedd approval procedure. The proposed Voluntary Approval Scheme can be implemented under Section 60 of the [Government of Wales Act 2006](#).

## SECTION 8. CONCLUSION

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

In line with the [Well-being of Future Generations \(Wales\) Act 2015](#), stakeholders have been engaged extensively through the process. Between March and December 2024, the Welsh Government undertook engagement work to better understand the opportunities provided across the registered and unregistered sector. It is estimated that the Welsh Government engaged with approximately 400 participants including children, parents/carers, the registered and unregistered parts of the sector.

In June 2024, the Welsh Government established an Advisory Group to guide the policy development work. Membership of the Exceptions Order Advisory Group includes: Children in Wales, Care Inspectorate Wales, Estyn, Sport Wales, Arts Council of Wales, Cytûn, CWVYS, Community Focused Schools, Cwlwm, Local Authorities, WLGA, Play Wales, Social Care Wales, WVCA and Children’s Commissioners Office. Additional engagement exercises were undertaken with religious, parent, uniformed and youth groups, and Local Authority Childcare leads. At each of these groups, representatives shared their views on the exceptions and discussed the impact of possible or proposed changes on their sector. Unregistered providers were given the opportunity to share their views through an engagement questionnaire and focus groups. Feedback from these sessions highlighted substantial variation in understanding of the existing exceptions, with many contributors’ expressing confusion—particularly around proposals relating to relatives acting as child minders, the scope of coaching and tuition, and distinctions between youth work and childcare. These insights emphasise the importance of clear communication and practical examples within the final guidance.

In Spring 2024, Children in Wales were commissioned to undertake research to engage with children and parents to inform the review. They ascertained parents and children’s views regarding what they considered important in the childcare, play and activities they attend or would like to be able to attend. Additional engagement work with children and young people was carried out via a focus group while the consultation process was ongoing. Youth-friendly and easy read versions of the consultation document and response form were available for completion.

Views on the proposed changes to the rules regarding child minding and day care registration exceptions, as well as the development of a Voluntary Approval Scheme (VAS), were invited during a 12-week consultation period from 11 August 2025 to 3 November 2025. The main consultation document was published on the Welsh Government’s consultation pages, alongside child-friendly and easy-read versions. Respondents were able to submit their views and comments by email or online, in Welsh or English, using either the main response forms, the easy-read or child-friendly versions or submitting reports or letters. The consultation was promoted widely via the Welsh

Government and stakeholders' social media channels. In total, the consultation received 97 responses, comprising full and partially completed responses.

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

The key priority for this work is to ensure children in Wales can access childcare, play and activities that meet their needs and those of their families. The review has been carried out in a way that has ensured that the best interests of children are prioritised and have been central to consideration and decision making. The proposals will contribute, in particular, towards realising the Well-being goals relating to a healthier Wales, a more equal Wales, a Wales of cohesive communities, a prosperous Wales and a Wales of vibrant culture.

### **Positive Impacts**

Through the review process, the importance of alignment, streamlining and simplifying the exceptions has been considered. The interdependency of the exceptions has been examined and amendments made with this in mind as a means to make the exceptions easier to understand.

We are aware of the greater care needs and vulnerabilities of younger children. The public were consulted on proposals to restrict the use of certain exceptions where the provider cares for children aged 2 and under, and on whether a different approach should apply if their parent remains on the premises. Consultation feedback highlighted that children in this age group require higher levels of supervision, intimate care and safeguarding, and that clearer expectations are needed around when parental presence is sufficient to ensure safety. Although this feedback aligns most closely with provisions for children aged 2 and under, similar concerns were strongly expressed in relation to children aged 4 and under attending coaching or tuition, with parents and registered providers noting that developmental needs and safeguarding requirements make unregistered provision inappropriate for lengthy sessions. These changes may therefore support greater quality assurance while recognising that clearer guidance will be essential to avoid confusion for providers and parents. Amending the age threshold for youth services will provide significant benefits for older children by allowing 10-year-olds to access transition-focused activities aligned with their developmental stage. This approach supports well-being, confidence and resilience, and may act as a springboard for continued engagement with youth work in later years. It reflects the distinct educational purpose of youth services and ensures that provision remains accessible and inclusive without imposing disproportionate regulation.

Several respondents agreed that strengthening safeguards for children aged 2 and under and improving access to financial support through a Voluntary Approval Scheme would have positive impacts. However, they stressed that these benefits would only be realised if expectations on

small, volunteer-led or rural providers are proportionate and supported through clear guidance and accessible administrative processes.

Proposed amendments to exceptions relating to child minding, will give parents greater choice and flexibility in arranging care, ensuring children can be cared for in an environment that meets their needs and those of their family. Focus group participants stressed that the proposal must be explained clearly to avoid confusion, as several initially believed relatives would be required to register even for informal arrangements. Contributors also emphasised that relatives choosing to register must meet the same standards as any other child minder and that strong safeguards are needed to prevent misuse of funded childcare schemes.

This may be particularly significant for parents of disabled children, those with cultural, religious or language preferences and parents who require greater flexibility due to working atypical hours. The changes also align legislation with CIW practice and the Childcare Offer for Wales guidance, reducing confusion and promoting consistency. Feedback emphasised the need for clarity on conditions, particularly around care location, to avoid contradictions and ensure fairness for parents who are also child minders. By enabling relatives or household members to register under clear conditions, the proposal supports childcare sufficiency in rural areas, helps sustain the childminding sector, and maintains safeguarding standards through CIW registration and inspection.

It is proposed that if a registered provider is suspended by enforcement, the exceptions relating to care for 2 hours or less a day will not apply. As suspension is only used where there are safeguarding concerns or significant risks, allowing a provider to continue operating under the exceptions could undermine enforcement action and place children at continued risk. Removing access to the exceptions during a suspension strengthens safeguards and helps ensure children are protected.

The changes proposed to the coaching and tuition exception will ensure that providers can continue to offer structured activities without the need for registration, while giving greater clarity about what types of provision fall within the exemption. The updated categories—sport, expressive and creative arts, educational support, and religious or cultural study—were broadly welcomed for providing clearer definitions, though respondents also stressed the need for careful guidance to avoid misinterpretation. Focus groups provided divergent views: parents and registered providers raised significant safeguarding concerns about unregistered provision for children aged 4 and under, while unregistered providers generally agreed with the 2-hour limit but cautioned against the risks of unqualified or unsupervised delivery.

The consultation asked whether a provider should register as a day care provider if they offer coaching and tuition in more than one of the types of activity rather than the two permitted under the current exception. Maintaining the exception for a provider to offer two activity types would maintain opportunities for children to follow their interests and develop their skills in specific

areas. Focus groups raised particular concerns from faith based, uniformed and community organisations whose models rely on blended activity types as part of holistic engagement. These groups cautioned that limiting to one activity type may undermine culturally significant or community centred programmes, particularly impacting those delivered through Welsh, in rural areas or faith-based groups. By maintaining this exception these groups can continue to provide coaching and tuition that meets the needs of children and allows them to follow their interests and develop their skills.

The proposed change to remove the coaching and tuition exception for children aged 2 and under and stipulate children 3 and 4 years of age can be coached or tutored for maximum 2 hours per day under the exception reflects concerns about the developmental and safeguarding needs of younger children. Limiting session length for this age groups is intended to ensure that provision remains genuinely coaching or tuition, and that any care required is incidental rather than substituting for registered childcare.

The proposed amendment to require all schools offering education to children aged 2 and under in attendance to register as a day care provider, will provide greater assurance that the specific care needs of these younger children are being met to the same standards as other regulated childcare settings. Children aged 2 and under require intimate care routines, higher staff-to-child ratios, and specialist training, which cannot reasonably be considered incidental to education. Registration will ensure consistency, safeguarding, and quality of care across all settings, giving parents confidence that their child's welfare and development needs are prioritised.

The proposed Voluntary Approval Scheme for Childcare, Playwork and Activity Providers could have significant positive financial impacts for families by enabling a wider range of exempt childcare, playwork and activity providers to register with HMRC and DWP so that eligible families can use [Tax-Free Childcare](#) or [Universal Credit Childcare](#) schemes. This would broaden parental choice and improve the affordability of provision. The proposed Voluntary Approval Scheme could also introduce a consistent baseline of safety checks, offering parents greater reassurance about providers who are currently unregistered. Views on developing the Voluntary Approval Scheme were mixed. Parents and unregistered providers generally supported a Voluntary Approval Scheme to improve consistency and reassurance, while registered providers opposed it, citing safeguarding concerns, potential confusion for parents, and the risk of creating a two-tier system. Many felt that oversight for younger children should remain with mandatory CIW registration.

Feedback on the aims of the Voluntary Approval Scheme was mixed. Some parents and providers felt widening access to financial support would benefit families, while others—particularly registered providers—were concerned that prioritising financial access could blur the distinction between registered and unregistered care and undermine sector standards. Respondents emphasised the need for clear communication about what the Voluntary Approval Scheme does and does not assure.

Following feedback from the consultation and focus groups, the original aims of the Voluntary Approval Scheme have been reviewed and refined to reflect this feedback. The aims are now worded as follows:

- Enable families to use Tax-Free Childcare and Universal Credit Childcare with a wider range of eligible providers, supporting parental employment, reducing childcare costs, and promoting social and economic wellbeing.
- Improve children's access to enriching childcare, playwork, and activity opportunities by expanding the pool of approved providers to better meet family needs and make services more affordable.
- Supports parents in choosing suitable childcare by verifying that providers meet set minimum approval criteria, including basic safety checks.
- Support and engage the unregistered sector by offering guidance, promoting best practices, and increasing awareness of local childcare options for families.

The Voluntary Approval Scheme development should be packaged with:

- clarity about its aims with the primary driver being financial benefit to families
- transparency about limitations outlining it is not a robust safeguarding or quality assurance system
- consideration of safeguarding work alongside the Voluntary Approval Scheme rather than the Voluntary Approval Scheme being the solution to safeguarding issues in the unregistered sector
- clear and transparent communication and guidance to support its application
- robust evaluation methods to monitor effect and impact.

In addition, it would give Welsh Government and Local Authorities clearer oversight of provision operating under the Exceptions Order, strengthening Childcare and Play Sufficiency Assessments. Providers may also benefit from increased visibility, credibility, and an opportunity to demonstrate their commitment to safe and responsible practice.

### **Negative Impacts**

The public were consulted on their views regarding the exceptions relating to 2 hours, care for 5 days or fewer and coaching and tuition not applying where the provider cares for children aged 2 and under. They were also consulted on their views about situations where a parent does not remain on the premises.

These changes may result in a reduction in the number of providers offering this care as they may not wish to take on the burden of registration and thus close their provision. Focus groups reinforced this risk, particularly for coaching/tuition for children aged 4 and under. Parents and registered providers also voiced concerns that unclear distinctions between coaching, tuition and childcare could lead to inappropriate or unsafe provision unless addressed through strong guidance. There is also a risk that providers remain open but amend their service to only provide for older children, as many respondents highlighted that children aged 2 and under – and, for some, children aged 4 and under – require more personal care and supervision. Stakeholders reported that some providers use the 2 hour and/or 5 days or fewer exceptions to market test their service before proceeding to set up a registered provision. Introducing age-related caveats would remove this option, meaning providers looking to offer services to children aged 2 and under may decide not to proceed if they cannot first assess whether their service is sustainable in the market.

The proposal to require all schools offering education to children aged 2 and under to register may result in some schools no longer offering education to children aged 2 and under. This is due to possible increases in workload (and staffing requirements) and regulatory burden for schools. Some respondents highlighted the need for clearer definitions around “pupil” status and care incidental to education to avoid confusion or inconsistent application.

The consultation asked whether a provider should register as a day care provider if they offer coaching and tuition in more than one of the types of activity rather than the two permitted under the current exception. Maintaining the exception for two types of activity may mean that it is difficult to distinguish between childcare and coaching and tuition activities.

The proposed change is to remove the coaching and tuition exception for children aged 2 and under and stipulate children 3 and 4 years of age can be coached or tutored for maximum 2 hours per day under the exception. This may result in some providers curtailing their provision and thus reducing the amount of activities available to children of this age. Consultation feedback also highlighted that many children aged 4 and under have higher developmental and care needs, and that some types of coaching or tuition may not be appropriate for long sessions without parental presence, which may further influence providers’ decisions about what they offer. Focus group feedback with parents indicating they may avoid unregistered settings regardless of duration due to safeguarding concerns.

It is proposed that if a registered provider is suspended by enforcement, the exceptions relating to care for 2 hours or less a day will not apply. Respondents strongly agreed that suspension is only used where safeguarding concerns or significant risks exist, and therefore no form of provision should continue during this period. While temporary suspension may create some disruption for staff and families, this is outweighed by the need to uphold enforcement decisions, prevent loopholes, and ensure children’s safety and wellbeing.

The creation of the proposed Voluntary Approval Scheme may unintentionally encourage some CIW-registered providers to reduce their scope of provision in order to be able to de-register entirely in order to operate under an approval system. Consultation feedback highlighted that doing so would remove these providers from the higher level of scrutiny, staffing requirements and environmental standards applied through full CIW registration. This could lead to a reduction in high-quality, regulated childcare places, create unfair competition within the sector, and increase confusion for parents about the differences between registered, approved and unregistered provision.

Faith-based, cultural and community groups expressed concern that proposed changes could reduce their ability to offer free or low-cost activities, particularly where coaching, tuition or creche services are provided as part of religious observance. For some families, these settings are a primary source of social connection, cultural participation and informal childcare.

Maintaining the exception for two types of activity may mean that it is difficult to distinguish between childcare and coaching and tuition activities.

Several stakeholders warned that increased administrative or financial expectations could disproportionately impact small providers, particularly those in rural areas, and may destabilise Welsh-medium or bilingual grassroots settings if they are unable to meet regulatory thresholds.

### **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 proposed changes presented in the [Child Minding and Day Care Exceptions \(Wales\) Order 2026](#) and the proposed creation of a Voluntary Approval Scheme for Childcare, Playwork and Activity Providers will play an important part in supporting the general principle of the [Well-Being of Future Generations \(Wales\) Act 2015](#), which is about making positive interventions now, to benefit people living their lives in Wales in the future.

### **A prosperous Wales**

The proposals could have a positive impact on economic well-being for families due to the proposed Voluntary Approval Scheme which will allow more providers to register with HMRC and DWP. Eligible families will then be able to use [Tax-Free Childcare](#) or [Universal Credit Childcare](#) to reduce the cost of childcare, play and activities. This will give families access to a greater range of opportunities which may enable them to have more flexible childcare to allow them to work.

These opportunities may also allow children to develop more skills and have more social opportunities.

### **A resilient Wales**

The proposals will have a positive impact on a resilient Wales. The proposed Voluntary Approval Scheme will allow families to have greater access to financial support and thus strengthen resilience of household finances. Children will have opportunities to build resilience through having social opportunities and developing strengths and interests via the proposed maintenance of the exception for providers of coaching and tuition.

### **A healthier Wales**

The proposals could have a positive impact on the health of children in Wales. Through ensuring there are sufficient childcare and play opportunities available for children, they will have access to opportunities to learn, grow and thrive. By maintaining the exception for coaching and tuition, these providers will continue to provide opportunities for children to be active and healthy.

### **A more equal Wales, a Wales of Cohesive Communities, A Wales of Vibrant Culture & Thriving Welsh Language**

The proposals will have a positive impact on equality in Wales. Through the proposed Voluntary Approval Scheme, financial inequity will be tackled through improved access to greater support for costs for families. The maintenance of the exception for coaching and tuition in language, religious and cultural instruction will continue to provide opportunities for children to engage with activities relating to their culture and heritage. There will be clarification that relatives or persons living in the same home as the child should be 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 for the child, they are not the child's foster carer, the care does not take place at the child's home, and the care is available and on offer to non-related children. Through this, parents will be assured that they can engage the services of the child minder they feel would best meet the care needs of their disabled child, meet the communication needs of a child whose first language is not English or Welsh, or share a religious faith, for example.

### **A globally responsible Wales**

The proposals will have a neutral impact.

### **Mitigation of Negative Impacts**

Changes will be clearly communicated through a communication campaign. Clear guidance and case study examples will be published to ensure providers have a clear understanding of the 2026

Order and the proposed Voluntary Approval Scheme. This will give providers confidence to operate in a way that benefits them and the families they serve.

Through working with umbrella organisations via Cwlwm, the benefits of extending provision and registering with Care Inspectorate Wales will be promoted to encourage growth of the sector throughout Wales. We will also work with Cwlwm to support there being a greater understanding of the difference between registered, unregistered and approved providers especially amongst parents.

Monitoring and evaluation as any changes come into place will allow additional mitigations to be made should they be identified.

In light of consultation feedback, additional mitigations will be considered to prevent disproportionate impacts on disadvantaged families, faith-based organisations, small rural providers and disabled children. Mitigations should address concerns raised regarding the need for clarity in relation to changes to the exceptions and the development of the Voluntary Approval Scheme.

To ensure the Voluntary Approval Scheme operates within the statutory requirements of Section 60 of the Government of Wales Act 2006, the aims have been refined in collaboration with legal colleagues. The primary driver of the Voluntary Approval Scheme is to promote the economic and social well-being of families by widening access to financial childcare support. The Voluntary Approval Scheme will be developed and implemented with transparency regarding its purpose and its limitations, recognising that it does not constitute a safeguarding or quality assurance regime. Clear communication, guidance and robust evaluation mechanisms will accompany the Voluntary Approval Scheme to support its effective operation.

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

Following consultation and any resulting changes, numbers of providers registered to provide services to children and families will be monitored by Care Inspectorate Wales (CIW). The uptake of the Voluntary Approval Scheme will be monitored. This will be considered alongside any information shared with CIW relating to any providers choosing to amend their provision and cancel their registration as a regulated childcare provider in order to move to a Voluntary Approved Scheme.

The numbers of children accessing registered providers will be captured via the annual Self-Assessment of Service data submitted by registered providers. Additional information can be obtained via the data gathered by Local Authorities as part of their Welsh in Education Strategic

Plans (WESPs) target monitoring and their submission of Childcare Sufficiency Assessments and Play Sufficiency Assessments.

Monitoring will also specifically track impacts on faith-based provision, Welsh-medium community settings, volunteer-led organisations, and childcare availability in rural or socio-economically disadvantaged areas, as raised through consultation.

Focus group feedback highlights the additional need to monitor:

- the effect of the 2-hour coaching/tuition limit on availability of provision for children aged 4 and under;
- potential misuse or inappropriate incentives around relatives registering as child minders;
- impacts on integrated activity models affected by the activity-type reduction; and
- any unintended regulatory pressure on youth services delivering transitional support for 10-year-olds.

## A. CHILDREN'S RIGHTS IMPACT ASSESSMENT

### 1. Policy objectives

#### Background

The Welsh Government's [Child Minding and Day Care Exceptions \(Wales\) Order 2010](#) identifies circumstances where registration as a child minder or day care provider is not required. Being excepted means that these providers do not need to register with Care Inspectorate Wales (CIW) or comply with the [Child Minding and Day Care Regulations](#) and the [National Minimum Standards](#). It provides distinction between providers that need to be registered and those that don't.

The Welsh Government has reviewed the exceptions following recommendations in these reports:

- [Call for Evidence](#) regarding the 2010 Exceptions Order (2019) which noted that several exceptions required review in line with policy developments, to provide clarity of definitions, to strengthen safeguarding and ensure the exceptions are equitable to different types of providers.
- [The Ministerial Review of Play \(2023\)](#) which as part of Key Recommendation 11, recommended that the Welsh Government review and consult on the exceptions relating to the frequency of services operating. They also recommended a review of coaching and tuition exceptions and the prohibition of voluntary registration of such providers.
- [Minding the future: The childcare barrier facing working parents \(2022\)](#) which made Recommendation 18, that requested Welsh Government set out its plans to undertake a full consultation on the Child Minding and Day Care Exceptions (Wales) Order 2010 that was committed to in 2019. This was in order to address concerns around the negative impact it has on registered providers and on the safeguarding of children.

In light of these reports, the Welsh Government has undertaken a review of the exceptions. The aims were to:

- Ensure childcare options are child-centred and foster the rights of children to play, relax, learn and join groups and organisations that meet their needs and interest.

- Ensure that the exceptions in place are proportionate and exempt those that don't need to register with Care Inspectorate Wales.
- Promote robust safety measures for children across all childcare, playwork and activity settings which will support children to be safe and properly cared for.
- Support affordable, accessible, and flexible childcare, playwork and activities for families to meet various needs, interests and demands across Wales. Any changes to the exceptions must not reduce available or affordable childcare, play or activities.
- Simplify the 2010 Exceptions Order for clarity and consistency in interpretation.

The key priority for this work is to ensure children in Wales can access quality childcare, play and activities that meet their needs and those of their families. The review has been carried out in a way that has ensured that the best interests of children are prioritised and have been central to consideration and decision making.

### **Proposed changes to the Exceptions**

The Welsh Government has undertaken a full public consultation regarding the proposed changes relating to which providers are not required to register as child minders or day care providers.

The Welsh Government has considered the responses to the consultation and will be taking forward the following changes to the exceptions:

- Permitting relatives to act as childminders in certain circumstances.
- Aligning rules for nannies, au pairs, and babysitters.
- Allowing youth services to deliver transitional youth work to 10-year-olds without being required to register.
- Adjusting coaching activities for children aged 4 and under to a maximum of 2 hours.
- Excluding coaching/tuition exception for children aged 2 and under.
- Removing 2-hour and 5-day exceptions for children aged 2 and under except where a parent is present or on the premises and can be summoned.
- Updating categories of coaching and tuition
- Requiring day care registration for schools where there are pupils aged 2 and under in attendance.
- Preventing suspended providers from operating under the exceptions relating to time-limited provision (2 hours or less per day).

The consultation asked whether a provider should register as a day care provider if they offer coaching and tuition in more than one of the types of activity rather than the two permitted under the current exception. Although many consultation responses supported this proposal, comments provided in the consultation raised concerns regarding the negative impacts for children, families and communities specifically for rural areas, Welsh language and faith and community groups. The Welsh Government considers that the negative impacts of this proposal outweigh the benefits of making this change. Therefore, the Welsh Government will not proceed with the proposal to require a provider to register as a day care provider if they offer coaching and tuition in more than one of the types of activity. This means retaining the current status quo that a provider will not need to register as a day care provider if they offer coaching and tuition in no more than two types of activities from the specified list.

It is anticipated that the 2026 Exceptions Order will be made in April 2026, come into force in April 2027 and will be fully enforceable by April 2028 following a year transitional period. The Welsh Government proposes to publish guidance on the 2026 Exceptions Order to support the understanding and application of the 2026 Exceptions Order.

### **Proposed introduction of a Voluntary Approval Scheme for Childcare, Playwork and Activity Providers**

- Alongside this review, the Welsh Government carried out a public consultation on the proposed introduction of a Voluntary Approval Scheme for Childcare, Playwork and Activity Providers for those who are exempt from registration as a child minder or day care provider. Eligible providers on the proposed Voluntary Approval Scheme will potentially be able to register with HMRC and Department for Work and Pensions (DWP) so that eligible parents can use Tax-Free Childcare or Universal Credit Childcare. To be on the Voluntary Approval Scheme, providers will need to demonstrate they have basic safety checks in place which may offer parents some reassurance.
- The Welsh Government has considered the responses to the consultation and will be taking forward the development of the Voluntary Approval Scheme, ensuring transparency about its aims and constraints, clarifying that it is not a substitute for registration, and supporting implementation with clear guidance and robust evaluation.
- The next stage of work will be to refine the details of the Voluntary Approval Scheme. The anticipated target date for implementation of the Voluntary Approval Scheme is April 2027.
- A Voluntary Approval Scheme introduced under Section 60 of the Government of Wales Act 2006 must satisfy the statutory 'objects test' by promoting or improving the economic, social or environmental well-being of Wales. The aims of the Voluntary Approval Scheme have therefore been refined to ensure the scheme aligns with this requirement. The Voluntary Approval Scheme is intended to:

- enable families to use Tax-Free Childcare and Universal Credit Childcare with a wider range of eligible providers, supporting parental employment, reducing childcare costs and promoting social and economic wellbeing;
- improve children’s access to enriching childcare, playwork and activity opportunities by expanding the pool of approved providers and making provision more affordable;
- support parents in choosing suitable childcare by verifying that approved providers meet minimum criteria, including basic safety checks; and
- support and engage the unregistered sector through guidance, promotion of best practice and increased visibility for families.

The development of the Voluntary Approval Scheme will therefore be accompanied by:

- clarity that the primary purpose is the financial benefit to families;
- transparency about the Voluntary Approval Scheme’s limitations, including that it is not a full safeguarding or quality assurance regime;
- consideration of safeguarding work alongside the Voluntary Approval Scheme rather than relying on it to
- resolve safeguarding issues in unregulated provision;
- clear, accessible communication and guidance for providers and families; and
- robust evaluation arrangements to monitor its impact

## **2. Gathering evidence and engaging with children and young People**

The [Call for Evidence](#)(2019) regarding the [Child Minding and Day Care Exceptions \(Wales\) Order 2010](#) identified key issues. A majority of respondents agreed that it should be possible for a relative to be considered as a child minder and that such providers should adhere to current regulations and policies regarding overall ratios. Respondents generally agreed that persons only providing child minding services in the evenings/nights at their own home should be able to register as child minders which would help ensure safeguarding is made a priority. With regards to the provision of activities under the exception for coaching and tuition, many respondents were concerned that there are safeguarding issues as it allows for unregulated childcare to take place for children aged 4 and under for up to 4 hours a day. However, a few respondents confirmed that they believed such provider organisations have well-regulated procedures to run as specialist activities to ensure safeguarding.

[The Ministerial Review of Play](#)(2023) which as part of Key Recommendation 11, recommended that Welsh Government review and consult on the exceptions relating to the frequency of services operating and the provision of coaching and tuition. The report expressed the need for a rigorous system that ensures safeguarding arrangements and staff suitability is maintained in all playwork settings.

In [Minding the future: The childcare barrier facing working parents](#)(2022), the Equality and Social Justice Committee heard conflicting evidence from stakeholders on the impact of the 2010 Exceptions Order on the workforce, the safeguarding of children and the quality of provision.

As of 13 January 2025, Self-Assessment of Service data held by Care Inspectorate Wales reflected that approximately 124,500 children were accessing childcare and play services at 2,827 approved childcare settings across Wales. Some data regarding unregistered settings is obtained via Local Authority Childcare Sufficiency Assessments and Play Sufficiency Assessments, but this is limited in its reach as not all unregistered providers share their information with their local authority.

[Coram Childcare Survey 2025](#) reflected that 67% of local authorities in Wales report ‘data not held or cannot tell’ for childcare for school age children and young people. As a result, there is not a full picture regarding how many unregistered providers are active in Wales and the number of children using these services. Through the review of the exceptions, information was gathered from 81 unregistered providers regarding how they operate and the services they provide to the children attending. Under half of the providers offered activities to children aged under 4 years old, with a significant focus being on children aged 5-11. 86.1% of respondents operated under exceptions that exempt providers who operate for under two hours per day.

The availability of quality childcare, play and activities offers vital social, economic and educational benefits to children and families. Research commissioned by the [Department of Education \(DfE\) in 2022](#) identified that the main reason for parents using childcare was to facilitate them to work, but that the child’s socialisation and development was also a key benefit. Parents viewed availability of quality and flexibility of care as imperative to meet the needs of children and their families.

In the [Children’s Commissioner for Wales’ July/August 2024 – Summer Holidays Monthly Matters report \(2024\)](#), 29% of respondent children said they liked to attend summer clubs and activities, 13% said they enjoyed going to youth clubs and 11% cited attending a playscheme as a favoured activity. 41% of the respondent children advised that there are things that stop them doing the things they enjoy and of this group, 44% identified that the cost of the activity

was the reason for this. The [Child Poverty Strategy for Wales 2024: Engagement Report](#) reflected that children and young people are very aware of the financial pressures on their parents. Many were also aware that their parents needed access to affordable childcare to enable them to train or work. They also talked about not being able to access activities including art and music, play and sports because of costs.

Research conducted by [Scottish Government \(2022\)](#) was considered through the policy process. It identified that children viewed the fundamental elements of all childcare and activities as kindness, community, fairness, happiness, fun and choice. They also recognised that their attendance at such activities benefited them socially and also acted as a mechanism for parents/guardians to work or study. A similar consultation of [school-aged children in Ireland in 2016](#) drew likewise conclusions. Children questioned clearly expressed that relationships with family, extended family, friends, child minders and carers were very important. They also noted that children did not favour structured environments, predictability, rigidity, lack of choice and being treated inappropriately for their age. Both studies were considered when discussing proposed amendments and emphasised the credence of the aim of our review to ensure there are childcare options available to families that are child-centred and provide opportunities for children to have fun, learn and develop in line with their needs and interests.

Children have significantly differing safeguarding needs due to their age and stage of development. [NSPCC](#) identifies that babies are more vulnerable to abuse and neglect than older children and they rely on their parents and carers to meet their needs. Children aged four and under represented 40 percent of children on the child protection register in Wales in 2023-24, and 45 percent of the children included in the register for reasons of neglect (see [Children placed on the child protection register during the year, by local authority, category of abuse and age](#)). A 2015 study ([Davies et al., 2015](#)) found that 76.3 per cent of cases of suspected child abuse reported in child hospitalisation in England and Wales were recorded for children aged under 1 year. Analysis of data from the US Adoption and Care Reporting System ([Williams & Sepulveda, 2019](#)) suggests that infants and toddlers are twice as likely as older children to enter foster care due to heightened vulnerability to parents' diminished caregiving capabilities. Young children's vulnerability has been conceptualised as having both inherent (i.e. deriving from young children's fundamental dependence on adults for their basic needs) and situational (i.e. deriving from specific contexts in which children may be put at risk due to their vulnerability) components (see [Bagattini, 2019](#); [Giesinger, 2019](#)). Inherent components of young children's vulnerability have been supported in empirical observation of infants' heightened vulnerability to infection through neonatal immune immaturity ([Borghesi et al., 2020](#)) and through evidence of children's reliance on adults to provide food and nutrition in response to non-verbal prompts ([Black & Aboud, 2011](#)). This conceptualisation suggests that the need to be protected from risk is likely to be higher where

children's dependence on adults is highest, as for infants and toddlers. This has been considered at length through the review and as a key result of this, the public were consulted on their views regarding some exceptions not applying where the provider cares for children aged 2 and under and their parent does not remain on the premises.

At the other end of the age spectrum, the provision of youth services can be an effective provider of support and guidance for young people. In a [needs analysis](#) conducted by a London borough in 2018, 74% of respondents identified that youth clubs were needed to support young people. With this research in mind, the need to ensure continuation of provision in Wales was considered and the exception for youth service is proposed to be extended to provide opportunities for 10 years olds to support both their transition from primary to secondary school age and their personal, social and educational needs.

Alongside existing evidence sources, additional in-depth engagement took place with 41 children and young people across Milford Haven, Swansea and Powys through facilitated workshops delivered by Young Wales. These sessions provided insight into children and young people's lived experiences of coaching, tuition, childcare, and unregistered provision. Across all settings, children showed strong awareness of safety, trust, and supervision, describing registration as something that gives reassurance because registered adults "have passed checks", "have training" and are "recognised by the government". In contrast, unregistered provision was often perceived as less safe or less accountable, particularly when care takes place without parents present.

Focus groups with parents, registered childcare providers and unregistered activity providers offered valuable insight into how the proposed amendments may work in practice, particularly around safeguarding, parental confidence and children's experiences.

Parents consistently highlighted the importance of trust, familiarity and safeguarding in childcare by relatives, babysitters and tutors. They supported relatives being able to register as child minders under clear conditions but stressed that registration and oversight are essential for safety. Many expressed concern that any unregistered care could leave young children vulnerable.

Views on proposed changes for babysitters, nannies and au pairs were mixed: families valued flexibility but raised concerns about children's vulnerability overnight and the reduced accountability of unregistered carers.

Youth service providers welcomed extending the exception to include Year 6 pupils, recognising it reflects current transitional support practice.

Across all groups, the most consistent theme related to the coaching and tuition exemption. Parents, registered and unregistered providers alike raised safeguarding concerns for children aged 4 and under. Parents viewed two hours as an appropriate upper limit, while many said they would avoid unregistered provision entirely. Registered providers opposed unregistered care for children aged 4 and under, citing care and oversight risks, whereas unregistered providers accepted the two-hour limit but wanted clear standards on qualifications, ratios and safeguarding.

Overall, participants agreed that any changes to exceptions must be supported by clear guidance, robust safeguards and limits reflecting the needs of the youngest children.

Younger participants emphasised the importance of trust, often feeling safest with family or known community members. However, they also clearly valued registration as a protection when parents are not nearby, and described safeguarding checks (e.g., DBS, cameras, more than one adult present) as essential.

Children strongly highlighted that children aged 2 and under need a higher level of protection, with most feeling that very young children should not be left without their parents unless the provider is registered. They felt that parental presence reduces risk, but that distance matters—being “one room away” was acceptable, whereas being “far down a corridor” was not.

Children also identified the importance of balancing activity type, risk, age and duration. Many felt that vigorous or contact sports required stronger safeguards than arts or craft activities. They also expressed that long sessions were not appropriate for younger children without breaks.

On the Voluntary Approval Scheme, children and young people saw potential benefits — including increased trust, better safety checks and clearer recognition of providers — but also stressed that safety must come first, warning that a Voluntary Approval Scheme is “not helpful if there’s no follow up”.

Children also emphasised the impact of cost, highlighting that fees or rising activity costs could reduce their opportunities to participate and place pressure on families.

These insights have strengthened this CRIA’s assessment of safeguarding expectations, parental trust, affordability, and the developmental needs of the youngest children.

## **Changes to child minding**

The proposed change of wording will clarify the exception for parents, those with parental responsibility, foster parents, relatives and those residing at the same address. This will confirm that children can be cared for in informal family arrangements without being required to formally register. The rewording will also confirm that relatives or persons living in the same home as the child should be 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 for the child, they are not the child's foster carer, the care does not take place at the child's home, and the care is available and on offer to non-related children. This clarification addresses previous confusion around location. Focus group feedback highlighted significant initial confusion about the proposal, with many participants believing relatives would be required to register even for informal arrangements. The need for clearer communication and unambiguous wording was strongly emphasised.

Children will gain the dual benefit of being cared for by a professional and by a family member or a person they live with, while parents can choose the child minder that best meets their child's needs. This is particularly significant for families with disabled children, those with cultural, religious or language preferences, and parents who work atypical hours. Focus group participants also stressed that relatives who choose to register should be held to the same professional standards and safeguarding expectations as any other child minder, and that clear safeguards are required to avoid misuse of funded childcare schemes. It also supports childcare sufficiency in rural areas where options are limited, promotes parity across childcare settings, and helps sustain the childminding sector. Safeguarding remains robust through CIW registration and inspection.

The proposed amendment to exceptions regarding care between 6pm-2am will allow parents to make more flexible arrangements to meet their children's care needs outside standard hours, ensuring care in an appropriate and familiar environment.

Finally, if a registered provider is suspended by enforcement, the exceptions relating to care for 2 hours or less a day will not apply. If Care Inspectorate Wales have suspended the registration of a child minder, they would not be able to continue to operate under the exceptions and therefore offer potentially unsafe care to children. This aims to safeguard children.

These amendments are considered proportionate and will work to meet the review's aim to promote there being affordable and accessible childcare and activities options for children and families that are flexible to meet the various needs, interests and demands across Wales.

### **Changes to youth services**

The proposed amendment to reduce the age caveat from age 11 to 10 recognises the different needs of children as they approach secondary education. It allows younger children to access youth services designed to support transition, personal development and social skills without the requirement to register as a day care provider. Focus group feedback from youth service providers strongly supported this change, noting that Year 6 pupils increasingly engage with youth work and that youth work activities function as educational and developmental tools rather than childcare. Providers stressed the importance of ensuring youth work is not misclassified or subject to inappropriate childcare regulation.

This change promotes flexibility for providers and continuity of preventative, rights-based support, while safeguarding responsibilities remain through established frameworks such as Education Workforce Council registration, Estyn inspection and compliance with national safeguarding standards. Clear guidance will be essential to distinguish youth services from childcare and prevent misuse, ensuring that families understand the purpose and scope of these provisions.

Focus group feedback from unregistered providers showed strong support for the amendment, noting that Year 6 is a critical developmental stage and that the proposal reflects current youth sector practice. Participants agreed that it would sustain age-appropriate, educational and developmental support without unnecessary regulation.

### **Adding age caveats**

The proposed amendments relating to the age caveats reflect clear evidence that children aged 2 and under have significantly greater care needs than older children.

The proposed amendment to require all schools offering education to children aged 2 and under to register this part of their provision as a day care provider, may strengthen safeguarding, ensure appropriate ratios and training, and provide greater assurance to parents regarding the quality of care.

Consultation feedback on childminding, day care and coaching/tuition for children aged 2 and under further highlighted the balance between safeguarding and proportionality. Parents' and registered providers' groups strongly supported requiring registration whenever a parent is not present, emphasising vulnerability, intimate care needs and the importance of consistent oversight. However, concerns were raised by unregistered and community-based groups about potential negative impacts on informal crèches and parent-support programmes, particularly

in rural, faith-based and refugee/asylum-seeking communities. Participants stressed that parental presence elsewhere on the premises does not reliably ensure safety for very young children, while unregistered groups emphasised the importance of flexibility to sustain community-based support. These issues will require careful consideration in guidance and ongoing monitoring.

The public were consulted on their views regarding some exceptions not applying where the provider cares for children aged 2 and under and to consider whether there should be a different approach if their parent remains on the premises. This may provide quality assurances for parents. The proposed change is to remove the coaching and tuition exception for children aged 2 and under and stipulate children 3 and 4 years of age can be coached or tutored for maximum 2 hours per day under the exception. This will allow for developmentally appropriate coaching and tuition provision that does not require care beyond any that arises incidentally.

However, respondents also highlighted that introducing age-based caveats and removing exceptions for children aged 2 and under may lead some schools or providers to withdraw provision rather than take on the additional regulatory and administrative burden. This could reduce parental choice and impact local childcare sufficiency.

An additional risk is that they may remain open but amend their service to only provide for older children. Stakeholders from the sector report that some providers use the 2 hour and/or five hours or fewer exception to market test their service before proceeding to set up a registered provision. Adding age caveats to these exceptions would preclude this from happening, meaning that using short-duration exemptions to test market viability would no longer be possible and potentially discouraging new providers from establishing services for this age group. Providers looking to offer services to children aged 2 and under may decide not to take the risk of opening a setting as they haven't been able to ascertain whether it is sustainable in the market. Clarity will also be required around definitions — including “pupil” status and care incidental to education — to ensure consistent application across settings.

### **Changes to coaching and tuition**

Children can develop skills and knowledge of their choosing through the exception for providers of a range of forms of coaching and tuition where care is considered incidental to the activity. The updated categories—sport, expressive and creative arts, educational support, and religious or cultural study—were generally welcomed for providing clearer definitions, although respondents noted the need for further clarity around areas such as outdoor learning, uniformed groups and how broad categories (such as health and well-being) are

interpreted. Maintaining the exception for a provider to offer two activity types would maintain opportunities for children to follow their interests and develop their skills in specific areas. Focus groups raised particular concerns from faith based, uniformed and community organisations whose models rely on blended activity types as part of holistic engagement. These groups cautioned that limiting to one activity type may undermine culturally significant or community centred programmes. Maintaining the exception for two types of activity may mean that it is difficult to distinguish between childcare and coaching and tuition activities.

However, consultation responses noted that for children aged 4 and under, many coaching or tuition activities may not be developmentally appropriate without parental presence, and that some providers may choose to limit or alter their offer in response. As a result, while some providers may keep their provision the same and will take on the new requirement to register with Care Inspectorate Wales, others may reduce to a single activity type to remain operating under the exception, potentially limiting the range of opportunities available for young children at a single location or session. Feedback also emphasised the distinction between coaching/tuition for younger children and transitional youth services for 10-year-olds, which were strongly viewed as educational rather than childcare. Maintaining this distinction is important to ensure younger children receive appropriate support, while older children can continue to access transition-focused youth work that supports their personal, social and educational development.

Focus group feedback on the coaching and tuition exception highlighted broad support for a two-hour limit for children aged four and under but safeguarding concerns across all groups. Parents reported negative experiences in unregistered settings and said many would avoid them entirely. Unregistered providers agreed the limit was appropriate but stressed the need for clear standards on DBS checks, training and ratios. Registered providers opposed any unregistered provision for children aged 4 and under, citing intimate care needs, communication barriers and unfair competition with regulated childcare. Overall, focus group evidence supports both clear age thresholds and strengthened safeguards and precise definitions to ensure activities for young children remain safe and developmentally appropriate.

### **Proposed Voluntary Approval Scheme for Childcare, Playwork and Activity Providers**

[Coram Childcare Survey 2025](#) reflected that costs of childcare for under twos have increased by 9.7% in Wales over the last year, with costs for two-year-olds seeing a 7.2% rise over the same period (based on 25 hours per week). [Senedd research in 2023](#) identified that over 80% of the children in Wales that live in poverty have at least one parent in work and the

percentage of children living in poverty that live in a household where at least one adult works has increased substantially since the 2008 financial crisis. Through the potential development of the proposed Voluntary Approval Scheme for Childcare, Playwork and Activity Providers for some exempt providers, a greater number may become eligible to register with HMRC to receive payments via the [Tax-Free Childcare](#) scheme and DWP so that eligible parents can use the [Universal Credit Childcare](#) scheme. This will promote parity with families in England (where some exempt providers can already register with HMRC and DWP) and possibly promote access by making opportunities more affordable for families. Eligible parents of disabled children continue to have access to the [Tax-Free Childcare](#) scheme until 1 September after the child's 16<sup>th</sup> birthday, which will lessen the burden of their childcare costs for this extended period.

Consultation feedback welcomed the potential for the Voluntary Approval Scheme to introduce a baseline of safety checks for currently unregistered provision, reflecting what children and parents told Children in Wales about the importance of safe adults, DBS checks, first aid, and safeguarding training when making childcare choices. Improved visibility of unregistered provision could also support Welsh Government and Local Authorities to better understand where children are accessing care and activities, strengthening their duties under Childcare and Play Sufficiency Assessments.

However, many consultation respondents emphasised that children's rights—particularly Article 3 (best interests of the child) and Article 19 (protection from harm)—must remain central. Concerns were raised that the voluntary nature of the Voluntary Approval Scheme, reliance on self-declaration, and the absence of ongoing oversight risk inconsistent safeguarding standards. Some stakeholders felt that a mandatory light-touch registration model would offer stronger, more equitable protection for all children, reduce confusion for parents, and avoid creating a two-tier system that could undermine the value and safety assurances of CIW-registered provision.

While the proposed amendments could promote affordability and accessibility, further consideration is needed to ensure they also avoid unintended negative impacts on the regulated childcare sector, and uphold children's rights consistently across all forms of provision.

### **Links with other policy areas**

Proposed amendments to the exceptions have been considered in line with the current review of the [National Minimum Standards](#) for Regulated Childcare for children up to the age of 12 years. The different standards relating to specific ages of children set out in the current

National Minimum Standards were considered when identifying potential amendments to improve safeguarding of the youngest, most vulnerable children. Specific standards relating to different setting types were also considered.

The proposed new statutory framework for youth work informed proposals relating to the youth service exceptions and Officials liaised with sports, education and equality policy colleagues to discuss impacts upon children from their policy perspectives.

### **Engagement with children and young people to date**

In Spring 2024, Children in Wales were commissioned to undertake research to engage with children to inform the review. They were asked to ascertain children's views regarding childcare and how they feel about attending.

Children aged 2-5 shared the importance of their caregivers to them and reflected how they are central to children's feeling of safety, security and happiness. Children's responses showed that a majority of the children engaged with, felt attending childcare was a happy, fun experience for their enjoyment and a space to play and make connections.

Children aged 4-10 were aware of how childcare is used as an opportunity for them to play, socialise and learn skills but also to allow their parents/guardians to work.

The Children's Commissioner for Wales highlighted that the consultation materials—particularly the children and young people's response form—were not sufficiently accessible or child-friendly, limiting opportunities for younger participants to meaningfully express their views.

Several stakeholders noted that further engagement is needed with parents and carers of babies and toddlers, given that children under 4 cannot participate directly but will be affected disproportionately by changes to the exceptions.

Additional engagement work with children and young people was carried out via a focus group while the consultation process was ongoing. The Welsh Government commissioned Children in Wales to undertake engagement sessions with young people to provide an opportunity for them to share their views on key issues from the consultation. Although these workshops did not form part of the consultation as they were considered as engagement, the work did provide valuable insights. Three workshops were held in different locations during Autumn 2025, attended by young people aged 10-25. The report prepared by Children in Wales is published alongside this report.

A youth-friendly version of the consultation document and response form was available for children and young people to complete; this was promoted via networks including Children’s Commissioner for Wales and Children in Wales, to encourage children and young people to share their views.

**Future engagement with children and young people**

The need for further engagement work with children and young people will be assessed as the work on the exceptions and Voluntary Approval Scheme continue.

**3. Analysing the evidence and assessing the impact**

UNCRC Articles or Optional Protocol	Enhances (X)	Challenges (X)	Explanation
<p>Article 2 – The convention applies to everyone whatever their race, religion, abilities, whatever they think or say and whatever type of family they come from.</p>	<p>X</p>		<p><a href="#">The Welsh Government Anti Racist Action Plan</a> (2022) reflects the Welsh Government’s commitment to building an inclusive and equitable society for all Black, Asian and Minority Ethnic people and communities in Wales. In line with this commitment, the 2010 Exceptions Order identifies that providers of coaching or tuition in religious or cultural studies are not required to register. This allows followers to practice and engage with their culture and/or religion freely.</p> <p>It was identified that while access to cultural and religious coaching and tuition is important, many activities may not be developmentally appropriate for children aged 4 and under without parental presence, and very young children may have care needs better met within registered provision. Consultation responses broadly welcomed the clearer definitions of coaching and tuition</p>

			<p>categories—including religious or cultural study—but also highlighted the need for careful guidance to avoid misinterpretation, given that some categories (such as cultural study or health and well-being) could be interpreted broadly.</p> <p>Focus group feedback reinforced these concerns, with parents, unregistered providers and registered providers all raising safeguarding issues related to unregistered coaching and tuition for children aged 4 and under.</p> <p>The maintenance of the exception for coaching and tuition in up to two activity types, allows faith-based organisations providing coaching and tuition opportunities for children aged 2-12 to follow their interests, talents and cultures to continue. As a result, children will continue to have opportunities to access activities focused around their faith and culture.</p>
<p>Article 3 – All organisations concerned with children should work towards what is best for each child.</p>	<p>X</p>		<p>The best interests of children must be the primary concern in making decisions that affect them. Through pre-consultation engagement with children, evidence was obtained as to what is important to children when attending childcare and activities and the importance of their caregivers to their well-being. This has helped us to understand how our decisions affect children, what matters to them and what we needed to do to meet their best interests.</p>

			<p>Throughout the review of the exceptions, the aim to promote robust safety measures for children in both registered and unregistered providers has been central. All decisions have been taken with this in mind.</p> <p>While many respondents welcomed strengthening safeguarding for the youngest children, others raised concern that changes may unintentionally reduce access to safe, trusted, low-cost community provision—particularly faith-based creches, volunteer-run groups and cultural activities that currently operate under the exceptions. These settings often serve children living in socio-economic disadvantage, meaning that potential loss of provision could conflict with best-interest considerations, especially for those relying on community support rather than formal childcare.</p> <p>It is proposed that if a registered provider is suspended by enforcement, the exceptions relating to care for 2 hours or less a day will not apply. If Care Inspectorate Wales have suspended the registration of a child minder or day care provider, they would not be able to continue to operate under the exceptions and therefore offer potentially unsafe care to children. This aims to safeguard children. Respondents strongly supported this. Allowing any form of provision during a suspension could undermine enforcement action and expose children to potential harm. Removing access to the exceptions therefore strengthens</p>
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		<p>safeguarding and ensures that children are fully protected during the suspension period.</p> <p>In the <a href="#">Children and Young People’s Report</a>, children and young people repeatedly described safety, trusted adults and appropriate supervision as core to their wellbeing. They associated registration with being “checked”, “qualified”, and “safe”. Their feedback underscored that robust safeguards — particularly for younger children or higher-risk activities — must sit at the centre of decision making. Some also stressed that any new scheme must include meaningful follow-up: “it’s not helpful if there’s no follow-up or things like that.”</p> <p>Their views support the emphasis on strengthening safeguards within both registered and voluntarily approved provision.</p>
<p>Article 5 – Governments should respect the rights and responsibilities of families to direct and guide their children so that, as they grow, they learn to use their rights properly.</p>	X	<p>The review of the exceptions aims to ensure childcare options are child-centred, foster children’s rights to play, relax and learn, and meet their needs and interests.</p> <p>The review process extensively considered the diverse needs and interests of families and children across Wales. We aim to support the right for families to be able to make choices about the childcare, play and activities that meet their needs. We recognise that no one size fits all and we are working with a range of organisations to ensure proposed changes do not limit choices available. We are working with a range of stakeholders to ensure</p>

		<p>accessibility is addressed through this review.</p> <p>Eligible parents that use CIW-registered childcare can currently benefit from <a href="#">Tax-Free Childcare</a> or <a href="#">Universal Credit Childcare</a> schemes, whereas those relying on unregistered providers must meet the full cost themselves. This can limit families' ability to choose the provision that best meets their child's needs, particularly where unregistered services may be more suitable or accessible</p> <p>The proposed Voluntary Approval Scheme will allow more providers to be eligible to register with HMRC to receive payments via the Tax-Free Childcare scheme and DWP so that eligible parents can use the Universal Credit Childcare scheme. Parents would have more opportunity to make decisions that work for them financially and best meet the needs of their child.</p> <p>Views on eligibility were generally positive, with parents suggesting the Voluntary Approval Scheme could support nannies, au pairs, babysitters, charity-run groups and playschemes that cannot realistically register with CIW.</p> <p>Unregistered organisations noted that administrative demands may limit participation, while some registered providers believed the Voluntary Approval Scheme could benefit high-quality unregistered settings that struggle to meet CIW staffing requirements.</p> <p>Consultation responses highlighted that the Voluntary Approval Scheme could help</p>
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		<p>level the playing field for families and promote fairness, but they also emphasised the need for any approved provision to meet a clear baseline of safeguarding and safety measures. This reflects what children and parents told Children in Wales about the importance of safe adults, appropriate training, and protective policies when choosing childcare or activities.</p> <p>Feedback on the aims of the Voluntary Approval Scheme was mixed. Some parents and providers felt widening access to financial support would benefit families, while others—particularly registered providers—were concerned that prioritising financial access could blur the distinction between registered and unregistered care and undermine sector standards. Respondents emphasised the need for clear communication about what the Voluntary Approval Scheme does and does not assure.</p> <p>In developing the Voluntary Approval Scheme, the Welsh Government has refined the aims of the scheme to ensure alignment with Section 60 of the Government of Wales Act 2006. The Voluntary Approval Scheme’s core purpose is to increase families’ ability to access affordable provision by widening eligibility for financial support such as Tax-Free Childcare and Universal Credit Childcare. The Voluntary Approval Scheme is not intended to function as a safeguarding or quality assurance system; therefore, clear communication and guidance will be essential so that parents understand its scope and limitations.</p>
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		<p>Robust evaluation will be undertaken to ensure the Voluntary Approval Scheme promotes children’s best interests and supports equitable access to safe, suitable provision.</p> <p>Stronger oversight was identified as essential to the Voluntary Approval Scheme’s credibility. Parents and registered providers felt that self-declaration alone would not provide sufficient assurance, while unregistered providers supported proportionate checks. Respondents agreed that any oversight model must balance reassurance to families with practicality for small and volunteer-led organisations.</p> <p>An aim of the review is to simplify communication of the exceptions for all and through meeting this aim, parents will have a clearer understanding of what are registered, approved and unregistered providers. Improved clarity will support children’s rights by enabling families to make informed choices and understand the level of assurance each type of provision provides.</p> <p>In the <a href="#">Children and Young People’s Report</a>, children and young people described how parental presence or proximity influences their sense of safety, particularly for children aged 4 and under. They also stressed that family members and trusted adults feel safer, but that registration still matters when parents are not present. Their insights reinforce the need for clarity so parents can choose provision that best meets their child’s</p>
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			<p>developmental needs and aligns with their own expectations of safety.</p> <p>Children also expressed concern that cost increases could limit family choice. This strengthens the assessment that expanding access to financial support schemes is essential to avoid inequity and uphold children’s rights to appropriate provision.</p>
<p>Article 6 – All children have the right of life. Governments should ensure that children survive and develop healthily.</p>	X		<p>Through ensuring there are sufficient childcare and play opportunities, children will have access to environments that help them learn, grow and thrive. Allowing relatives to register as child minders under clear conditions supports childcare sufficiency and flexibility, particularly for families with additional needs or in rural areas. Maintaining exceptions for coaching and tuition, sports groups ensure children continue to benefit from active, healthy lifestyles.</p>
<p>Article 12 – Children have the right to say what they think should happen, when adults are making decisions that affect them, and to have their opinions taken into account.</p>	X		<p>As part of the review of the exceptions, Children in Wales were commissioned to obtain the viewpoints of children regarding the exceptions. Children aged 0-12 saw childcare as a place to play but older children were more aware of how childcare is used as an opportunity for them to learn skills and to allow their parents/guardians to work.</p> <p>The <a href="#">National Minimum Standards(NMS)</a> for registered providers requires them to have procedures for children to complain should they be unhappy with their care. Providers signing up for the proposed Voluntary Approval Scheme, could be</p>

			<p>signposted to the NMS as a good practice guide and thus this opportunity afforded to children attending.</p> <p>Children and young people were engaged meaningfully through the Young Wales workshops. Their contributions have directly informed this assessment, particularly regarding safety, trust, supervision, age-appropriate provision, and affordability. Their feedback has helped to shape policy development.</p> <p>We also developed a youth friendly consultation document so children and young people could share their views on the proposals. However, the Children’s Commissioner for Wales and several organisations emphasised that the consultation materials for children were not sufficiently accessible, and that clearer, more child-friendly formats are required to ensure meaningful participation. Future engagement must include mechanisms to demonstrate how children’s views have shaped policy decisions and provide accessible feedback to participants.</p>
<p>Article 15 – Children have the right to meet together and to join groups and organisations, as long as they are not stopping other people from enjoying their rights.</p>	X	X	<p>Registered and unregistered providers of childcare, activity and play opportunities operate throughout Wales and provide children with a wide range of social experiences. The review is therefore working with a range of stakeholders to consider how changes can ensure children’s opportunities are not lessened whilst the quality of the service maintained.</p>

		<p>The 2010 Exceptions Order provides exemption for providers of coaching or tuition in religious or cultural study, arts and crafts, sport and performing arts. Consultation highlighted that while these activities are valued for supporting children’s interests, talents and cultural identity, some coaching and tuition may not be developmentally appropriate for children aged 4 and under without parental presence, and younger children often have care and safeguarding needs that exceed what unregistered settings can safely provide.</p> <p>It was identified that removal of this exception may result in fewer organisations providing coaching and tuition opportunities that allow children aged 0-12 to follow their interests, talents and cultures, which would have negative outcomes for their development and wellbeing. The proposed changes therefore aim to retain access to these opportunities while placing clearer safeguarding boundaries around provision for the youngest children.</p> <p>Children will be able to continue to develop skills and knowledge of their choosing from a range of forms of coaching and tuition that are exempt from the requirement to register. The consultation asked whether a provider should register as a day care provider if they offer coaching and tuition in more than one of the types of activity rather than the two permitted under the current exception. Although many consultation responses supported this proposal, comments provided in the consultation</p>
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		<p>raised concerns regarding the negative impacts for children, families and communities specifically for rural areas, Welsh language and faith and community groups. The Welsh Government considers that the negative impacts of this proposal outweigh the benefits of making this change. Therefore, the Welsh Government will not proceed with the proposal to require a provider to register as a day care provider if they offer coaching and tuition in more than one of the types of activity. This means retaining the current status quo that a provider will not need to register as a day care provider if they offer coaching and tuition in no more than two types of activities from the specified list. Maintaining the exception for a provider to offer two activity types would maintain opportunities for children to follow their interests and develop their skills in specific areas. Focus groups raised particular concerns from faith based, uniformed and community organisations whose models rely on blended activity types as part of holistic engagement. These groups cautioned that limiting to one activity type may undermine culturally significant or community centred programmes. However, maintaining the exception for two types of activity may mean that it is difficult to distinguish between childcare and coaching and tuition activities.</p> <p>Children expressed enthusiasm for attending clubs, activities and coaching, describing them as places to have fun, learn, make friends and build skills. However, they also flagged that where activities are perceived as unsafe — e.g.,</p>
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			high-risk sports without supervision — they would not feel comfortable attending. Clearer safeguarding expectations were seen as a way to increase access, not restrict it, particularly for younger children.
Article 16 – Children have a right to privacy. The law should protect them from attacks against their way of life, their good name, their families and their homes.	X		The proposed rewording clarifies that relatives or household members can register as child minders provided that the following conditions are met: they are not the child’s parents and do not have parental responsibility for the child, they are not the child’s foster carer, the care does not take place at the child’s home, and the care is available and on offer to non-related children. This gives parents the option to choose a child minder who can provide culturally sensitive or privacy-focused care, protecting the child’s way of life and family circumstances, enabling families to make informed choices while maintaining safeguarding standards.
Article 18 – Both parents share responsibility for bringing up their children, and should always consider what is best for each child. Governments should help parents by providing services to support them, especially if both parents work.	X		Eligible parents that use registered childcare can use <a href="#">Tax-Free Childcare</a> or <a href="#">Universal Credit Childcare</a> schemes, whereas those using unregistered must meet the full cost themselves. This may result in parents choosing a registered provider based on the ability to use Tax-Free Childcare or Universal Credit Childcare schemes, rather than choosing a non-registered provider that may be a better fit for their child. If the number of providers eligible for either full registration or registration on a new Voluntary Approval Scheme is increased, parents would have more Tax-Free

			<p>Childcare or Universal Credit Childcare providers available to them and thus more opportunity to make decisions that work for them financially and best meet the needs of their child.</p> <p>Consultation responses highlighted that widening eligibility in this way could promote fairness and support children’s rights, especially for families whose preferred provision is currently ineligible for financial support. However, respondents also emphasised that any expansion must be accompanied by clear baseline expectations so that families can make informed, confident choices.</p> <p>An aim of the review is to simplify communication of the exceptions helping parents clearly understand the differences between registered, voluntarily approved and unregistered provision. Improved clarity will support informed decision-making, strengthen transparency across the sector, and ensure that families understand the level of assurance and safeguarding oversight each type of provision provides.</p> <p>Children repeatedly emphasised that cost is a barrier to their participation, echoing findings from wider Welsh consultation and poverty research. They also recognised that parents need childcare to work and that affordability affects children’s ability to attend activities they enjoy. This reinforces the positive impact of expanding access to Tax-Free Childcare and Universal Credit Childcare through a Voluntary Approval Scheme.</p>
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<p>Article 19 – Governments should ensure that children are properly cared for, and protect them from violence, abuse and neglect by their parents or anyone else who looks after them.</p>	<p>X</p>	<p>The Welsh Government can monitor how providers care for and safeguard children through Care Inspectorate Wales registrations and inspections. As part of these processes, they consider the care given by providers and the well-being and development of children. They are expected to meet the <a href="#">National Minimum Standards</a> set out by Welsh Government, including safeguarding training and reporting obligations. These are fundamental to ensuring children are appropriately protected. Through bringing more providers into scope of full registration or that of the proposed Voluntary Approval Scheme, Welsh Government would have greater knowledge of the sector. Providers applying to join the Voluntary Approval Scheme would be required to provide evidence of safeguarding awareness.</p> <p>Welsh Government expects all providers to adhere to the <a href="#">‘Working Together to Safeguard People: Code of Safeguarding Practice’</a> to ensure children are safeguarded by all providers in Wales.</p> <p>It is proposed that if a registered provider is suspended by enforcement, the exceptions relating to care for 2 hours or less a day will not apply. Respondents strongly supported this, noting that suspension is only used where safeguarding concerns or significant risks have been identified, and allowing any provision during this period could undermine enforcement and place children at continued risk. If Care Inspectorate Wales have suspended the</p>
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		<p>registration of a child minder or day care provider, they would not be able to continue to operate under the exceptions and therefore offer potentially unsafe care to children. This aims to safeguard children. In order for providers who operate under the exceptions to join the proposed Voluntary Approval Scheme, they will be required to meet basic safety checks. It would also offer the Welsh Government and local authorities greater oversight of unregistered provision, which is currently limited.</p> <p>Respondents broadly supported a Voluntary Approval Scheme but highlighted the need for clear, proportionate criteria. Unregistered providers stressed flexibility and recognition of sector-specific qualifications, while registered providers felt the proposed requirements were too light and relied too heavily on self-declaration. There was agreement that criteria must be robust enough to build trust without creating barriers for volunteer-led groups.</p> <p>Focus group responses indicated very strong support for requiring registration for anyone caring for children aged 2 and under without a parent present. Parents and registered providers emphasised the increased vulnerability of very young children, their intimate care needs and their limited ability to communicate concerns. This aligns closely with children’s own feedback about feeling safest with trusted, trained and checked adults. Some providers highlighted potential adverse impacts on informal or</p>
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		<p>community-based crèches, including church groups or support programmes, particularly where parents are in the building but not in the same room. While these groups valued flexibility, children consistently described that parental proximity alone does not provide sufficient reassurance. These insights reinforce the need for safeguards and clarity in guidance when changes affect the youngest children.</p> <p><a href="#">The Children and Young People Report</a>, children clearly articulated what helps them feel safe:</p> <ul style="list-style-type: none"> <li>• DBS checks</li> <li>• being known to the adult</li> <li>• parental proximity</li> <li>• more than one adult present</li> <li>• CCTV in some cases</li> <li>• avoiding “weapons or dangerous things”</li> <li>• supervision during sport</li> <li>• qualified adults for coaching</li> </ul> <p>They frequently expressed greater trust in registered providers and shared concerns about unregistered care where there are no checks. Their views strengthen the need for clear minimum safeguarding requirements in any Voluntary Approval Scheme and the importance of oversight mechanisms.</p> <p>Stronger oversight was identified as essential to the Voluntary Approval Scheme’s credibility. Parents and registered providers felt that self-declaration alone would not provide sufficient assurance, while unregistered</p>
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			providers supported proportionate checks. Respondents agreed that any oversight model must balance reassurance to families with practicality for small and volunteer-led organisations.
Article 23 – Children who have any kind of disability should have special care and support so that they can lead full and independent lives.	X	X	<p>The current proposals will potentially bring more provision into the scope of either compulsory registration or the proposed Voluntary Approval Scheme, potentially increasing the number of providers eligible for <a href="#">Tax-Free Childcare</a> or <a href="#">Universal Credit Childcare</a> schemes. This may make childcare and activities more affordable for families, and expand access to suitable provision, particularly for disabled children aged over 12, where availability is already limited. Through a greater number of providers becoming able to register with HMRC to receive payments via the Tax-Free Childcare scheme and DWP so that eligible parents can use the Universal Credit Childcare scheme, availability of such providers, particularly for disabled children aged over 12 where there is a particular shortage at present, may increase.</p> <p>Consultation responses highlighted that improving visibility of currently unregistered provision would give Welsh Government and local authorities a clearer understanding of what is operating in their areas. This could help identify gaps in provision for children with diverse needs—particularly those with disabilities or additional learning needs—and support more accurate Childcare and Play Sufficiency Assessments. Increased visibility could also enable local authorities</p>

		<p>to offer targeted advice, guidance and safeguarding support where appropriate.</p> <p>However, feedback also emphasised that any expansion must ensure children’s safety remains central. Stakeholders raised concerns about the voluntary nature of the Voluntary Approval Scheme, the reliance on self-declaration, and the need for robust safeguarding expectations to avoid creating a two-tier system.</p> <p>The proposed rewording of the exception relating to parents, foster carers, relatives and household members, will clarify that relatives or persons living in the same home as the child can 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 for the child, they are not the child’s foster carer, the care does not take place at the child’s home and the care is available and on offer to non-related children. This change will allow parents to choose a child minder who best meets the needs, including privacy and culturally sensitive care, and is particularly significant for families with disabled children or those requiring tailored support. It promotes flexibility, safeguards standards through CIW registration and helps ensure parity across childcare settings.</p> <p>In the <a href="#">Children and Young People Report</a>, children commented on the need for more clubs for disabled children, supporting the importance of expanding the number of eligible providers able to accept Tax Free</p>
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			<p>Childcare and Universal Credit Childcare. This aligns strongly with the Voluntary Approval Scheme’s intent to increase availability for older disabled children, who currently have limited options.</p>
<p>Article 24 – Children have the right to good quality health care and to clean water, nutritious food and a clean environment so that they will stay healthy.</p>	X		<p>Welsh Government can monitor how organisations promote children’s health and nutrition needs through Care Inspectorate Wales registrations and inspections. As part of these processes, they consider the care given by providers, the food and water provided to them and the environment in which they are cared for. Bringing more providers into scope of full registration will allow greater oversight of provision. However, the same level of oversight won’t be obtained via the proposed Voluntary Approval Scheme.</p> <p>Eligible registered providers are able to apply for funding for developments to their environment via the Childcare and Early Years Capital Programme. Any providers brought into scope of full registration could potentially have access to this funding to develop their environment to benefit the children attending.</p>
<p>Article 26 – The Government should provide extra money for the children of families in need.</p>	X		<p>The <a href="#">Child Poverty Strategy for Wales 2024: Engagement Report</a> reflected that children and young people are very aware of the financial pressures on their parents. Many were also aware that their parents needed access to affordable childcare to enable them to attend training or work. They also talked about not being able to access</p>

			<p>activities including art and music, play and sports because of costs.</p> <p>Through the potential development of the proposed Voluntary Approval Scheme for some exempt providers, a greater number may become eligible to register with HMRC to receive payments via the <a href="#">Tax-Free Childcare</a> scheme and DWP so that eligible parents can use the <a href="#">Universal Credit Childcare</a> scheme. This would increase the affordability of childcare, play and activities for parents and may enable more children to attend activities of their choice. For some families—particularly those using faith-based, community, playwork, sports or activity-based provision—this may open up options that were previously inaccessible due to cost. By widening the pool of providers able to offer financially supported places, children may have greater opportunities to attend settings and activities that reflect their preferences, support their development, and align with what parents and children told us they value in safe, trusted provision.</p>
<p>Article 29 – Education should develop each child’s personality and talents to the full. It should encourage children to respect their parents, their own and other cultures and the environment.</p>	X	X	<p>The 2010 Exceptions Order exempts providers of coaching or tuition in sport, performing arts, arts and crafts homework support and school study from registration. This exception provides opportunity for children to follow their interests and develop their talents.</p> <p>It provides exception for providers of religious or cultural study. This allows followers to practice and engage with their culture and/or religion freely.</p>

		<p>Consultation highlighted that while these activities are valued for supporting children’s interests, talents and cultural identity, some coaching and tuition may not be developmentally appropriate for children aged 4 and under without parental presence, and younger children often have higher care needs.</p> <p>It was identified that removal of this exception may result in fewer organisations providing coaching and tuition that provide opportunities for children aged 0-12 to follow their interests, talents and cultures. As a result, this was identified as being an undesirable change that would have significantly negative outcomes for children.</p> <p>It is proposed that the part of a school offering education to children aged 2 and under should be required to register as a day care provider. This is to provide assurance that the care needs of these younger children are being met alongside their educational needs.</p> <p>In the <a href="#">Children and Young People Report</a>, children were positive about opportunities to attend arts, cultural, religious and sports activities, noting these help them express identity, build skills and enjoy themselves. They also noted that some activities are inappropriate for younger children without parental presence. Their feedback supports the need for proportionate, developmental safeguards while maintaining cultural and educational opportunities.</p>
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<p>Article 30 – Children have a right to learn and use the language and customs of their families, whether these are shared by the majority of people in the country or not.</p>	<p>X</p>	<p>X</p>	<p>The 2010 Exceptions Order also exempts providers of religious or cultural study. This allows followers to practice and engage with their culture and/or religion freely. Consultation highlighted that while these activities are valued for supporting children’s interests, talents and cultural identity, some coaching and tuition may not be developmentally appropriate for children aged 4 and under without parental presence, and younger children often have higher care needs .</p> <p>It was identified that removal of this exception may result in fewer organisations providing coaching and tuition that provides opportunities for children aged 0-12 to follow their interests, talents and cultures. As a result, this was identified as being an undesirable change that would have significantly negative outcomes for children.</p> <p>The proposed Voluntary Approval Scheme may be accessible to some providers of coaching and tuition relating to language, culture and faith. This would also offer the Welsh Government and local authorities opportunity to obtain some knowledge about unregistered providers which they may not be aware of at present. This could help them assess the sufficiency of such activities available to meet the diverse needs of children in their areas. Providers could then receive support, information and guidance from the Local Authority should they wish.</p> <p>In the <a href="#">Children and Young People Report</a>, children were positive about opportunities</p>
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			to attend arts, cultural, religious and sports activities, noting these help them express identity, build skills and enjoy themselves. They also noted that some activities are inappropriate for younger children without parental presence. Their feedback supports the need for proportionate, developmental safeguards while maintaining cultural and educational opportunities.
Article 31 – All children have the right to relax and play, and to join a wide range of activities.	X		<p>The <a href="#">Ministerial Review of Play (2023)</a> recognises “Playing is central to children’s physical, mental, social and emotional health and wellbeing. For children themselves, playing is one of the most important aspects of their lives. They value time, freedom and quality places to play.”</p> <p>The exceptions provide exemption for unregistered providers of a range of play opportunities to operate. This is considered through the aim of the review to ensure the exceptions in place are proportionate and capture providers that really need to be registered and exempt those that don’t.</p> <p>In the <a href="#">Children and Young People Report</a>, children strongly emphasised the importance of play, youth clubs, sport and creative activities in their lives. They expressed enthusiasm for clubs but also stressed that long sessions, insufficient breaks, or unsuitable activities for younger children reduce enjoyment or safety. Their insights support the aim of ensuring that exempt activities remain developmentally appropriate, safe and accessible.</p>

			<p>The consultation asked whether a provider should register as a day care provider if they offer coaching and tuition in more than one of the types of activity rather than the two permitted under the current exception. Although many consultation responses supported this proposal, comments provided in the consultation raised concerns regarding the negative impacts for children, families and communities specifically for rural areas, Welsh language and faith and community groups. The Welsh Government considers that the negative impacts of this proposal outweigh the benefits of making this change. Therefore, the Welsh Government will not proceed with the proposal to require a provider to register as a day care provider if they offer coaching and tuition in more than one of the types of activity. This means retaining the current status quo that a provider will not need to register as a day care provider if they offer coaching and tuition in no more than two types of activities from the specified list. Maintaining the exception for a provider to offer two activity types would maintain opportunities for children to follow their interests and develop their skills in specific areas. Focus groups raised particular concerns from faith based, uniformed and community organisations whose models rely on blended activity types as part of holistic engagement. These groups cautioned that limiting to one activity type may undermine culturally significant or community centred programmes. However, maintaining the exception for two types of activity may mean that it is</p>
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			<p>difficult to distinguish between childcare and coaching and tuition activities.</p> <p>Consultation feedback highlighted that small providers, including, community clubs and volunteer-led groups, may lack the training, staffing or financial capacity to meet the additional support needs of disabled children should registration requirements tighten. Without targeted support, this may unintentionally reduce access for disabled children or result in providers declining admissions, contrary to Article 23's requirement for inclusive access and appropriate support.</p>
<p>Article 34 – The Government should protect children from sexual abuse.</p>	X		<p>The Welsh Government can monitor how providers care for and safeguard children through Care Inspectorate Wales registrations and inspections. As part of these processes, they consider the care given by providers and the well-being and development of children. They are expected to meet the <a href="#">National Minimum Standards</a> set out by Welsh Government, including safeguarding training and reporting obligations. This covers sexual abuse. These are fundamental to ensuring children are appropriately protected. Through bringing more providers into scope of full registration or that of the proposed Voluntary Approval Scheme, Welsh Government would have greater knowledge of the sector. Providers applying to join the proposed Voluntary Approval Scheme would be required to provide evidence of safeguarding training.</p> <p>Welsh Government expects all providers to adhere to the <a href="#">‘Working Together to</a></p>

		<p><a href="#">Safeguard People: Code of Safeguarding Practice</a>’ to ensure children are safeguarded by all providers in Wales.</p> <p>It is proposed that if a registered provider is suspended by enforcement, the exceptions relating to care for 2 hours or less a day will not apply. Respondents strongly supported this and noted that allowing provision to continue under the exceptions could undermine enforcement action and place children at continued risk.</p> <p>If Care Inspectorate Wales have suspended the registration of a child minder or day care provider, they would not be able to continue to operate under the exceptions and therefore offer potentially unsafe care to children. This aims to safeguard children. In order for providers who operate under the exceptions to join the proposed Voluntary Approval Scheme, they will be required to meet basic safety checks. It would also give Welsh Government increased oversight of unregistered providers, improving understanding of who is operating and the safeguards in place.</p>
<p>Article 36 – Children should be protected from any activities that could harm their development.</p>	<p>X</p>	<p>The Welsh Government is able to monitor how registered organisations care for and safeguard children in play and activities through Care Inspectorate Wales registrations and inspections. As part of these processes, they identify the precautions and considerations made by providers to ensure children are safe when undertaking activities. They are expected to meet the <a href="#">National Minimum</a></p>

		<p><a href="#">Standards</a> set out by Welsh Government regarding the activities provided and the environment in which children are cared for.</p> <p>The public were consulted on their views regarding some exceptions not applying where the provider cares for children aged 2 and under and to consider whether there should be a different approach if their parent remains on the premises but is not present during the session.</p> <p>Consultation highlighted that very young children—particularly those aged 4 and under, and especially those aged 2 and under—have higher developmental and care needs, and that clarity is needed around the nature of parental presence and responsibility in relation to care for children aged 2 and under.</p> <p>Bringing more providers within the scope of full registration would increase Welsh Government oversight and help ensure these young children can access creative, cultural and developmental activities safely, in line with the UNCRC.</p> <p>The Welsh Government expects both registered and unregistered providers to adhere to <a href="#">‘Working Together to Safeguard People: Code of Safeguarding Practice’</a> to ensure children are safeguarded in all settings in Wales. While some respondents noted that unregistered settings can offer safe and valuable spaces for children to build skills, confidence and relationships, others emphasised that this should be balanced with the need for appropriate safeguards for the youngest</p>
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		<p>children, particularly where parents are not actively present.</p> <p>There is no evidence to suggest unregistered settings are riskier for children. For many children they offer a safe space, an opportunity to build skills/relationships and resilience. Additionally, they offer opportunities for children to make connections with safe adults to whom they could report harm.</p> <p>It is proposed that if a registered provider is suspended by enforcement, the exceptions relating to care for 2 hours or less a day will not apply. Respondents strongly supported this change and noted that allowing any provision during this period could undermine enforcement and place children at continued risk.</p> <p>If Care Inspectorate Wales have suspended the registration of a child minder or day care provider, they would not be able to continue to operate under the exceptions and therefore offer potentially unsafe care to children. This aims to safeguard children. The proposed Voluntary Approval Scheme for exempt providers, will have a requirement for providers to evidence basic safety and safeguarding knowledge. It would also offer the Welsh Government improved oversight of unregistered providers, providing information that is currently limited.</p> <p>Several respondents, including local authorities and representative bodies, requested clarity on how safety and quality would be monitored in</p>
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			coaching/tuition settings where children with ALN or disabilities attend. They stressed that without proportionate safeguarding and adequate training, certain activity types—particularly high-risk sports—may pose developmental or physical risks if staff lack necessary skills or oversight.
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*Consider whether any EU Citizens Rights (as referenced in the Equality Impact Assessment) relate to young people up to the age of 18.*

The proposed Voluntary Approval Scheme will allow more providers to be eligible to register with HMRC to receive payments via the [Tax-Free Childcare](#) scheme and DWP so that eligible parents can use the [Universal Credit Childcare](#) scheme . EU citizens with settled or pre-settled status will have access to these schemes in line with the other eligibility requirements.

#### **4. Ministerial advice and decision**

The analysis of the impacts has been included in advice to the Minister. It set out the benefits/impacts identified pre-consultation and those gathered through the consultation process. Our ambition for an effective Exceptions Order and the proposed Voluntary Approval Scheme is centred on the understanding that they should have a long-term positive impact on children and young people’s childcare, play and activity provision.

This Children’s Rights Impact Assessment has been updated following the outcome of the consultation.

#### **5. Publication of the Children’s Rights Impact Assessment**

Following the ministerial decision, this Children’s Rights Impact Assessment will be published on the Welsh Government website.

#### **6. Communicating with Children and Young People**

Children and young people’s views were obtained via a youth friendly version of the consultation and a focus group. The outcome of the consultation and focus groups will be

shared with children and young people via the Welsh Government website and stakeholder organisations such as Children in Wales and the Children’s Commissioner for Wales.

In addition to the youth-friendly consultation document and focus group, findings from the Young Wales engagement will be shared back with children and young people in accessible formats. This aligns with participation standards and supports Article 12 by ensuring transparency, accountability and feedback on how their views influenced policy development.

## **7. Monitoring and Review**

At each stage of policy development, the impact of the policy will be assessed and reviewed. If there are significant changes to the proposals as a result of the consultation, the CRIA will be reviewed in full.

Monitoring should also assess impacts on children accessing faith-based, Welsh-medium, rural and volunteer-led settings, as well as disabled children and those living in socio-economic disadvantage, reflecting concerns raised through consultation feedback.

## **B. EQUALITY IMPACT ASSESSMENT**

### **1. Describe and explain the impact of the proposal on people with protected characteristics as described in the Equality Act 2010.**

The Welsh Government’s [Child Minding and Day Care Exceptions \(Wales\) Order](#) identifies circumstances where registration as a child minder or day care provider is not required. Being exempt means that these providers do not need to register with Care Inspectorate Wales (CIW) or comply with the [Child Minding and Day Care Regulations](#) and the [National Minimum Standards](#). It provides distinction between providers that need to be registered and those that don’t.

The Welsh Government has reviewed the exceptions following recommendations in the following reports:

- [Call for Evidence](#) regarding the 2010 Exceptions Order (2019) which noted that several exceptions required review in line with policy developments, to provide clarity of definitions, to strengthen safeguarding and ensure the exceptions are equitable to different types of providers.
- [The Ministerial Review of Play](#) (2023) which as part of Key Recommendation 11, recommended that Welsh Government review and consult on the exceptions relating to the frequency of services operating and the provision of coaching and tuition. They also recommended the need to consider the potential of voluntary registration.
- [Minding the future: The childcare barrier facing working parents](#) (2022) which recommended (recommendation 18), the Welsh Government to set out its plans to undertake a full consultation on the Exceptions Order that was committed to in 2019 in order to address concerns around the negative impact it has on registered providers and on the safeguarding of children. The report draws particular attention to the drop in childcare provision for children with disabilities, citing figures from Coram Family and Childcare that reflected a drop “from 31% in 2020 to 19% in 2021” and that “38% of local authorities report not having enough childcare for disabled children anywhere in their local authority.” The report also identified concerns regarding a lack of staff from ethnic minority backgrounds and the impact it has on families from these communities. It suggested that there is lower uptake of childcare provision amongst ethnic minority communities and greater engagement is required.

In light of these reports, the Welsh Government has undertaken a review of the exceptions. The aims are to:

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

### **Proposed changes to the Exceptions Order**

The Welsh Government undertook a full public consultation regarding the proposed changes relating to which providers are not required to register as child minders or day care providers.

The Welsh Government has considered the responses to the consultation and will be taking forward the following changes to the exceptions:

- Permitting relatives to act as childminders in certain circumstances.
- Aligning rules for nannies, au pairs, and babysitters.
- Allowing youth services to deliver transitional youth work to 10-year-olds without being required to register.
- Adjusting coaching activities for children aged 4 and under to a maximum of 2 hours.
- Excluding coaching/tuition exception for children aged 2 and under.
- Removing 2-hour and 5-day exceptions for children aged 2 and under except where a parent is present or on the premises and can be summoned.
- Updating categories of coaching and tuition
- Requiring day care registration for schools where there are pupils aged 2 and under in attendance.
- Preventing suspended providers from operating under the exceptions relating to time-limited provision (2 hours or less per day).

The consultation asked whether a provider should register as a day care provider if they offer coaching and tuition in more than one of the types of activity rather than the two permitted under the current exception. Although many consultation responses supported this proposal, comments provided in the consultation raised concerns regarding the negative impacts for children, families and communities specifically for rural areas, Welsh language and faith and community groups. The Welsh Government considers that the negative impacts of this proposal outweigh the benefits of making this change. Therefore, the Welsh Government will not proceed with the proposal to require a provider to register as a day care provider if they offer coaching and tuition in more than one of the types of activity. This means retaining the current status quo that a provider will not need to register as a day care provider if they offer coaching and tuition in no more than two types of activities from the specified list.

It is anticipated that the 2026 Exceptions Order will be made in April 2026, come into force in April 2027 and will be fully enforceable by April 2028 following a year transitional period. The Welsh Government proposes to publish guidance on the 2026 Exceptions Order to support the understanding and application of the 2026 Exceptions Order.

## **Proposed introduction of a Voluntary Approval Scheme for Childcare, Playwork and Activity Providers**

Alongside this review the Welsh Government has carried out a public consultation on a proposal to introduce a Voluntary Approval Scheme for Childcare, Playwork and Activity Providers. Certain providers who are exempt from Care Inspectorate Wales registration, will be able to apply for entry to the scheme should they meet the criteria set out. Views on eligibility were generally positive, with parents suggesting the Voluntary Approval Scheme could support nannies, au pairs, babysitters, charity-run groups and playschemes that cannot realistically register with CIW. Unregistered organisations noted that administrative demands may limit participation, while some registered providers believed the Voluntary Approval Scheme could benefit high-quality unregistered settings that struggle to meet CIW staffing requirements. Providers on the scheme may be able to register with HMRC and DWP so that eligible parents can use [Tax-Free Childcare](#) or [Universal Credit Childcare](#) schemes.

### **Consideration of Equality through the process**

The key priority for this work is to ensure children in Wales can access childcare, play and activities that meet their needs and those of their families. The review has been carried out in a way that has ensured that protected characteristics of children and their families are prioritised and have been central to consideration and decision making. Equality, diversity, inclusion and human rights have been considered against the key principles set out in the [Welsh Government Strategic Equality Plan 2025-29](#). However, consultation feedback identified additional potential inequalities not fully reflected in the original assessment. These include disproportionate impacts on faith-based providers, volunteer-led groups, and organisations serving culturally specific communities who may be unable to continue offering free or low-cost activities under amended regulatory requirements.

Stakeholders also highlighted risks for families in socio-economic disadvantage, rural communities and working-class childcare workers (predominantly women), who may be adversely affected by increased administrative or financial burdens associated with approval or registration.

The potential impacts on different groups were identified through consultation feedback:

Feedback on the Voluntary Approval Scheme highlighted mixed views across groups. Some parents and unregistered providers felt the Voluntary Approval Scheme could widen access and improve affordability, but registered providers were concerned that emphasising financial

access could blur distinctions between approved and registered care. Respondents noted the need for clear, proportionate approval criteria, with unregistered providers seeking flexibility and registered providers questioning whether a Voluntary Approval Scheme and reliance on self-declaration would uphold safeguarding and fairness. Greater oversight was viewed as essential to ensure credibility. Views on eligibility were broadly positive, though concerns were raised about administrative burdens for small, volunteer-led or community-based groups. Overall, perspectives were mixed on whether the Voluntary Approval Scheme should proceed, with parents and unregistered groups generally supportive and registered providers expressing concern about a potential two-tier system and risks to sector integrity.

There has also been a consideration of how the proposed changes align with the priorities in national equality plans – including the [Anti-racist Wales Action Plan](#), the [LGBTQ+ Action Plan](#), the work of the [Disability Rights Taskforce](#) and the [Child Poverty Strategy 2024](#). Multiple respondents raised concern that small or volunteer-run settings may be unable to meet the training, staffing or safeguarding expectations required to support disabled children or those with ALN if exceptions are narrowed. Without targeted financial and capacity-building support, this may unintentionally reduce access for disabled children and lead to unintentional exclusion.

Stakeholders emphasised that disabled children benefit significantly from trusted, familiar community environments and warned that losing such provision would exacerbate existing inequalities.

In order to ensure the views of people with protected characteristics were gathered and considered, the consultation was shared with a wide range of stakeholders including disability rights organisations, children’s rights organisations and religious groups.

To ensure the Voluntary Approval Scheme meets the statutory objects test under Section 60 of the Government of Wales Act 2006, its aims have been reframed to emphasise the promotion of economic and social well-being. The Voluntary Approval Scheme’s primary purpose is to broaden access to financial childcare support and improve affordability for families, including those from low-income, rural, minority ethnic, and Welsh-speaking communities. Transparency about the Voluntary Approval Scheme’s limitations, particularly that it does not constitute a full safeguarding or quality assurance framework, will be essential to avoid disadvantaging families or providers. Clear guidance and robust evaluation will underpin the Voluntary Approval Scheme’s implementation to monitor and mitigate any differential impacts on protected groups.

### ***Aligned to Long-term Aim 1 – Elimination of inequality caused by poverty***

The percentage of children living in poverty that live in a household where at least one adult works, has increased substantially since the 2008 financial crisis. The Welsh Government [Relative Income Poverty](#) report reflected that in March 2023, 29% of children were living in relative poverty. The [Children in Wales Child Family Poverty report \(2023\)](#) reflected that over 30% of respondent parents identified childcare costs and availability within their top 5 poverty related issues. [Senedd research](#) in 2023 identified that over 80% of the children in Wales that live in poverty have at least one parent in work.

Through the proposed Voluntary Approval Scheme for providers who operate under the exceptions, a greater number of providers will be able to register with HMRC and DWP and thus allow eligible parents using their services to use [Tax-Free Childcare](#) or [Universal Credit Childcare](#) schemes. This will promote parity between families in Wales and those in England, where these schemes can already be used by certain exempt providers. It will promote access by making opportunities more available to families. This will include families with disabled children up to the age of 16 who may be faced with childcare costs for longer than other parents. The schemes will potentially make a greater range of childcare providers available at a lower cost, thus supporting the [Child Poverty Strategy for Wales 2024](#) *Objective 1: to reduce costs and maximise the incomes of families* and *Priority 1: entitlement (putting money in people's pockets)*, *Priority 2: creating a Fair Work nation (leaving no one behind)*.

By exempting providers operating under 2 hours, for five days or fewer or in delivering coaching and tuition (notwithstanding age caveats and whether parents are on the premises), the proposed amendments will provide support for the [Child Poverty Strategy for Wales 2024](#) *Objective 3: to support child and family wellbeing and make sure that work across the Welsh Government delivers for children living in poverty, including those with protected characteristics, so that they can enjoy their rights and have better outcomes* and *Priority 3: building communities*. Through these providers remaining exempt, they can continue to run their services and maintain access for children and families.

However, some of the proposed changes to the exceptions are likely to bring some providers into scope of compulsory Care Inspectorate Wales registration which may result in greater running costs for these providers. This in turn may drive up prices for families, which would impact negatively upon affordability and availability and act against the [Child Poverty Strategy for Wales 2024](#) *Objective 1: to reduce costs and maximise the incomes of families* and *Priority 1: entitlement (putting money in people's pockets)*. Additionally, through maintenance of the exception for provisions operating under 2 hours or on five days or fewer, providers may be discouraged from extending their provision, which may impact upon children living in poverty if such activities are provided free or at a low cost. Through working with umbrella organisations

via Cwlwm, the benefits of extending provision and registering with Care Inspectorate Wales will be promoted to encourage growth in registered provision throughout Wales.

***Aligned to Long-term Aim 3 - The needs and rights of people who share protected characteristics are at the forefront of the design and delivery of all devolved public services in Wales.***

The Welsh Government set out its commitment to end racism in [The Welsh Government Anti-racist Wales Action Plan \(ArWAP\)](#). A refresh of the ArWAP was published in November 2024. The 2024 ArWAP continues to include a focus on childcare and play, recognising the disparities in early years attainment data among ethnic minority groups in Wales, with Gypsy Roma and Traveller children having the lowest and Indian, Chinese, and Pakistani children the highest (EHRC 2023). Data has also shown that Black and Black British children have lower attainment levels in the early years compared to their peers (Stats [Wales](#), 2017 to 19). A 2021 study revealed that Black, Asian and Minority Ethnic parents navigate unique cultural and educational considerations in accessing childcare ([Welsh Government](#), 2021). Future plans to support the ArWAP include gathering detailed data on the ethnic diversity of the workforce and childcare users through optional questions in the Childcare Offer for Wales applications.

The proposed rewording of the exception relating to parents, foster carers, relatives and household members will clarify that relatives or persons living in the same home as the child should be 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 for the child, they are not the child's foster carer, the care does not take place at the child's home, and the care is available and on offer to non-related children. This would allow parents to engage the services of the child minder they feel would best meet the language, culture and/or religious needs of the child and their family.

Through maintaining exception for cultural coaching and tuition, such provision will continue to operate, and people can continue to engage with activities relating to their culture and heritage.

***Aligned to Long-term Aim 4 – Wales is a world leader for gender equality. A gender equal Wales means an equal sharing of power, resources and influence for all women, men and non-binary people.***

The Women's Equality in Wales [State of the Nation 2024](#) report reflected that the gender pay gap in Wales had increased by 0.4% and women are 3.5 times more likely to be economically inactive due to caring or domestic responsibilities, with 25.2% of women citing this reason for not being in work. This is compounded further for women from ethnic minority backgrounds, with [Equality and Human Rights Monitor: Is Wales Fairer?](#) report (2023) identifying that 61.4%

of women from ethnic minority backgrounds were employed in 2022, compared to White women (70.8%), ethnic minority men (71%) and White men 77.4%).

Analysis of [Office for National Statistics \(ONS\) Census 2021](#) by Oxera (2023) reflected that 43% of women worked 30 hours or less per week, compared to 18% of men. In line with this, after childbirth, the numbers of hours worked by women falls from an average of 40 hours to between 25 and 30 hours. In comparison, the IFS Deaton Review identified in '[The Careers and time use of mothers and fathers](#)' report, hours of work of men barely changes after they become fathers. The Centre for Progressive Policy's report '[Growing Pains: The economic costs of a failing childcare system](#)' (2023) identified that lack of access to suitable childcare was a barrier for 27% of mothers who would like to work more and 18% noted they had been prevented from taking a job with a higher salary. The [State of the Nation 2024](#) report evidences these barriers to progression further through identifying that women make up 39% of managers, directors and senior officials in Wales. 7.8% of women work in these occupations compared to 11.2% of men. This disparity is also reflected in terms of pay with the gender pay gap being highest in skilled trade and technical occupations ([ONS, 2024](#)).

Through the proposal for the creation of a Voluntary Approval Scheme for providers who are exempt from full registration with Care Inspectorate Wales, a greater number of providers may be able to register with HMRC and DWP so that eligible parents can pay for care using the Tax-Free Childcare or Universal Credit Childcare schemes. This will promote parity between families in Wales and those in England, where these schemes can already be used in certain exempt providers. It will promote access by making opportunities more available and affordable for families and allow parents to work more and/or advance their careers should they wish.

***Aligned to Long-term Aim 6 – A Wales of cohesive communities that are resilient, fair and equal.***

[The Welsh Government Anti-racist Wales Action Plan \(ArWAP\)](#) (2022) and the 2024 refresh of the ArWAP reflects the Welsh Government's commitment to building an inclusive and equitable society for all Black, Asian and Minority Ethnic people and communities in Wales.

In line with the commitment to build an inclusive and equitable society, the 2010 Exceptions Order exempts providers of coaching or tuition in religious or cultural studies from the need to register. This allows followers to practice and engage with their culture and/or religion freely. By maintaining this exception that allows organisations to offer coaching and tuition without registration, there will be continuation of opportunities for children aged 0-12 to follow their interests, talents and cultures. The maintenance of provision ensures families have choice of access. The principle of this exception remains to ensure ongoing opportunities.

The Welsh Government [Qualitative study of beliefs, behaviours and barriers affecting parental decisions regarding childcare and early education](#) (2021) reflected how some parents make decisions about childcare based around how this fits in with their faith, language and/or cultural background. Additionally, it identified that some parents preferred to have family members care for their children as they feel they meet the children's needs more effectively. The proposed rewording of the exception relating to family members will clarify that relatives or persons living in the same home as the child should be 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 for the child, they are not the child's foster carer, the care does not take place at the child's home, and the care is available and on offer to non-related children. This would allow parents to engage the services of the child minder they feel would best meet the care needs of their disabled child, meet the communication needs of a child whose first language is not English or Welsh, or share a religious faith or culture, for example. Focus groups expressed that while this flexibility is positive, clearer wording is essential to avoid confusion among families and communities who rely heavily on relatives for culturally aligned or language-sensitive childcare.

The public were consulted on their views regarding some exceptions not applying where the provider cares for children aged 2 and under and whether there should be a different approach if a parent remains on the premises. Whilst these changes may result in more providers being brought into scope of Care Inspectorate Wales registration, exempting providers where a parent remains on the premises seeks to mitigate negative impacts. This may cause a reduction in the number of providers offering this care as they may not wish to take on the burden of registration

### **Measures of success**

Following consultation and any resulting changes, numbers of providers registered to provide services to children and families will be monitored by Care Inspectorate Wales. The numbers of children accessing the providers will be captured via the annual Self-Assessment of Service data submitted by registered providers. Should the proposal to create a Voluntary Approval Scheme be adopted, the uptake for this will be monitored. Additional information can be obtained via the data gathered by Local Authorities as part of their Welsh in Education Strategic Plans (WESPs) target monitoring and their submission of Childcare Sufficiency Assessments and Play Sufficiency Assessments.

## Record of Impacts by protected characteristic

Protected characteristic or group	What are the positive or negative impacts of the proposal?	Reasons for your decision (including evidence)	How will you mitigate Impacts?
Religion, belief and non-belief	<p><u>Positive</u></p> <p>The maintenance of the exception for coaching and tuition in up to two activity types, allows faith-based organisations providing coaching and tuition opportunities for children aged 2-12 to continue. As a result, children will continue to have opportunities to access activities focused around their faith and culture.</p> <p>The proposed rewording of the exception relating to parents, foster carers, relatives and household members will clarify that relatives or persons living in the same home as the child should be 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</p>	<p>Stakeholder engagement has been undertaken with religious groups who operate under the exceptions which illustrates the wide range of services being offered to communities and families.</p> <p>The <a href="#">2021 Census</a> reflected that 53.5% of the population of Wales identified as having a religion.</p> <p>The consultation asked whether a provider should register as a day care provider if they offer coaching and tuition in more than one of the types of activity rather than the two permitted under the current exception. Consultation focus groups raised particular concerns from faith based, uniformed and community organisations whose</p>	<p>Through clear guidance and case study examples, providers of religious coaching and tuition will gain an understanding of what falls within the parameters of the area of religion.</p>

	<p>parents and do not have parental responsibility for the child, they are not the child's foster carer, the care does not take place at the child's home, and the care is available and on offer to non-related children. This will allow parents to engage the services of the child minder to care for their child if they feel they would best meet the needs of a child through sharing a religious faith.</p> <p>Through maintaining exemption where care does not exceed two hours a day, and parents remain on the premises in the case of children aged 2 and under, parents may continue to have access to creches set up by religious groups in order to provide opportunity for them to engage in religious activity while their children are being cared for.</p> <p><u>Negative</u></p> <p>There may be a negative impact of some</p>	<p>models rely on blended activity types as part of holistic engagement. These groups cautioned that limiting to one activity type may undermine culturally significant or community centred programmes.</p>	
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	<p>exceptions not applying in circumstances where providers care for children aged 2 and under, and/or for coaching and tuition sessions to be limited to 2 hours for children aged 4 and under. This may impact upon parents' ability to undertake religious activities as religious groups would no longer be able to run creches to care for children while their parents engage in faith-based activities. This could create barriers to religious participation for families with young children, particularly those with limited financial means.</p> <p>Feedback on registration requirements for children aged 2 and under highlighted the potential for disproportionate impacts on faith-based, migrant, refugee and low-income communities. Church crèches, local authority parenting programmes, ESOL classes and</p>		
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	<p>community-run support groups often rely on unregistered short-term childcare while parents remain nearby. Mandatory registration may create barriers to participation for families who depend on these services, particularly where providers lack resources to meet regulatory requirements. Conversely, many parents emphasised that registration provides transparency, safety and trust. This tension will need careful management through guidance, communication and targeted support.</p>		
Sex / Gender	<p><u>Positive</u></p> <p>Through the proposal for the creation of a Voluntary Approval Scheme for providers who operate under the exceptions, a greater number of providers may become eligible to register with HMRC and DWP. Eligible parents may then be able to pay for provided care using the <a href="#">Tax-Free Childcare</a> or <a href="#">Universal Credit</a></p>	<p>The Women’s Equality in Wales <a href="#">State of the Nation 2024</a> report reflected that women are 3.5 times more likely to be economically inactive due to caring or domestic responsibilities, with 25.2% of women citing this reason for not being in work.</p>	N/A

	<p>Childcare schemes. This will promote access by making more opportunities available for families and to allow mothers to work more and/or advance their careers should they wish.</p> <p><u>Negative</u></p> <p>Stakeholders highlighted that childcare and early years workforces are predominantly female and disproportionately represented among low-paid workers. Any increase in approval or training fees, or administrative requirements for nannies, babysitters or part-time child minders, risks placing additional burdens on women, particularly those from working-class backgrounds. Focus group concerns around increased expectations for babysitters, nannies and au pairs—including clarifying oversight responsibilities—indicate a risk of placing additional administrative or training burdens on a</p>	<p>Analysis of <a href="#">Office for National Statistics(ONS) Census 2021</a> by Oxera (2023) reflected that 43% of women worked 30 hours or less per week, compared to 18% of men and the average hours worked after childbirth falls from 40 to 25-30.</p> <p>The Centre for Progressive Policy’s report <a href="#">‘Growing Pains: The economic costs of a failing childcare system’</a> (2023) identified that lack of access to suitable childcare was a barrier for 27% of mothers who would like to work more and 18% noted they had been prevented from taking a job with a higher salary.</p>	
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	workforce already facing structural inequity.		
Sexual orientation (Lesbian, Gay and Bisexual)	No specific impact has been identified for people with this protected characteristic.	N/A	N/A
Marriage and civil partnership	No specific impact has been identified for people with this protected characteristic.	N/A	N/A
Children and young people up to the age of 18	See Children's Rights Impact Assessment	See Children's Rights Impact Assessment	See Children's Rights Impact Assessment
Low-income households	<p><u>Positive</u></p> <p>The current proposals will bring more provision into the scope of either compulsory registration or the proposed Voluntary Approval Scheme. This will enable more opportunities for eligible parents to use <a href="#">Tax-Free Childcare</a> or <a href="#">Universal Credit Childcare</a> schemes and thus lessen the financial burden of such activities.</p> <p>Maintaining two activity types for coaching and tuition before registration is required supports equality of</p>	<p>Through the proposed development of a Voluntary Approval Scheme for Childcare, a greater number of providers may become available to parents via Tax-Free Childcare or Universal Credit Childcare schemes. This will promote parity between families in Wales and England, where Tax-Free Childcare and Universal Credit Childcare schemes can already be used in certain exempt providers. This will</p>	<p>Providers that may be brought into scope of compulsory Care Inspectorate Wales registration may be eligible for schemes such as the Childcare and Early Years Small Grants Scheme managed by Local Authorities.</p>

	<p>opportunity for families living in socio-economic disadvantage.</p> <p><u>Negative</u></p> <p>Providers being brought into scope of compulsory Care Inspectorate Wales registration, may incur greater costs which they may then pass onto families. They may also face closure and therefore less support will be available to parents who can't pay for a more expensive alternative.</p> <p>Consultation feedback strongly emphasised that many of the groups most at risk from changes are those serving low-income families, including faith-based, community and volunteer-led providers offering free or low-cost childcare, creches and activities. Stakeholders warned that additional regulatory duties may cause closures or fee increases, disproportionately affecting families in deprivation who rely on</p>	<p>promote access by making opportunities more available to families.</p> <p>The proposed Voluntary Approval Scheme will have a cost attached for providers in terms of a registration fee. There also may be additional costs of obtaining qualifications and training.</p>	
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	<p>accessible community provision.</p> <p>Respondents also noted that rural families already face limited childcare availability, and withdrawal of small unregistered providers could intensify inequalities.</p>		
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### **Human Rights and UN Conventions**

<b>Human Rights</b>	<b>What are the positive or negative impacts of the proposal?</b>	<b>Reasons for your decision (including evidence)</b>	<b>How will you mitigate negative Impacts?</b>
<p><b>Article 9:</b></p> <p><b>Freedom of thought, conscience and religion</b></p> <p><b>Article 14:</b></p> <p><b>Prohibition of discrimination</b></p>	<p>Under the 2010 Exceptions Order, providers of coaching or tuition in religious or cultural studies are not required to register. This allows followers to receive coaching or tuition about their culture and/or religion freely. Changes proposed for the 2026 Exceptions Order will continue to support children being able to participate in cultural and religious groups through the proposed</p>	<p><a href="#">The Welsh Government Anti Racist Action Plan</a> (2022) reflects the Welsh Government’s commitment to building an inclusive and equitable society for all Black, Asian and Minority Ethnic people and communities in Wales. The review of the exceptions has been undertaken with this in mind through considering the impact of proposals on people of different races in Wales. As part of the engagement with</p>	<p>Through clear guidance and case study examples, providers of cultural and religious coaching and tuition will gain understanding of what falls within the parameters of the area of cultural and religious studies.</p>

	<p>maintenance of this exception.</p>	<p>parents, the views of a Bangladeshi parents' group were obtained.</p> <p>Additional engagement has been undertaken with religious groups who operate under the exceptions which illustrates the wide range of services being offered to communities and families.</p> <p>Faith-based organisations highlighted that maintaining the coaching and tuition of two activity types will ensure integrated models such as sport and scripture, cultural education combined with creative arts, or community holiday clubs delivering mixed activity programmes can continue. These integrated models are widely used and valued by children, particularly in low-income communities where such free or low-cost activities provide social connection, cultural identity and opportunities to play.</p>	
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		They ensure children’s access to community spaces that contribute to their cultural, social and emotional development.	
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**EU/EEA and Swiss Citizens’ Rights**

**Residency** – the right to reside and other rights related to residence: rights of exit and entry, applications for residency, restrictions of rights of entry and residence;

The proposal will have no effect.

**Mutual recognition of professional qualifications** –the continued recognition of professional qualifications obtained by EU/EEA/Swiss citizens in their countries (and already recognised in the UK);

The proposal will have no effect.

**Access to social security systems** – these include benefits, access to education, housing and access to healthcare;

The proposed Voluntary Approval Scheme will allow more providers to be eligible to register with HMRC and DWP. Eligible EU citizens with settled or pre-settled status will have access to Tax-Free Childcare or Universal Credit Childcare in line with the other eligibility requirements. They will then be able to use these schemes to pay for their child’s care at the providers on the proposed Voluntary Approval Scheme.

**Equal treatment** – this covers non-discrimination, equal treatment and rights of workers;

The proposal will have no effect.

**Workers’ rights** - Workers and self-employed persons who are covered under the Citizens Rights Agreements are guaranteed broadly the same rights as they enjoyed when the UK was a Member State. They have a right to not be discriminated against due to nationality, and the right to equal treatment with UK nationals;

The proposal will have no effect.

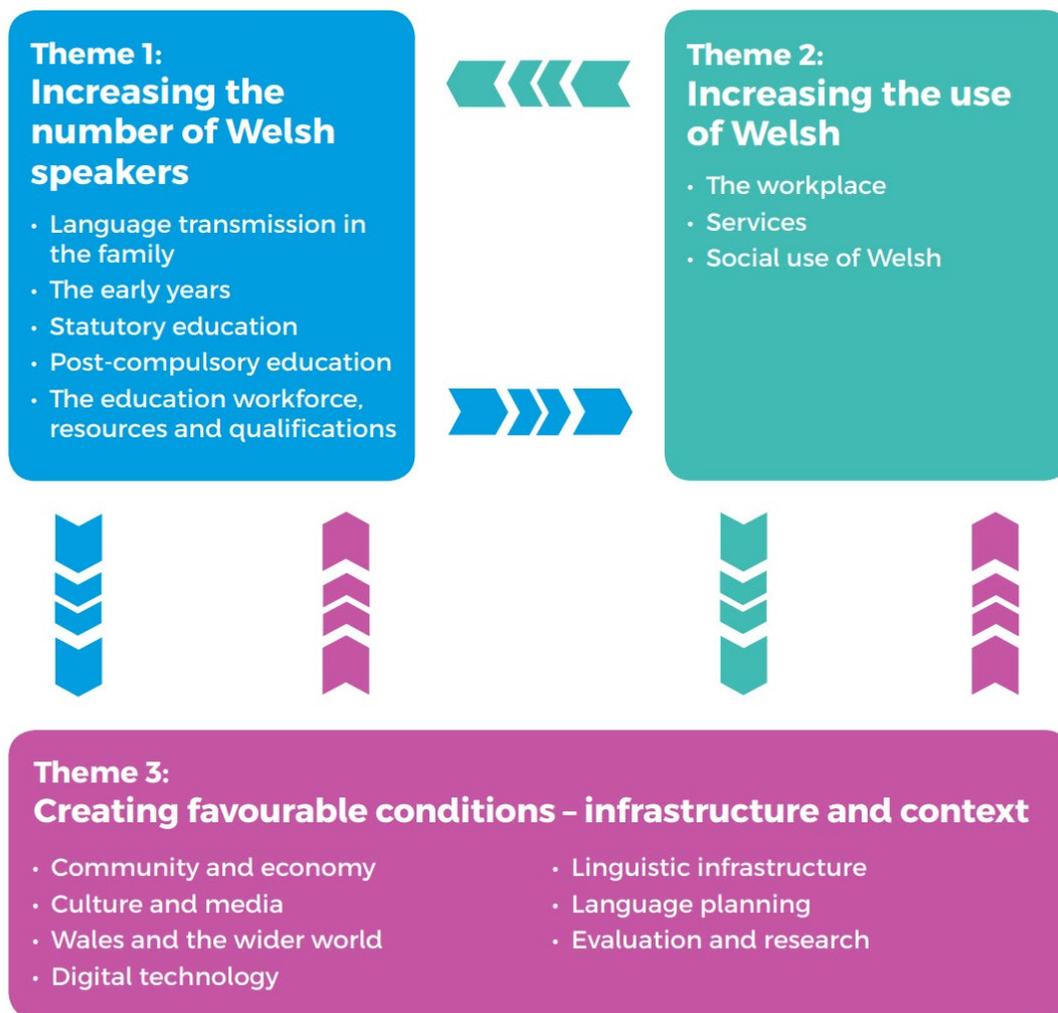
## E. WELSH LANGUAGE IMPACT ASSESSMENT

*Cymraeg 2050* is our national strategy for increasing the number of Welsh speakers to a million by 2050.

The Welsh Government is fully committed to the new strategy, with the target of a million speakers included in its Programme for Government. A thriving Welsh language is also included in one of the 7 well-being goals in [The Well-being of Future Generations \(Wales\) Act 2015](#).

We also have a statutory obligation to fully consider the effects of our work on the Welsh Language. This means that any Welsh Government policy should consider how our policies affect the language and those who speak it.

The [Cymraeg 2050 strategy](#) has three interrelated themes:



1. Welsh Language Impact Assessment reference number (completed by the Welsh Language Standards Team, email: [Safonau.Standards@gov.wales](mailto:Safonau.Standards@gov.wales)): 05/05/2025
2. Does the proposal demonstrate a clear link with the Welsh Government’s strategy for the Welsh language? – [Cymraeg 2050 A million Welsh speakers](#) and the related Work Programme for 2021-2026? [Cymraeg 2050 work programme 2021-2026](#)

**The Child Minding and Day Care Exceptions (Wales) Order 2010 and The Child Minding and Day Care Exceptions (Wales) Order 2026**

The Welsh Government's [Child Minding and Day Care Exceptions \(Wales\) Order 2010](#) identifies circumstances where registration as a child minder or day care provider is not required. Being exempt means that these services and settings do not need to register with Care Inspectorate Wales (CIW) or comply with the [Child Minding and Day Care Regulations](#) and the [National Minimum Standards](#). It provides distinction between services and settings that need to be registered and those that don't. The Welsh Government undertook a full public consultation regarding the proposed changes about who should register as set out in the Draft Child Minding and Day Care Exceptions (Wales) Order 2026, 'the 2026 Draft Exceptions Order', which will replace the 2010 Exceptions Order.

The Welsh Government's vision for a million Welsh speakers by 2050, clearly identifies the Early Years and childhood as key focus areas for meeting this target. The proposed exceptions set out in the 2026 Draft Exceptions Order have all been made to provide opportunity for childcare and activity providers to maintain or increase the number of Welsh speakers, protect or increase the use of Welsh and create favourable conditions for Welsh language use to grow. In early 2024, 16,410 children attended registered childcare and play services which identified that Welsh was their main language of operation and [over 469,872 children were educated at Welsh-medium schools](#) in 2023. The proposed exceptions will support this through providing opportunities for children and young people to use the Welsh language in both their home and social lives.

The proposals also demonstrate links with [More than just words](#), the Welsh Government's strategy to strengthen and promote the Welsh language in health and social care. Our vision for 'More than just words' is for Welsh to belong and be embedded in health and social care services across Wales so that individuals receive care that meets their language needs without having to ask for it, leading to better outcomes. The 'More than just words' Framework seeks to drive progress through a focus on the three themes of Welsh language planning and policies including data; supporting and developing the Welsh language skills of the current and future workforce; and sharing best practice and an enabling approach. At the core of 'More than just words' is the principle of the Active Offer which places a responsibility on health and social care providers to offer services in Welsh, rather than on the parents, patients or service user to have to request them.

Being offered health and care services in Welsh will help parents, who prefer to receive services and support in Welsh, to feel more comfortable when accessing/using these services. It will also support children to use their Welsh language skills as they grow up and access health care services and support.

**3. Describe and explain the impact of the proposal on the Welsh language and explain how you will address these impacts in order to improve outcomes for the Welsh language.**

The Welsh Government has undertaken a review of the child minding and day care exceptions. Two of the aims most relevant to the Welsh Language are to:

- Ensure childcare options are child-centred and foster the rights of children to play, relax, learn and join groups and organisations that meet their needs and interest.
- Support affordable, accessible, and flexible childcare, playwork and activities for families to meet various needs, interests and demands across Wales. Any changes to the exceptions must not reduce available or affordable childcare, play or activities.

These aims are set with the intention of keeping options open, which may include Welsh language options across Wales.

Consultation feedback highlighted additional risks not fully captured in the draft assessment. Several stakeholders, including Welsh-medium organisations and local authorities, warned that changes affecting short-duration exceptions could disproportionately impact Welsh-medium volunteer-run or community-based settings who rely on the current two-hour exception to establish provision before registering formally. Without transitional financial and administrative support, some providers may decide not to expand or may close entirely, limiting early Welsh language immersion opportunities for families—particularly in rural communities.

Cymraeg 2050 sets out mechanisms to increase the number of Welsh speakers, with expansion of Welsh-medium early years provision and language transmission in the family being targeted. This identifies the significant importance of Welsh language development in a child's early years and within their home lives. The 2010 Exceptions Order exempts people from registering as a child minder where they care for a family member. The Draft 2026 Exceptions Order will clarify that relatives or persons living in the same home as the child should be 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 for the child, they are not the child's foster carer, the care does not take place at the child's home, and the care is available and on offer to non-related children. This could allow parents to engage the services of the child minder that they feel would best meet the cultural and linguistic needs of their child and them as a family. However, focus group feedback indicated significant confusion about the proposal, with many initially believing relatives would be required to register for all family care. Participants stressed the need for clearer communication to distinguish informal care from professional childminding and emphasised that relatives who choose to register must meet the same safeguarding and professional standards as any other child minder.

The Cymraeg 2050 strategy identifies that as children grow, it is vital for them to have opportunities to use Welsh socially. The 2010 Exceptions Order exempts providers from

registration as day care providers where they provide coaching or tuition. Through maintaining this element of the exception, provision will continue to operate, and children and young people will be able to continue to engage freely with activities that allow them to socialise using the Welsh language. The exception permits provision of coaching and tuition in cultural study and thus can be used in delivery of activities that promote Welsh language and culture. Several respondents noted that restricting coaching and tuition to a single activity type would have negatively impacted Welsh-medium cultural, expressive arts, or faith-based groups who offer integrated bilingual sessions (e.g., cultural study combined with creative arts or outdoor learning). These activities provide important informal contexts for children and young people to use Welsh socially, and stakeholders cautioned that the policy as drafted in the consultation may unintentionally have reduced opportunities for natural language use.

As part of the review of the coaching and tuition exception, it was also proposed to amend it to permit settings to provide one type of activity from a given list, rather than the two currently permitted under the exception. This may have resulted in some settings needing to register or amend their provision. However, some consultation responses raised concerns that increased regulatory expectations could place pressure on smaller Welsh-medium or volunteer-led settings, particularly in rural communities, and risk closure if adequate support is not provided. Maintaining the exception for a provider to offer two activity types would maintain opportunities for these provisions to continue. This would support demand and financial viability for Welsh-medium providers offering mixed or language-rich sessions.

Multiple consultation respondents expressed concern that increasing regulatory expectations without targeted support may place disproportionate pressure on small Welsh-medium and volunteer-led settings. These providers often operate on limited budgets and rely heavily on volunteers, making compliance with additional administrative or qualification requirements more challenging. Focus group concerns around the 2-hour exemption for children aged 4 and under further highlighted that some Welsh-medium activity providers may withdraw early years sessions rather than register, potentially reducing opportunities for Welsh language immersion.

Additional focus group feedback highlighted that mandatory registration for care of children aged 2 and under, where parents are not present, may particularly affect Welsh-medium and rural volunteer-led settings that rely on informal crèche arrangements to support parent participation. Welsh-medium parenting groups, community education sessions and Ti a Fi-type settings may face sustainability challenges if required to register without additional support. However, many parents and registered providers emphasised that registration provides essential safeguarding for very young children, and clarity in guidance will be required to balance linguistic, cultural and safeguarding needs.

Stakeholders also emphasised that Welsh-medium settings already face significant workforce shortages, particularly regarding Welsh-speaking qualified childcare staff. Any increase in

required staffing levels or qualification expectations risks further reducing capacity in the Welsh-medium sector unless parallel workforce investment is introduced.

Respondents highlighted ongoing challenges in recruiting Welsh-speaking staff, meaning additional requirements could disproportionately affect Welsh-medium providers.

The 2010 Exceptions Order exempts youth services from registration as day care providers where services are delivered to young people aged 11 and over. The public were consulted on the proposal to allow providers who offer provision for children aged 10 to be exempt for transitional youth service. Consultation feedback identified this as a potentially positive step for supporting informal Welsh language use among older primary-aged children, particularly during the transition to secondary school. Focus group responses strongly supported the acknowledgement of Year 6 as a critical linguistic and social transition point, emphasising that youth work is an educational approach distinct from childcare and should not be inadvertently brought within childcare regulation. Youth services were described as important spaces where children gain confidence using Welsh socially. Welsh language youth services will be able to provide services that help 10-year-olds to transition helping them address personal, social and educational needs through the medium of Welsh. Several responses to the Welsh Government's '[Youth work in Wales: delivering for young people](#)' consultation reflected that youth work provides opportunities to use the language in different contexts and to raise their confidence in using Welsh. This may suggest that youth work could potentially help to reduce drop off where children choose to transition from Welsh-medium primary into English-medium secondary due to lack of confidence in their Welsh language abilities.

The public were consulted on their views regarding the exceptions not applying where the provider cares for children aged 2 and under and to consider whether there should be a different approach if their parent remains on the premises. It is anticipated that any changes would likely have an equal impact on Welsh and English medium settings.

If the change is introduced this may lead to an increase in the number of providers registering their services and they may look to develop their Welsh language provision as part of this process. For example, some may look to operate as a Cylch Meithrin, thus supporting the Cymraeg 2050 work programme 2021 to 2026 aim to open 60 new Cylchoedd Meithrin by 2026. Such settings may then have access to investment via the Childcare and Early Years Capital Programme and programmes such as 'Sefydli a Symud' which provides funding to expand Welsh medium Early Years provision.

Settings that choose to operate sessions with parents in attendance may use the opportunity to function as a Cylch Ti a Fi which will support Welsh language development and use of Welsh by both children and their accompanying adult. Any increase in Welsh medium settings will create more opportunities for childcare staff to use Welsh at work and more children will be introduced to Welsh at an early age.

However, respondents strongly emphasised that without proportionate requirements, subsidised translation support, and targeted assistance, some unregistered Welsh-medium community groups may be at risk of closure if they are unable to absorb new regulatory or administrative obligations. Some stakeholders from the Welsh medium sector report that some providers use the 2-hour exception to open their service to test the market ahead of commencing with registration with Care Inspectorate Wales. Respondents highlighted that removing this route may undermine the sustainability of emerging Welsh-medium provision, particularly in rural areas where establishing new Cylchoedd Meithrin or Ti a Fi groups is already challenging. Without the ability to test demand before registering, providers may be less likely to open new Welsh-medium settings, risking slower progress toward Cymraeg 2050 targets. Focus group evidence on the two-hour coaching and tuition rule for children aged 4 and under supported these concerns, indicating some providers may feel unable to deliver Welsh-medium early years provision safely or viably within the new constraints.

Furthermore, the ability to operate without registration facilitates the commencement of income generation for the setting in order to recruit and pay staff whilst the registration process is underway. Additionally, this provides an opportunity to root Welsh language provision within the community and allow the setting to increase its numbers by the time they obtain their registration. Adding age caveats to these exceptions would preclude this from happening and providers looking to offer services to children aged 2 and under may decide not to take the risk of opening a setting as they haven't been able to ascertain whether it is sustainable in the market. Once again, this would impact negatively on families who are reliant on childcare for young children to enable them to work.

Alongside this review the Welsh Government has carried out a public consultation on the proposal to introduce a Voluntary Approval Scheme for Childcare, Playwork and Activity Providers. Some providers who are exempt from compulsory Care Inspectorate Wales registration through the Exceptions Order, could be able to apply for entry to the scheme should they meet the criteria set out. Eligible parents who use providers on the scheme may be able to access Tax-Free Childcare or Universal Credit Childcare schemes. This may provide financial stability for Welsh language exempt settings as more parents may choose to use their services due to them becoming more financially accessible.

Views on eligibility were generally positive, with parents suggesting the Scheme could support nannies, au pairs, babysitters, charity-run groups and playschemes that cannot realistically register with CIW. Some unregistered groups noted that administrative demands may limit participation, while a small number of registered providers felt the Voluntary Approval Scheme could benefit high-quality unregistered settings unable to meet CIW staffing ratios.

Several respondents noted that the Voluntary Approval Scheme could help Welsh-medium providers become more financially accessible to families, thereby supporting Welsh language transmission. However, they also stressed that the scheme must explicitly recognise Welsh

language expectations—including the Active Offer and access to Welsh-medium training—so that the voluntary pathway strengthens, rather than dilutes, Welsh-medium provision. Feedback on the aims of the Voluntary Approval Scheme was mixed. Some parents and providers felt widening access to financial support would benefit families, while others—particularly registered providers—were concerned that prioritising financial access could blur the distinction between registered and unregistered care and undermine sector standards. Respondents emphasised the need for clear communication about what the Voluntary Approval Scheme does and does not assure.

In refining the Voluntary Approval Scheme, legal advice has clarified that a Section 60 scheme must promote the economic, social or environmental well-being of Wales. The Voluntary Approval Scheme's aims therefore focus on widening access to financial support for families and improving the affordability of Welsh-medium and bilingual childcare. While the Voluntary Approval Scheme may help Welsh-medium provision to become more sustainable, it is not intended to function as a safeguarding or quality assurance system. Clear communication and robust evaluation will be essential to ensure that Welsh-medium and community providers understand the Voluntary Approval Scheme's scope and that its development does not inadvertently disadvantage smaller or volunteer-led Welsh-medium settings.

Stakeholders emphasised that to avoid disproportionate burdens, the Voluntary Approval scheme should include bilingual templates, simplified processes for volunteer-led groups and potential fee reductions for small Welsh-medium providers.

Many respondents in the consultation identified clear opportunities for the Voluntary Approval Scheme to support Welsh-medium provision — particularly if Welsh language expectations (e.g., Active Offer awareness, bilingual templates, access to Welsh-medium training) are embedded explicitly within the Voluntary Approval Scheme. Welsh-medium settings joining the Voluntary Approval Scheme would be more visible to Local Authorities and families, supporting informed choice and helping to promote the Welsh language in community settings. However, respondents stressed that this benefit will only be realised if the Voluntary Approval Scheme is designed to avoid placing disproportionate burdens on Welsh-medium or volunteer-led providers. Some respondents felt that having a Welsh requirement to the Voluntary Approval Scheme would discourage them from applying to join.

Should more settings become registered, more information regarding the activities of registered Welsh medium provision will become available via settings' annual Self-Assessment of Service Statements and Local Authorities' Childcare Sufficiency Assessments and Play Sufficiency Assessments. As a result, a more accurate picture of daily use of Welsh will be achieved.

All documents relating to these amendments have and will be published in Welsh, including consultation documents (including Easy Read and Youth friendly), registration documents,

information regarding the proposed Voluntary Approval Scheme and related supplementary guidance.

The impact of any of the proposed amendments that are agreed will be measured via Care Inspectorate Wales data regarding settings that sign up to the proposed Voluntary Approval Scheme, de-registrations and new registrations. Additional information can be obtained via the data gathered by Local Authorities as part of their Welsh in Education Strategic Plans (WESPs) target monitoring and their submission of Childcare Sufficiency Assessments and Play Sufficiency Assessments.

Monitoring will specifically assess the impact of changes on Welsh-medium and bilingual early years provision, volunteer-run Welsh-medium community groups, rural settings and any observed effects on the availability of Welsh-medium transition or cultural activities, as raised through consultation feedback.