Post Implementation Review of The Detergents Regulations 2010 (as amended)

Date: October 2023

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1. Introduction

About the Post Implementation Review

Regulation 31 of the <u>Detergents Regulations 2010 (as amended) (SI 2010/740)</u> (subsequently referred to as the 2010 Detergents Enforcement Regulations) requires a statutory post implementation review (PIR) for the Secretary of State to review the operation and effect of the 2010 Detergents Enforcement Regulations as they apply to England. The requirement is to publish a report within five years from 2013, and within every five years after that. There was a statutory timeline for undertaking the review in 2018, however this was not undertaken. The next review period requires a review in 2023. This report covers the full period of 2013-2023 to satisfy the review requirements as set out in the legislation.

Objectives and structure of the PIR

The regulation states that the PIR should:

- Set out the objectives intended to be achieved by these regulations;
- Assess the extent to which those objectives are achieved;
- Assess whether those objectives remain appropriate and, if so, the extent to which they could be achieved in a less burdensome way.

The structure of this report will follow the <u>standard PIR template</u>² and, within this, includes all the above stated objectives. The review will address the following questions in turn:

- What were the policy objectives of the measure?
 - To what extent do the regulations set out the objectives intended to be achieved by these regulations?
- What evidence has informed the PIR?
- To what extent have the policy objectives been achieved?
 - o To what extent do the objectives remain appropriate?
- What were the original assumptions?
- Were there any unintended consequences?
- Has the evidence identified any opportunities for reducing the burden on business?
- How does the UK approach compare with the implementation of similar measures internationally, including how EU member states implemented EU requirements that are comparable or now form part of retained EU law, or how other countries have implemented international agreements?

Scope of the PIR

Regulation of detergents in Great Britain is covered, primarily, by two regulations: Regulation (EC) No 648/2004³ (as amended) (subsequently referred to as the Detergents Regulation 2004) supported by the 2010 Detergents Enforcement Regulations. The Detergents Regulation 2004 is retained EU law applying in Great Britain (GB) and the 2010 Detergents

¹ https://www.legislation.gov.uk/uksi/2010/740/contents/made

² https://www.gov.uk/government/publications/business-regulation-producing-post-implementation-reviews

³ https://www.legislation.gov.uk/eur/2004/648/contents

Enforcement Regulations is EU-derived domestic secondary legislation on detergents. More information on these regulations is contained in the next section.

The scope of this PIR is the 2010 Detergents Enforcement Regulations only. Out of scope is a review of the Detergents Regulation 2004 (as amended) and a detailed review of compliance with these. Compliance is briefly examined in relation to whether the enforcement approach is proportionate.

The review is England only and the period of the review is 2013-2023.

Review Approach

PIRs can take different forms, ranging from a light approach for low impact and non-controversial regulations, to a detailed approach for high impact and controversial regulations. Initial stakeholder engagement indicated the costs to business associated with the implementation of the 2010 Detergents Enforcement Regulations would be considerably less than the net annual cost to business of £5 million. Additionally, these regulations are not deemed to be controversial. As such, consistent with Better Regulation proportionality guidance⁴, a light approach has been adopted.

There are a couple of impact assessments associated with the 2010 Detergents Enforcement Regulations. The Detergents Regulations 2005 impact assessment, which introduced the enforcement regulations that were the basis for the 2010 Detergents Enforcement Regulations, focused on the cost to businesses to comply with the regulations, rather than the costs to businesses associated with the enforcement of the regulations. The impact assessment included with the 2010 Detergents Enforcement Regulations focused on the fees for derogation, which found no cost to business, and the cost on the ban on phosphates in domestic laundry cleaning products (DLCPs). The ban on phosphates in DLCPs was introduced as part of the 2010 Regulations, with a view to it coming into force in January 2015 but was superseded by the EU's ban in June 2013 and integrated into the Detergents Regulation 2004, so was never enacted as part of the 2010 Detergents Enforcement Regulations.

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 $^{^4\} https://assets.publishing.service.gov.uk/media/5cd3fa0de5274a3fce8274c6/Final_proportionality_.pdf$

2. What are the policy objectives of the 2010 Detergents Enforcement Regulations (as amended)?

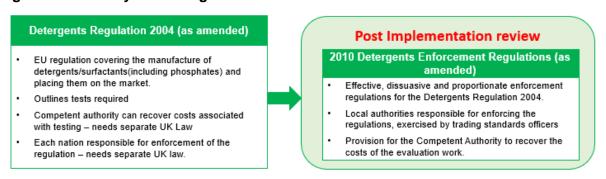
The main objectives of the 2010 Detergents Enforcement Regulations are to:

- 1. Enforce the Detergents Regulation 2004 (EC 648/2004) (as amended)
- 2. Enable the government to recover costs associated with derogation work.

These are discussed in more depth below.

The 2010 Detergents Enforcement Regulations and the Detergents Regulation 2004 are closely linked, as seen in Figure 1 below.

Figure 1: Summary of the Regulations



2.1 Enforce the Detergents Regulation 2004 (EC 648/2004) (as amended):

The Detergents Regulation 2004 covers the manufacturing of detergents/surfactants (including inorganic phosphates) and placing and making them available on the Great Britain market. It establishes **technical standards** and **requirements** for detergents and surfactants for detergents.

The Detergents Regulation 2004 also necessitates that surfactants and detergents containing surfactants pass a three-tier system of aerobic testing to ensure they meet certain environmental criteria before they can be placed on the market.

The Competent Authority (CA) for the Detergents Regulation 2004 and the 2010 Detergents Enforcement Regulations in GB is the Secretary of State for Environment, Food and Rural Affairs. The Health and Safety Executive (HSE) acts as the CA for the regulations under an Agency Agreement with the Secretary of State.

The 2005 Detergents Regulations were introduced to provide 'effective, dissuasive and proportionate' measures to enforce the Detergents Regulation 2004, which was in accordance with Article 18 of the 2004 Detergents Regulation (which has since been revoked by the Detergents (Amendment) (EU Exit) Regulations 2019). The impact assessment for the 2005 Detergents Regulations opted for the introduction of **'basic enforcement regulations'** to minimise the burden on industry.

The 2010 Detergents Enforcement Regulations revoke and re-enact the 2005 Detergents Regulations with the additional provision allowing the CA to recover the costs of the evaluation work.

The enforcement powers within the 2010 Detergents Enforcement Regulations include, amongst other things, enforcement notices, seizure and disposal of contravening products, power of entry and issue of warrants. Due to the potential environmental or public health consequences that could result from a breach of the 2004 Detergents Regulation, criminal sanctions are also available under the 2010 Detergents Enforcement Regulations. The most serious offences will be triable either way and punishable by up to two years imprisonment and/or an unlimited fine.

In England, the power for enforcing the regulations is given to local authorities, exercised by trading standards officers (TSOs).

2.2 Enable the government to recover costs associated with derogation work:

The second main objective for the 2010 Detergents Enforcement Regulations is to enable the government to recover costs associated with derogation work. The 2004 Detergents Regulation requires surfactants and detergents containing surfactants to pass a three-tier system of aerobic testing to ensure they meet certain environmental criteria before they can be placed on the market. The Detergents Regulation 2004 permits costs recovery.

The 2010 Detergents Enforcement Regulations outline the fee structure:

Tier 1	£3,400
Tier 2	£4,400
Tier 3	£5,400

HSE are responsible for undertaking the evaluation work.

2.3 To what extent do the regulations set out the objectives intended to be achieved by these regulations?

It is possible to determine what the objectives of the 2010 Detergents Enforcement Regulations are (outlined above).

3. What evidence has informed the PIR?

The PIR has been informed by:

- A survey to trading standards offices in England: The purpose of the survey was to gain understanding of what enforcement has been carried out by Enforcement Authorities (trading standard officers) on issues covered by the 2010 Detergents Enforcement Regulations and its amendments. The survey sought to understand the type of enforcement undertaken, the cost of enforcing the regulation, levels of compliance with the regulation. Additionally, the survey explored potential challenges and/or barriers to enforcement of the regulation. The survey was sent to 130 out of 139⁵ trading standard offices in England. There were 77 completed survey responses, making a response rate of 59%.
- Engagement with the UK Cleaning Products Industry Association⁶ (UKCPI): UKCPI is the main industry association for the detergents sector, with its members comprising approximately 99% of the sector. The review included an interview with the Director General and Technical Manager of the association, and feedback from a small number of its members (5 businesses).
- **Engagement with authorities:** Engagement with HSE and the Environment Agency to obtain facts associated with the subject matter.
- A review of a European Commission evaluation: In 2019 the European Commission published an evaluation of Regulation (EC) No. 648/2004⁷ as it applies in the EU, which included information on enforcement. This helped to understand how the English approach to enforcement compares to EU Member States.

Strengths and limitations of the review

This was a light-touch review to meet statutory obligations, which is reflected in the methodology. Its key strength is the level of response to the TSO survey. Achieving just short of a 60% response rate is sufficient to provide a good overview of TSO's experiences of the 2010 Detergents Enforcement Regulations, which is the central focus of the review. According to UKCPI, the detergents industry is dispersed across England, with a significant proportion in northern England. There was a good spread of survey responses across the country, including northern England.

Engagement with industry was limited to the main industry association in the sector and a small number of its members. This provided a very useful perspective from the detergents sector but did not include the small parts of the sector that are non-members.

Finally, there is no robust data on compliance with the Detergents Regulation 2004 to inform the review. As such, the assessment of compliance has been based on limited data. Additional data gathering has not been undertaken as this was not required in order to inform a review of the main objectives of the 2010 Detergents Enforcement Regulations

Having information from the different sources (TSOs and industry) has provided a fuller and consistent picture of the 2010 Detergents Enforcement Regulations.

⁵ The contact details for the remaining nine offices were not available to the review team.

⁶ UKCPI – UK Cleaning Products Industry Association

⁷ https://ec.europa.eu/docsroom/documents/36289

4. To what extent have the policy objectives been achieved?

To understand if the policy objectives have been achieved it is necessary to examine the two main objectives of the regulation separately (enforcing the 2004 Detergent Regulations and recovering the costs associated with derogation work). Following this, there will be a brief comment on the extent to which the regulations continue to be appropriate.

4.1 Has there been 'effective, dissuasive and proportionate' enforcement of the 2004 Detergents Regulation?

In accordance with Article 18 of the 2004 Detergents Regulation (which has since been revoked by the Detergents (Amendment) (EU Exit) Regulations 2019), one of the objectives of the 2010 Detergents Enforcement Regulations was to introduce 'effective, dissuasive and proportionate' enforcement of the Detergents Regulation 2004. Since Article 18 has not been replaced and this review spans the period before it was revoked, this review is seeking to understand if the enforcement approach has been effective, persuasive and proportionate.

In order to understand this, the review has sought to answer the following more detailed questions:

- Are TSOs aware of the 2004 Detergents Regulation and the powers under the 2010 Detergents Enforcement Regulations they have to enforce this?
- Do TSOs undertake any enforcement of the regulations?
 - If yes, what enforcement do they undertake?
 - If no, what is the reason for this?
- Is the enforcement approach proportionate?
 - Level of risk from non-compliance
 - Burden on industry
- Is the enforcement approach dissuasive?

Are TSOs aware of the 2004 Detergents Regulation and the powers under the 2010 Detergents Enforcement Regulations they have to enforce these?

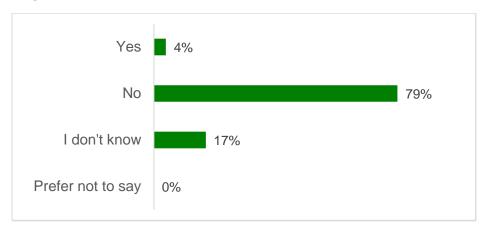
The vast majority of trading standards officers responding to the survey have either no or very little familiarity with the 2004 Detergent Regulations (99%), and no or very little familiarity (95%) with the enforcement powers they have under the regulations. A number of TSOs said they became aware of the regulations through engaging with the survey.

Do TSOs undertake any enforcement of the regulations?

TSOs were asked whether their local authority had undertaken any enforcement activity related to the 2004 Detergents Regulation since January 2013. Of the TSOs who responded

to the survey, 4% said they had, 79% said they had not and the remaining 17% said they did not know (illustrated in figure 2). The enforcement activity that had been undertaken was advice to businesses. Government should consider whether greater communication with TSOs to increase awareness and understanding of their responsibilities in relation to the regulation on detergents should be prioritised.

Figure 2: TSOs undertaking enforcement activity related to the 2004 Detergents Regulation



Base size 77 (number of individuals)

Why do TSOs not undertake any enforcement of the 2004 Detergents Enforcement Regulations?

The participants who knew their local authority had not undertaken any enforcement of the regulations were asked why. They could select all the relevant options from a given list. Figure 3 illustrates the results.

Figure 3: Why do local authorities not undertake enforcement of the regulations?



Base size 61

Reasons in the 'other' category above included lack of knowledge of the regulations and lack of intelligence to act on.

It is clear from the survey results that the lack of focus on the 2010 Detergents Enforcement Regulations is largely driven by resources available and prioritisation of other work areas. TSOs take a risked-based approach to their work, have not identified any risks in this area, and have not been asked to prioritise this work. They work within local and national priorities and may decide that detergents are not a priority. This position is illustrated by the following comments by separate TSOs:

"As with many functions (over 263 from the last academic research) placed upon local authority Trading Standards services and due to a reduction in budgets and available officers, we are risk based and intelligence led, balancing local against regional and national needs. We have received low or no complaints or enquiries during this period."

"Detergents due to their nature tend to be placed on the market by larger businesses who understand the nature of their products and the requirements for labelling and chemicals regulation more widely. Whilst some market surveillance to back up the position would be better there doesn't appear to be any intelligence around non-compliant detergents indicating a need for greater enforcement".

Is the enforcement approach proportionate?

It is clear from the above that little is done by TSOs in relation to the enforcement of the 2004 Detergents Regulation. But is this approach proportionate?

Two elements of proportionality are discussed below: level of risk from non-compliance and burden on industry.

Proportionality: Level of risk of non-compliance

Levels of compliance with the 2004 Detergents Regulation

To understand this, we need to know the levels of compliance with the 2004 Detergents Regulation. However, this is difficult as there is very little data available. The TSO survey results demonstrate that there is practically no monitoring for business /product compliance with the 2004 Detergents Regulation undertaken by TSOs (only one TSO of 77 said that monitoring was undertaken in their local authority).

When TSOs were asked if their local authority had become aware of non-compliance or suspected non-compliance, just over three-quarters (77%) said they had not, 21% said they did not know and 3% (2 TSOs) said they had. The two TSOs that had experienced non-compliance/suspected non-compliance were informed of this by 'a consumer or another business' and only one of the cases was confirmed.

Although most TSOs were not aware of non-compliance with the regulations identified through the risk-based, intelligence led approach by TSOs, without a systematic approach to monitoring it is not possible to draw conclusions on levels of compliance. As local authorities

are the enforcement authority for the 2004 Detergents Regulation, no other agencies undertake systematic compliance monitoring. Government may want to consider undertaking a piece of work to further understand levels of compliance.

Industry association perception of levels of compliance

UKCPI were asked about their perceptions of industry compliance with the 2010 Detergents Enforcement Regulations. They felt there were very high levels of compliance in the sector. They said the sector is made-up of 'big players' (large multinational companies) who are 'happy to play by the rules' and are conversant with them. They also felt that there was no financial incentive for non-compliance with the regulations. According to UKCPI, the industry guidance was written by the International Association for Soaps, Detergents and Maintenance Products, and the sector self-polices, to some extent. Also, there was a long lead-in time for the Detergents Regulation 2004 which enabled companies to comply.

UKCP felt there may be accidental non-compliance, with a very small minority of imports from small companies not complying with the labelling requirements of the regulation (e.g., labels in a foreign language). They felt this would be very rare and a tiny proportion of the trade.

Given the above, the UKCPI felt that the level of enforcement is proportionate given that it is risk-based, intelligence led and with high levels of compliance by industry.

In conclusion, the limited evidence available suggests levels of compliance with the 2004 Detergents Regulation are high. Also, as noted above, from the limited cases of non-compliance TSOs were aware of, it appears that action will be taken in response to information received. As such, the lack of work done by TSOs in this area appears to be proportionate.

Proportionality: Burden on industry

The impact assessment for the 2005 Detergents Enforcement Regulations (which is the impact assessment most closely associated with the enforcement element of the 2010 regulations) opted for the introduction of 'basic enforcement regulations' to minimise the burden on industry. Given that there is little to no monitoring or enforcement of the 2004 Detergents Regulation, it is logical to conclude that the 2010 Detergents Enforcement Regulations are not burdensome on industry. Engagement with UKCPI reinforced this.

Is the enforcement approach dissuasive?

Given that there is little to no enforcement of the 2004 Detergents Regulation, it is logical to conclude that the enforcement approach is not dissuasive. UKCPI did not feel that the threat of enforcement was dissuasive as, consistent with above, it is a compliant industry: "businesses are able to comply, and non-compliance would be bad for business."

Conclusion:

A clear finding from the TSO survey is that the vast majority of respondents had either no or very little familiarity with the regulations they are responsible for enforcing, have no or very little familiarity with the enforcement powers they have under the regulations, and do little work in this area (monitoring or enforcement). This lack of focus is largely driven by resources available and prioritisation of other work areas. They take a risk-based approach to their work and have not identified risks in this area. From the limited information available, it appears that when TSOs are made aware of risks, action is taken.

Although there are limitations in the data around compliance with the regulations, the information available suggests there is a high degree of compliance. As such, the enforcement approach appears to be proportionate and consistent with the recommendation in the 2005 impact assessment to provide basic enforcement regulations to minimise the burden on industry.

So, although the enforcement is limited, it appears sufficient and proportionate, indicating that no legislative change to the 2010 Detergents Regulations is required at this time. Government should consider whether the current situation is satisfactory, or if an alternative approach would be beneficial.

4.2 Have the 2010 Detergents Enforcement Regulations enabled government to recover the costs associated with derogation work?

As outlined previously, one of the objectives of the 2010 Detergents Enforcement Regulations is to enable HSE government to recover the costs associated with applications for derogation. Since this law was introduced, there has been no application for derogation, so HSE has had no requirement to recover costs. This is consistent with the assumption in the impact assessment, which assumed there would be no applications for derogation. The fees have not been reviewed since they were set in 2010, so if there were to be an application for derogation, it is highly likely that the fees would not fully cover the costs associated with derogation. HSE might want to consider reassessing the fee structure to ensure it enables government to recover the costs of derogation.

4.3 To what extent do the objectives of the 2010 Detergents Enforcement Regulations remain appropriate?

The objectives of the 2010 Detergents Enforcement Regulations remain appropriate. They provide the legal powers to enforce the Detergents Regulation 2004, should it be needed, and give HSE the ability to recover the costs associated with derogation work.

5. What were the original assumptions?

The assumptions in the impact assessment for the 2010 Detergents Enforcement Regulations were that there would be no derogation testing required and, therefore, no cost to industry associated with testing. This assumption has been substantiated by this review.

The 2005 impact assessment pertains to the enforcement objectives of the 2010 Detergents Enforcement Regulations. The main assumptions in this assessment were about the costs of compliance with the regulation, rather than the costs of enforcement.

The 2005 impact assessment advocated for a set of basic enforcement regulations that minimised the burden on industry. These should empower local authorities and the CA to take action where there is evidence of the commission of an offence. This was felt to fulfil Defra's legal requirements and this approach was implemented.

6. Were any unintended consequences identified?

No unintended consequences were identified.

7. Has the evidence identified any opportunities for reducing the burden on business?

No. The burden on business is already minimal.

8. How does the UK approach compare with the implementation of similar measures internationally, including how EU member states implemented EU requirements that are comparable or now form part of retained EU law, or how other countries have implemented international agreements?

In 2019 the European Commission published an evaluation of the Regulation (EC) No. 648/20048 as it applies in the EU, which included information on enforcement. From the limited information they obtained from the evaluation on this, they found that, in most cases, inspections on detergents under the 2004 Detergents Regulation are coordinated with inspections for other chemicals legislation, such as the CLP Regulation and the REACH Regulation. As the enforcement authority in England for the Detergents Enforcement Regulations is different to the other regulations associated with detergents, this is not the case in England.

It found that, like England, EU Member States do not collect data on enforcement or have any robust data on levels of compliance.

The evaluation concluded that 'due to lack of sufficient data, it has not been possible to conclude with certainty whether the enforcement activities of Member States are able to ensure the appropriate enforcement of the Detergents Regulation.'

Based, in part, on the 2019 evaluation, in 2023 the EU have proposed to repeal and replace the 2004 Detergents Regulation (EC) No 648/2004 as it applies in the EU. This has included introducing measures on refill sale of chemicals due to potential non-compliance of labelling. Increased digitalisation and introduction of Digital Product Passports may also have benefits for improved enforcement. These issues, however, indicate that changes to the 2004 Detergents Enforcement Regulations may be required rather than the powers contained within the 2010 Detergents Enforcement Regulations not being sufficient.

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⁸ https://ec.europa.eu/docsroom/documents/36289

Annexe: Post implementation Review Summary

Title: Detergents Regulations 2010	Post Implementation Review
PIR No: N/A	Date: 14/12/2023
Original IA/RPC No: EXPLANATORY MEMORANDUM TO THE DETERGENTS REGULATIONS 2005	Type of regulation: Domestic
Lead department or agency: Department for Environment Food and Rural Affairs	Type of review: Statutory
Other departments or agencies:	Date measure came into force:
Health and Safety Executive; Local Authorities/Trading Standards Officers	06/04/2010
	Recommendation: Keep
Contact for enquiries: Mags.Bradley@defra.gov.uk	RPC Opinion: N/A

1. What were the policy objectives of the measure?

The main objectives of the regulations are to:

- 1. Enforce the Detergents Regulation (EC 648/2004) (as amended)
- 2. Enable the government to recover costs associated with the testing for derogation work

2. What evidence has informed the PIR?

The PIR has been informed by:

- A survey to Trading Standards Officers (the enforcers of the Detergents Regulation 2004). 77
 Trading Standards Officers completed the survey, which was a 59% response rate.
- Engagement with UKCPI, the main industry association for the detergents sector, and the Health and Safety Executive.
- A review of a European Commission evaluation of the Detergents Enforcement Regulations 2004, which included information enforcement.

3. To what extent have the policy objectives been achieved?

Enforce the Detergents Regulation (EC 648/2004) (as amended)

Trading standards officers, the enforcers of the regulations, have little familiarity with the regulations and do limited work in this area. They take a risk-based approach and the vast majority have not identified any risks. Those that have identified risks were able to act on these. The limited data available on compliance with the regulations suggests a high degree of compliance. Therefore, although the enforcement is limited, it appears sufficient and proportionate, indicating that no legislative change to the 2010 Detergents Regulations is required at this time.

Have the regulations enabled government to recover the costs of derogation work?

There have been no applications for derogation since the regulations were introduced so government have had no requirement to recover costs.

Sign-off for Post Implementation Review:

I have read the PIR and I am satisfied that it represents a fair and proportionate assessment of the impact of the measure.

Mark Chandler (Grade 6 Economist)

Date: 26/10/2023

Date: 07/12/2023

Minister Robbie Moore

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Further information sheet

Please provide additional evidence in subsequent sheets, as required.

4. What were the original assumptions? (Maximum 5 lines)

The assumption in the impact assessment for the 2010 Detergents Enforcement Regulations was that there would be no derogation testing required and, therefore, no cost to industry associated with testing. This assumption has been substantiated by this review.

The 2005 impact assessment advocated for a set of basic enforcement regulations that minimised the burden on industry. These should empower local authorities and the competent authority to take action where there is evidence of the commission of an offence. This was felt to fulfil Defra's legal requirements and this approach was implemented.

5. Were there any unintended consequences? (Maximum 5 lines)

No unintended consequences were identified.

6. Has the evidence identified any opportunities for reducing the burden on business? (Maximum 5 lines)

No. The burden on business is already very minimal.

7. How does the UK approach compare with the implementation of similar measures internationally, including how EU member states implemented EU requirements that are comparable or now form part of retained EU law, or how other countries have implemented international agreements? (Maximum 5 lines)

In 2019 the European Commission published an <u>evaluation of the Detergents Regulation 2004</u>⁹, which included information on enforcement. It found that Member States do not collect data on enforcement or have any robust data on levels of compliance. The evaluation concluded that 'due to lack of sufficient data, it has not been possible to conclude with certainty whether the enforcement activities of Member States are able to ensure the appropriate enforcement of the Detergents Regulation.'

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⁹ https://ec.europa.eu/docsroom/documents/36289