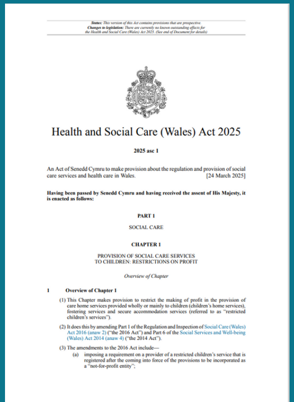
Arolygiaeth Gofal **Cymru**
Care Inspectorate **Wales**

Dileu elw o ofal plant sy'n derbyn gofal

Removing profit from the care of children looked after

Y Ddefdd | The Act


Health and Social Care (Wales) Act 2025

2025 asc 1

PART 1

SOCIAL CARE

CHAPTER 1

PROVISION OF SOCIAL CARE SERVICES TO CHILDREN: RESTRICTIONS ON PROFIT

Overview of Chapter

Er mwyn cofrestru mewn perthynas â gwasanaeth plant o dan gyfyngiad, rhaid i berson nad yw'n awdurdod lleol fod yn endid nid-er-elw.

To be registered in respect of a restricted children’s service, a person who is not a local authority must be a not-for-profit entity.

Cartrefi gofal i blant

Care homes for children

Gwasanaethau llety diogel

Secure accommodation services

Gwasanaethau maethu

Fostering services

← **Gwasanaethau cyfyngedig i blant** | Restricted children’s services →

Amserlen | Timeline

1 Ebrill / April 2026

Dim darparwyr er-elw newydd
No new for-profit providers

- **Rhaid i ddarparwyr gofal i blant o dan gyfyngiad newydd sydd am weithredu yng Nghymru fod yn nid-er-elw neu'n awdurdod lleol.**
- **Ni fydd modd i ddarparwyr er-elw presennol ychwanegu unrhyw wasanaethau plant o dan gyfyngiad newydd at eu cofrestriad.**

- New restricted children's care providers that want to operate in Wales must be not-for-profit or local authority.
- Existing for-profit providers cannot add any new restricted children's services to their registration.

1 Ebrill / April 2027

Ni chaiff y ddarpariaeth er-elw bresennol ei hehangu
No expansion of existing for-profit provision

- **Ni chaiff leoedd gofal preswyl ychwanegol nac unrhyw ofalwyr maeth newydd eu hychwanegu at ddarparwr er-elw gwasanaeth plant o dan gyfyngiad.**

- No additional residential care places and no new foster carers to be added to for-profit providers of a restricted children's service.

1 Ebrill / April 2030

Cyfyngiadau ar leoliadau mewn darpariaeth er-elw bresennol
Restrictions on placements in existing for-profit provision

- **Ni ellir lleoli plant dan ofal sefydliad er-elw yng Nghymru ac eithrio o dan amgylchiadau eithriadol. Mae hyn yn cynnwys lleoliadau o Loegr.**

- Children cannot be placed into the care of a for-profit organisation in Wales apart from in exceptional circumstances. This includes placements from England.

Y pedwar model di elw
The four not-for-profit models

Cwmni elusennol cyfyngedig drwy warant heb gyfalaf cyfrannau Charitable company limited by guarantee without a share capital	**Sefydliad corfforedig elusennol (SCE)** Charitable incorporated organisation (CIO)	**Cymdeithas budd cymunedol elusennol** Charitable community benefit society	**Cwmni buddiant cymunedol cyfyngedig drwy warant heb gyfalaf cyfrannau** Community interest company limited by guarantee without a share capital
Yr **ymddiriedolwr / cyfarwyddwr** sy'n gyfrifol am reolaeth a chyfeiriad strategol y sefydliad. Bydd rhaid i un ohonynt fod yr UC. The **trustee / director** is responsible for the strategic direction and management. One of them must be the RI.	**Ymddiriedolwyr** sy'n gyfrifol am reolaeth a chyfeiriad strategol y sefydliad. Bydd rhaid i un ohonynt fod yr UC. **Trustees** are responsible for the management and strategic direction. One of them must be the RI.	Cyfeirir at hyn fel "cymdeithas gofrestredig elusennol" yn y Ddeddf. **Yr aelodau** sy'n gyfrifol am faterion y model. Rhaid i un ohonynt fod yr UC. The Act calls this a "charitable registered society". **Members** manage this model's affairs. One of them must be the RI.	**Cyfarwyddwyr** sy'n gyfrifol am reolaeth a chyfeiriad strategol. Bydd rhaid i un ohonynt fod yr UC. **Directors** will be responsible for the management and strategic direction. One of them must be the RI.

Mewn amgylchiadau penodol, gall ymddiriedolwr/cyfarwyddwr gynnig "Swyddog tebyg" yn unol â chanllawiau cofrestru RISCA, yn amodol ar gymeradwyaeth AGC. Nid yw hyn yn wir am gymdeithas budd cymunedol.

In certain circumstances a trustee/director may propose a "Similar officer" as per the RISCA registration guidance, subject to CIW approval. This is not the case for the community benefit society.

Rôl CIW

Rheoleiddio ac arolygu gwasanaethau gofal yng Nghymru.

Rhoi'r newidiadau i Ddeddf Rheoleiddio ac Arolygu Gofal Cymdeithasol (Cymru) 2016 sy'n deillio o Ddeddf Iechyd a Gofal Cymdeithasol (Cymru) 2025 (‘Y Ddeddf’) ar waith.

CIW’s Role

Regulate and inspect care services in Wales.

Implement the changes to the Registration and Inspection of Social Care (Wales) Act 2016 brought about by the Health and Social Care (Wales) Act 2025 (‘The Act’).

Cofrestru ac ailgofrestru

- **Erys y gofynion cofrestru yr un fath ar gyfer newydd-ddyfodiaid nid-er-elw i'r farchnad.**
- **Llai o ofynion ar gyfer darparwyr cofrestredig sy'n awyddus i ailsefydlu fel sefydliadau nid-er-elw.**
- **Byddwn yn diweddaru ein canllawiau cofrestru yn gynnar yn 2026.**

Registration and re-registration

- The registration requirements remain the same for new not-for-profit entrants to the market.
- Reduced requirements for registered providers looking to re-establish as not-for-profit.
- We will update our registration guidance in early 2026.

Monitro

Cyflwyno mesurau sicrwydd sy'n dangos i Weinidogion Cymru bod darparwyr yn parhau i weithredu fel sefydliadau nid-er-elw.

Gall rhain gynnwys:

- **datganiad yn y datganiad blynyddol**
- **cydgysylltu â rheoleiddwyr ariannol y pedwar model**

Monitoring

Introduce clear assurances that show Welsh Ministers that providers continue to operate as not-for-profit organisations.

These may include:

- a declaration on the annual return
- liaison with the financial regulators of the four models

Cymorth

- **Gall AGC gynnig cyngor ar y broses gofrestru.**
- **Tudalen ddynodedig ar wefan AGC sy'n cynnwys cwestiynau cyffredin.**
- **Gall Cwmpas gynnig cyngor ar fodelau busnes ac ailstrwythuro.**

Support

- CIW can offer advice regarding the registration process.
- Dedicated CIW webpage containing frequently asked questions (FAQs).
- Cwmpas can offer advice regarding business models and restructuring.

CWMPAS. COOP

Amdanom ni

- Enw gwreiddiol: Canolfan Cydweithredol Cymru.
- Sefydlwyd yn 1982 i ddarparu cymorth busnes ar gyfer mentrau cydweithredol yng Nghymru.
- Yn y 2000au, ehangwyd ein gwaith i gynnwys cymorth ar gyfer mentrau cymdeithasol ac i ddarparu nifer o brosiectau e.e. Cynhwysiant Digidol.
- Erbyn hyn, rydym yn gweithredu fel Asiantaeth Ddatblygu ar draws Cymru gyfan gyda 100+ staff.
- Arbenigedd mewn meysydd amrywiol - sefydlu, tyfu a thrawsnewid busnesau, cynllunio olyniaeth a gwerth cymdeithasol.

A brief Introduction

- Wales Co-operative Centre
- Established in 1982 to provide business support for co-operatives in Wales.
- In the 2000s, we expanded our work, providing support to social enterprises, delivering digital inclusion projects, and much more.
- Modern day we are a Development Agency, operating pan Wales with 100+ staff
- We specialise in various areas including business start-up, growth, transformation, succession planning and social value.

Sut allwn eich helpu?

Dod i ddeall eich busnes

Edrychwn ar elfennau megis:

- Natur eich gwasanaethau
- Adeiladau (eu perchnogaeth)
- Contractau (gofal, addysg, therapi)

Model berchnogaeth y busnes

Rôl y perchnogion a'r rheolwyr

Eich dymuniadau am y dyfodol

- Eich rôl o fewn y busnes?

How can we help?

Understanding Your Business

We'll get to know your business:

- Services (adult & children's services)
- Buildings (owned or leased)
- Contracts (Care, education, therapy)

Your current ownership model

The role of the owners & managers

Your future goals and wishes

- Continued involvement?

Llywodraeth Cymru
Welsh Government

Sut allwn eich helpu?

Gwerthusiad annibynnol & chyngor treth

- Gwerthusiad busnes teg ac annibynnol a’r potensial am gyngor treth arbenigol pan fo’r angen.

Dewis model addas

- Gwybodaeth am y pedair model nid-er-elw a ganiateir, a chymorth i ddewis yr un mwyaf addas i chi.

Cynllunio ariannol

- Archwilio hyfywedd a'r opsiynau ariannu ar gyfer ail-sefydlu eich busnes.

How can we help?

Independent valuation & tax advice

- A fair, impartial business valuation with the potential for specialist tax guidance.

Exploring your options

- Clear, straightforward information on the 4 ‘In-scope’ models, with help to identify the one best suited to you.

Planning for the Future

- Explore how to re-establish under a new model, with guidance on feasibility, plus potential financing options.

Llywodraeth Cymru
Welsh Government

Sut allwn eich helpu?

Cynllun gweithredu

- Cymorth i fapio llwybr clir ar gyfer ail-sefydlu'r busnes.

Materion Llywodraethu

- Cyngor a hyfforddiant ar faterion llywodraethu, e.e. recriwtio bwrdd o gyfarwyddwyr, cyfathrebu gyda rhanddeiliaid, a chreu busnes nid-er-elw cynaliadwy.

Cofrestru

- Cymorth i gofrestru eich ffurf gyfreithiol ddewisol os ydych am fwrw ymlaen â'r broses.

How can we help?

A clear route map

- Step-by-step support to guide your transition.

Governance & sustainability support

- Advice and training on governance, board recruitment, and stakeholder engagement, helping to build a sustainable 'not-for-profit'.

Registration support

- Assistance to register your new legal structure with the relevant regulator(s).

Llywodraeth Cymru
Welsh Government

Gwasanaeth broffesiynol a chyfrinachol i'ch helpu i asesu eich opsiynau am ail-sefydlu fel busnes nid-er-elw.

A professional, confidential service, aimed at helping providers to explore 'Re-establishing' their 'restricted children's services'.

Diolch / Thank you

Cysylltwch â ni / Contact us:
www.cwmpas.coop

Ebost / Email:
Branwen.Ellis@cwmpas.coop
Rhys.Williams@cwmpas.coop

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Welsh Government

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Welsh Government

Ymgynghoriad ar ddileu elw o ofal plant

Tom Cleaver a Penny Hall
Llywodraeth Cymru

Consultation on removing profit from children's care

Tom Cleaver and Penny Hall
Welsh Government

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Cyflwyniad

- Pasiwyd Deddf Iechyd a Gofal Cymdeithasol (Cymru) 2025 ('Deddf 2025') yn gynharach eleni.
- **Bydd yn cael ei gweithredu'n ffurfiol o 1 Ebrill 2026 ymlaen** – ni fydd unrhyw ddarparwyr er-elw newydd yn gallu cofrestru gydag Arolygiaeth Gofal Cymru (AGC).
- Mae newidiadau yn ofynnol i'r rheoliadau presennol i ddod â hyn i rym.

Introduction

- Health and Social Care (Wales) Act 2025 (‘The 2025 Act’) passed earlier this year.
- **Formal implementation from 1 April 2026** – no new for-profit providers will be able to register with Care Inspectorate Wales (CIW).
- Changes required to existing regulations to bring this into effect.

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Crynodeb yr ymgynghoriad

Ymgynghoriad ynglŷn â'r newidiadau allweddol sy'n ymwneud â gweithredu Deddf 2025 o 1 Ebrill 2026 ymlaen - mae'r rhain yn cynnwys:

1. **Dull cofrestru arfaethedig** o 1 Ebrill 2026 a newidiadau posibl i Reoliadau Gwasanaethau Rheoleiddiedig (Cofrestru) (Cymru) 2017 i ddarparu ar gyfer hyn.
2. **Cynigion ar gyfer newidiadau i'r broses datganiadau blynyddol** fel y gall darparwyr gwasanaethau plant o dan gyfyngiad ddangos eu bod yn parhau i fodloni'r diffiniad o endid nid-er-elw a newidiadau posibl i Reoliadau Gwasanaethau Rheoleiddiedig (Datganiadau Blynyddol) (Cymru) 2017 i ddarparu ar gyfer hyn.
3. **Dull monitro a gorfodi arfaethedig** ar gyfer y prawf person addas a phriodol diwygiedig, sy'n dweud y bydd trefniadau ariannol afresymol neu anghymesur yn dystiolaeth wrth benderfynu a yw'r darparwr gwasanaethau plant o dan gyfyngiad yn berson addas a phriodol.

Consultation summary

Consultation about the key changes relating to the 1 April 2026 implementation - these are:

1. **Proposed registration approach** from 1 April 2026 and potential changes to the Regulated Services (Registration) (Wales) Regulations 2017 to accommodate this.
2. **Proposals for changes to annual returns** so restricted children’s services providers can show they continue to meet the definition of a not-for-profit entity and potential changes to the Regulated Services (Annual Returns) (Wales) Regulations 2017 to accommodate this.
3. **Proposed monitoring and enforcement approach** for the amended fit and proper person test, which says that unreasonable or disproportionate financial arrangements will be evidence when deciding if the restricted children’s services provider is a fit and proper person.

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1. Newidiadau arfaethedig - cofrestru

Rheoliadau cofrestru

Diwygiadau arfaethedig i'w gwneud yn ofynnol i ddarparwyr newydd sy'n ceisio cofrestru neu ddarparwyr sy'n ailsefydlu fel sefydliad nid-er-elw i :

- **darparu tystiolaeth eu bod yn endid nid-er-elw a ganiateir**, gan gynnwys manylion cofrestru gyda Swyddfa'r Rheoleiddiwr Cwmnïau Buddiant Cymunedol neu'r Awdurdod Ymddygiad Ariannol yn dibynnu ar y math o endid.

- **darparu tystiolaeth o'u hamcanion neu eu dibenion.**

1. Proposed changes - registration

Registration regulations

Proposed amendments to require new providers seeking to register or providers re-establishing as a not-for-profit to :

- **evidence they are a permitted not-for-profit entity** including details of registration with the Office of the Regulator of Community Interest Companies or the Financial Conduct Authority depending on the type of entity.

- **provide evidence of their objects or purposes.**

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2. Newidiadau arfaethedig – datganiadau blynyddol

Rheoliadau datganiadau blynyddol

Diwygiadau arfaethedig i'w gwneud yn ofynnol i ddarparwyr nid-er-elw gadarnhau yn eu datganiad blynyddol eu bod yn parhau i fodloni'r diffiniad o endid nid-er-elw.

Mae'n drosedd i wneud datganiad anwir mewn datganiad blynyddol sy'n golygu y gallai AGC gymryd camau gorfodi yn erbyn y darparwr.

2. Proposed changes – annual returns

Annual returns regulations

Proposed amendments to require not-for-profit providers to confirm in their annual return that they continue to meet the definition of a not-for-profit entity.

It is an offence to make a false statement in an annual return meaning CIW could take enforcement action for breach of this.

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3. Dull monitro a gorfodi arfaethedig

- Mae gan bob model nid-er-elw eisoes reoleiddiwr, yn ogystal ag AGC. Mae gan y rheoleiddwyr presennol hynny ystod o bwerau, gan gynnwys ar gyfer gweithgareddau a allai ddod o dan y diffiniad o drefniadau ariannol afresymol neu anghymesur.

- Mae AGC yn bwriadu rhoi cytundebau ar waith gyda'r rheoleiddwyr hynny, fel eu bod yn cael eu hysbysu pan fyddant yn gweithredu yn erbyn endid nid-er-elw sydd hefyd wedi'i gofrestru gydag AGC. Gall AGC wedyn ddefnyddio pwerau presennol i gymryd camau yn erbyn y darparwr hwnnw (gan gynnwys canslo cofrestriad darparwr o bosibl).

- Nid ydym yn gwybod faint o ddarparwyr nid-er-elw newydd a allai gofrestru, felly'r bwriad yw cadw'r trefniadau hyn dan adolygiad.

3. Proposed monitoring and enforcement approach

- Each not-for-profit model already has a regulator, in addition to CIW. Those existing regulators have a range of powers including for activities that might come under the definition of unreasonable or disproportionate financial arrangements.

- CIW intends to put agreements in place with those regulators, so they are notified when they act against a not-for-profit entity also registered with CIW. CIW can then use existing powers (including potentially cancelling a provider’s registration) to take action against that provider.

- We don’t know how many new not-for-profit providers may register so intend to keep these arrangements under review.

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Ymgynghoriad - cwestiynau ac amseroedd

Cwestiynau'r ymgynghoriad

- Beth ydych chi'n ei feddwl o'r newidiadau arfaethedig hyn?
- A oes unrhyw beth nad ydym wedi meddwl amdano? Canlyniadau anfwriadol, baich gweinyddol ychwanegol etc?

Mae'r ymgynghoriad yn cau **8 Hydref** – ar gael yma:

www.llyw.cymru/dileu-elw-o-ofal-plant

Gallwch ymateb drwy ffurflen ar-lein, drwy e-bost neu drwy'r post, gan gynnwys yn ddienw.

Consultation - questions and timings

Consultation questions

- What do you think about these proposed changes?
- Is there anything we haven’t thought of? Unintended consequences, additional administrative burden etc?

Consultation ends on **8 October** – available at:

www.gov.wales/removing-profit-childrens-care

You can respond via online form, via email or by post, including anonymously.

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Cwestiynau

Questions

Dolenni defnyddiol | Useful links

- **Llywodraeth Cymru** | www.llyw.cymru/newid-i-fodelau-gofal-nid-er-elw-ar-gyfer-plant-syn-derbyn-gofal-yng-nghymru
- **Arolygiaeth Gofal Cymru** | www.arolygiaethgofal.cymru/dileu-elw-o-ofal-plant
- **Cwmpas** | cy.cwmpas.coop/careprovidertransition

- Welsh Government | www.gov.wales/removing-profit-care-children-looked-after
- Care Inspectorate Wales | www.careinspectorate.wales/removing-profit-childrens-care
- Cwmpas | cwmpas.coop/careprovidertransition

Diolch yn fawr i bawb

Thank you everyone

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Arolwg adborth

Feedback survey

Arolygiaeth Gofal **Cymru**
Care Inspectorate **Wales**