

Can hand car washes be improved?

An Intervention Evaluation with the Gangmaster and Labour Abuse Authority and Responsible Car Wash Scheme

Report

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Nottingham Trent
University



Gangmasters &
Labour Abuse Authority



Responsible
CAR WASH SCHEME
'Promoting compliance, driving up standards'

Intentionally blank

2 Can hand car washes be improved?

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The NTU team analysed the data and co-authored the report.



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Foreword

Gangmaster and Labour Abuse Authority

In 2009 the UK introduced the first forced labour stand-alone offence, in section 71 of the Coroner's and Justice Act 2009. In 2015 this legislation was repealed and replaced by [section 1 of the Modern Slavery Act 2015](#), bringing together all forms of Modern Slavery legislation into one Act. As that legislation was in development the UK published the Modern Slavery strategy in 2014. In that strategy, based on research from 2013, it was estimated that there were between 10,000 to 13,000 victims of Modern Slavery in the UK. These assessments, and new legislation demonstrated the growing concern of the UK Government to tackle, and prevent the proliferation of modern slavery, including forced labour.

In 2016 the Gangmasters Licensing Authority (GLA) became the Gangmasters and Labour Abuse Authority (GLAA) and given wider powers through the Immigration Act 2016 to investigate forced labour offences across any labour market sector in England and Wales. Though this remit is limited to England and Wales, the GLAA's operational focus on prevention and awareness raising applies throughout the UK.

As a result of its wider remit, the GLAA began to see allegations of labour exploitation being submitted from different labour market sectors, including those in the informal economy, with an expectation that the GLAA would tackle them. The GLAA recognised that it could not address increasing levels of referrals through investigation and prosecution alone and could not prioritise one industry sector above another – it is the severity of the nature of the identified exploitation that determines our operational response.

Within this growing, and widening, level of referrals a greater proportion of the allegations were about activity at hand car washes. In this industry, like any other, there are risks of labour exploitation, and investigations that evidence such situations, leading to prosecution. However, not all referrals warrant that response, or indicate problems that are within the remit of, or above a threshold, that require criminal investigation by the GLAA. The volume of referrals, and calls from industry stakeholders that hand car washes were hubs of organised criminality, required further research and a proportionate response. Furthermore, an unprovenanced, estimate of 10,000-20,000 hand car washes added pressure for analysis and action.

This analysis and examination of alternative prevention approaches led to the co-development of the Responsible Car wash Scheme (RCWS) Code of Practice, using the model of the GLAA's licensing standards, adapted to focus on the risks in the way hand car washes operate, and enhanced by the industry analysis by the Work, Informalisation Research Centre at Nottingham Trent University. The work of RCWS and the NTU research has been, and continues to be, critical to our assessment of the size of the market, how it operates, how it can be reformed, and how effective prevention initiatives can be.

Hand car washes are a visible labour market sector in the UK, and easily accessible by consumers. Though there are some that have been identified as committing forced labour offences, not all do, but the way this area of the informal economy is developing has identified various other forms of non-compliance-offending, from the use of corrosive chemicals on consumers vehicles, adverse effects on the environment through the irregular discharge of effluent, and non-payment of the national minimum wage, or bogus self-employment. Examination of hand car wash sites has included identification of a lack of planning permission, or a lack of insurance documentation.

The cheap cost of hand car washes is attractive to consumers in an environment where the cost of living is increasing. In their use of such sites consumers do not stop to think *"how can they afford to operate at such low costs, does this mean they are operating illegally, are the workers being paid properly?"* By supporting a site that may be non-compliant and may not be inspected by the different regulators who hold the responsibility for different controls, the site may think they can continue to cut corners. This follows the "Broken Windows" theory – if you do not tackle the small infringements, larger, more corrosive infringements will follow, and ultimately, in the UK, this can lead to labour exploitation. To stop it we need to educate hand car wash operators, and consumers, identify methods to prevent worsening of conditions, and ultimately segment the market so that we improve the compliance of those who are willing to improve, and provide clearer visibility of those sites that can only be tackled through enforcement action.

This project, through the work of RCWS and NTU, provides significant steps forward in identifying "what works", what issues are uncovered, and, importantly as well, a more provenanced understanding of the size of the sector. That is crucial to support decisions on how, and where, by investigation, or prevention, the hand car wash sector is examined to

improve it or remove those operators that commit criminal offences.

Darryl Dixon

GLAA lead on hand car wash prevention initiatives

Gangmaster and Labour Abuse Authority



Responsible Car Wash Scheme

As a voluntary scheme the Responsible Car Wash Scheme (RCWS) relies on operators coming forward to provide evidence that they run a compliant business. In this regard, the RCWS and its Code of Practice (Code) provides an industry standard pulling together legislation covering employment practices, financial transparency, health and safety, consumer and environmental protection. The award of RCWS Accreditation is a visual indicator of compliance that provides the consumer, and enforcement bodies, a means by which to differentiate between a site operating in a compliant manner and one that operates irregularly.

The results from the project, testing three different interventions for their effectiveness in getting operators to engage with the RCWS, were not unexpected. From its inception the RCWS has sought to identify points of leverage to encourage operators to engage with the scheme, with the motivation dependent on the operator and their individual circumstances. This project highlights the challenge of persuading operators to engage where no such leverage exists, and where operators are free to continue with their business in an environment of regulatory non-enforcement. It is interesting to note the length of tenure a car wash has been at many of the locations visited, particularly in conjunction with the lack of planning permission and trade effluent consent. The implication here being that site operators have become confident in their business operations and do not expect to be challenged over compliance.

With only a handful of sites engaging with the RCWS beyond the initial visit, the project does not provide any evidence of non-compliance in other areas of the Code, including employment practices and worker welfare. However, the RCWS has undertaken substantial work with hand car washes to be confident in the assertion that non-compliant work practices, unsafe working facilities and the failure to hold insurance are likely barriers to RCWS Accreditation for most sites.

The RCWS continues to advocate a mandatory licensing scheme for HCWs, based on the RCWS Code, to bring about substantive change in this sector. Whilst the discussion continues, there must not be any inaction. If the labour market environment in which the hand car washes operate is not changed, new non-compliant operators may emerge, and existing car washes could become less compliant creating an economic race to the bottom. The RCWS will continue to work with partners to facilitate better cooperation and coordination between enforcement bodies to raise standards and tackle non-compliance.

I would like to thank the RCWS supporters who enabled the RCWS to participate in this project and for Thames Valley Police for working with us once again. Finally, I would like to put on record my special thanks to Helen Buckland for championing the project within Slough Council and for her tireless support throughout, despite substantive changes in the council's finances mid-project.

Teresa Sayers

Managing Director

Responsible Car Wash Scheme



Executive summary

Throughout 2021 the Responsible Car Wash Scheme (RCWS) and The Gangmasters and Labour Abuse Authority (GLAA) conducted a targeted project across four local authorities to test and understand the impact of engaging with hand car wash sites, their owners and landlords using a range of varying approaches. Over the course of the project 90+ sites were mapped across four local authority areas. Within three areas a specific engagement approach was used and in the fourth area nothing was done as a control. To measure any change that occurred across businesses in these test areas Nottingham Trent University's Work, Informalisation and Place Research Centre (WIP) mapped and recorded details of each site. Following engagement activities follow up physical visits were made to all sites at two subsequent time points. At one and three-months after interventions had occurred WIP staff recorded clear and obvious changes across the hand car wash population in each of the four areas and compared outcomes within each of the local authorities against a series of hypotheses about possible changes that may occur within each area.

The objective of the project is to measure the difference between specific alternative engagement models in the sector. We were not exploring the success of RCWS voluntary licensing scheme or its normal model of operating. Across the project we did record that 2.9% of all sites progressed through the full audit and accreditation process with RCWS during the project. A further 4.4% of sites registered significant interest in signing up but have yet to register with RCWS. These sign ups to the scheme were both in one local authority, across this intervention the sign-up rate was 5%. It is important to recognise that the scheme in its current form is fully voluntary in a sector recognised for its failure to comply with health and safety, water, insurance, planning and employment rules. All programmes of this nature will take time and our evaluation highlights the need to undertake a joined-up approach across enforcement agencies to showcase the connected nature of any enforcement and promotion work for business owners and workers.

In a sector that has historically been thought of as one of significant change with sites and businesses exhibiting regular churn, this study shows that on average the sites in our sample have had a car wash operating on them for over 9 years. We are also sure that this figure may underestimate the length of presence on specific sites since our data for this analysis is taken from Google Street View which only dates to 2008 within these sample local authorities. The name, ownership and branding of sites may see more regular change, but the presence of informal and apparently non-compliant

hand car wash sites has become an established and potentially accepted aspect of the urban landscape across the UK. We believe that a culture of permissive visibility (Clark and Colling 2018) occurs for hand car washes allowing illicit and immoral business and employment practices to occur across the UK.

Our study of hand car washes in these four local authorities highlighted five key lessons for local authorities, regulators and law enforcement.

- Tackling the hand car wash sector requires concerted and long-term engagement from multiple stakeholders
- Fragmented oversight and enforcement reduce the ability to develop a joined up and systematic approach
- A voluntary scheme even with support from local authorities and agencies will need time and enforcement-based support to influence the sector
- Supply side factors need to be considered alongside demand issues. The consumer and worker need to be engaged
- Regulatory non-compliance must be followed up and tackled to ensure better adherence to regulations and legal standards

This report outlines the context for this project, how the RCWS operates and the project methodology. It then discusses the initial data on each intervention area and presents a summary of our results. The report then explores where the RCWS and partners should go next as they seek to improve the sector and ensure it can begin to tackle the association with endemic wage theft and poor business practice that blight its reputation amongst employment agencies and regulators.

We hope this evaluation can further the understanding of the hand car wash sector and the ways to improve it for consumers, staff, regulators, and agencies who interact with them.

The WIP project team

Authors

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Rich runs Nottingham Civic Exchange, a civic think tank that supports NTU colleagues to do more with their research and civic activity by developing programmes of work, hosting debates and maximising the impact of research and practical knowledge and skills. One of his current projects has been the development and support of the research and influencing work

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Ian is Professor of Work and Employment at Nottingham Business School where he is also a member of the NBS research leadership team. Ian leads the WIP Research Centre and pioneered research on hard-to-reach workplaces such as car washes and small unit garment workshops. Ian has published extensively on economic performance and productivity, American multinationals, private equity ownership and its implications for work and employment. Between 2014-2019 Ian edited the world leading journal *Work, Employment and Society*.

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James is Principal Lecturer in the Department of Criminology and Criminal Justice at NTU, and co-director of the WIP Research Centre. His research expertise focuses upon the spatial analysis of victimisation risk and how this can be used to shape crime reduction initiatives. He is a member of the Home Office Business Crime Experts Group and has undertaken a wide range of research projects with, and on behalf of, the Home Office, BEIS, police forces, and community safety partnerships.

Work, Informalisation and Place Research Group

The Work, Informalisation and Place Research Centre (WIP) provides methodologically innovative interdisciplinary studies with a specific focus upon the spatial dimensions of contemporary work and employment in

sectors such as hand car washes, nail bars, and small-scale garment manufacturing. Work in these sectors tends towards casualisation and informalisation where workers operate under business models that embed patterns of labour market exploitation.

Our research expertise enables us to study contemporary patterns of work in many sectors of employment, determine the extent to which informalisation is a feature and examine a sector through a place-based methodology centred on a city, a county or region, a district or a suburb. We present our research at world-leading conferences such as European Group for Organisational Studies, and the International Labour Process Conference. We publish our research in world-leading and internationally recognised journals and provide bespoke confidential research intelligence led reports and presentations for regulators and other stakeholders.

Our work is currently themed into three strands exploring informalised labour and work, regulation and enforcement and spatial analysis of informalised work opportunities which are developed by the creation of empirical research and policy and practitioner engagement.



Work, Informalisation and Place Research Centre
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Introduction

The scale and nature of the hand car wash sector in the UK has led many policy-makers, practitioners and academics to engage with these sites to understand how they operate and to try and improve the sector. The hand car wash sector, which NTU's researchers suggest comprises of no more than 5,000 businesses across England and Wales, is known for non-payment of the National Minimum Wage, sick pay, and holiday pay to workers, for failing to conform to water use regulations and consents, and for failing to work under local planning regulations and safe work practices. Further work by WIP is currently exploring the scale and nature of the sector across Scotland and Northern Ireland but is not available for this report. The sector is repeatedly highlighted by the GLAA (2020) as one that is at risk from modern day slavery abuse and offers a route for undocumented workers to earn a living within what appears as an alternative regulatory regime beyond centralised regulation by the state.

The RCWS was created by a consortium of industry and government stakeholders, led by the Gangmasters and Labour Abuse Authority and the Downstream Fuel Association to develop a solution to these issues in 2018. Run as a not-for-profit organisation, led by Teresa Sayers, the RCWS aims to support and encourage businesses across the sector to operate legitimately and within the requirements of the current regulatory framework both nationally and locally. Even prior to a strategy recommendation from the Office of Labour Market Enforcement on licensing, the RCWS was formulating a voluntary licensing scheme that leaders hoped would support businesses to become more compliant than the majority currently appear to be.

The RCWS is built on a code of practice that provides a compliance framework covering employment practices, health and safety, financial transparency, trading standards and care of the environment for hand car wash sites across the UK. The code has been used in the UK Courts during the delivery of a Slavery and Trafficking Risk Order in Brighton. GLAA staff highlighted to RCWS that the code had played a part in delivering this verdict. The quote shared here is from the GLAA and indicates the value of the code in supporting their case against the car wash. *" we used your car wash scheme guidance and it went before Brighton Court and was accepted as good practice and that all we were asking for is a level playing field where a responsible car wash owner would by default be achieving the goals as highlighted. We were able to prove a flagrant disregard for the points shown in your guide and as such when we showed that car wash wasn't achieving these minimum standards and could say he had on three*

separate multi agency visits had had the chance to make amends then it was agreed to issue a modern Slavery risk order against him." . The RCWS aims to support businesses in the sector to operate lawfully ensuring a good and valued service for customers, completed within the rules and regulations set out by national legislation and regulations. The RCWS say they wish to create:

- A level the playing field for operators, enabling them to compete on an equal footing with their competitors
- To be a positive force in improving conditions for workers; upholding their statutory rights and protecting them from exploitative work
- To educate the consumer on their choice of car wash

Those who developed the scheme hope that the promotion and use of the code of practice can help new businesses and business owners to improve their processes and compliance to create a sector that is no longer recognised as one where wage non-compliance is endemic.

By following on from a range of smaller scale projects, the RCWS secured funding from partners and the Home Office to pilot its approach across several areas in the UK. This project set out to explore how a set of differing regulatory approaches may affect the uptake of the RCWS code of practice and to provide the first review of these methods across the hand car wash sector in the UK. By exploring three different approaches and using a control locality the research aimed to further our understanding of the hand car wash sector, which of these interventions had a greater effect and how they may change over the short term through a series of interventions.

Researchers from the Work, Informalisation and Place Research Centre at Nottingham Trent University have undertaken substantial research into this sector and were approached to support the project and provided a critically informed evaluation of this work. WIP researchers co-designed the project and have monitored the projects impacts on hand car wash sites across four project locations.

RCWS engagement project

This project was created to test the impact of different engagement approaches in an historically non-compliant sector. The aims were to understand which approach had the greatest effect on sites in the test areas. The aim was to test the RCWS approach with and without external statutory and regulatory support alongside an approach led by the GLAA (with support from Land Registry) to highlight the challenges within the sector and nudge landowners to consider the RCWS code of practice and general compliance issues. These three active interventions would then be compared with a control where no targeted engagement from partners would occur.

To measure any effects, the evaluation team used a set of different approaches to ensure we provide a holistic and rounded view of any changes. This is required because we need to account for several different ways we can observe and measure change, and because each intervention will create different information that can be gathered by partners and the evaluation team. These different viewpoints and recording methods will be shared in our method section.

This project aimed to inform, influence, and improve compliance by hand car wash operators across three local authority areas with a fourth local authority used as a control group. The intervention types are outlined below and were created with support from the WIP evaluation team and GLAA. The RCWS Code of Practice (RCWS 2020) is shared below for reference.

RCWS code of practice

The [code of practice](#) divides into five core areas outlined in the documentation. Each provision has a series of areas that are termed clauses. All of these rightly follow regulatory and leading best practice expectations, achievable for any business operating legitimately. A list of these provisions and clauses are shared below and overleaf:

PROVISION 1: CONSENT TO TRADE AND TRADING STANDARDS

Clause 1.1: Planning

Clause 1.2: Trading Standards

PROVISION 2: FINANCIAL TRANSPARENCY & CORPORATE GOVERNANCE

Clause 2.1: Registration of Company

Clause 2.2: Insurance

PROVISION 3: PROVIDING SAFE AND HYGIENIC WORKING CONDITIONS

Clause 3.1: Risk Assessment of Site

Clause 3.2: Personal & Protective Equipment (PPE)

Clause 3.3: First Aid, Accidents and Ill Health

Clause 3.4: Workplace Facilities

PROVISION 4: PROTECTING THE ENVIRONMENT

Clause 4.1: Location of Site

Clause 4.2: Disposal of Waste Effluent (Water)

Clause 4.3: Disposal of Waste Material

Clause 4.4: Accidental Spillage of Chemicals

PROVISION 5: COMPLIANT & ETHICAL EMPLOYMENT PRACTICES

Clause 5.1: Safeguarding Workers

Clause 5.2: Checking Workers Legal Right to Work

Clause 5.3: Terms of Engagement (contracts)

Clause 5.4: Payment of Workers and Record Keeping

Clause 5.5: Employment Rights and Benefits

Clause 5.6: If you Provide Accommodation for Workers

Clause 5.7: Providing Transport for Workers

The RCWS engagement approach

The RCWS altered their approach for this pilot to actively visit and engage with businesses. This was counter to the standard engagement model from the RCWS which is led by a request for participation through the RCWS on-line application process. Hence, in terms of approaches to labour market compliance (compliance, deterrence, and intelligence) the RCWS promotes compliance rather than deterrence that is, it seeks to improve and promote best practice in accordance with a raft of regulations.

The RCWS conducted voluntary and consensual preliminary site visits to discuss the scheme and informally gather evidence using a standardised form (see page 35). This meant that a full audit was not undertaken across the sites in question in intervention areas one and two. Unlike subsequent projects with RCWS that WIP has participated in, the RCWS did not complete a full site audit and generate a report for the owner and partners on the full compliance level for each site which is scored from 0-18. Outside of this project the RCWS does not undertake unannounced visits to hand car wash sites. The RCWS highlight that:

“Upon arrival, the RCWS approached the nearest worker to introduce themselves and requested to talk to the person in charge/owner of the site (hereafter referred to as the operator).

The auditors made it clear that they were not visiting the site in any official capacity, rather they wanted the opportunity to discuss a new initiative aimed at raising standards and promoting compliance in hand car washes. Having identified the operator, the auditors discussed the purpose of the visit – to introduce the RCWS – and, using an RCWS leaflet, outlined the aims and objectives of the scheme. The operator is generally advised that all sites in the areas will also be visited.

One auditor engaged the operator in discussion, allowing the other auditor to make observations of the site. Observations were done discreetly, and no other workers were engaged in discussion. The operator was asked for their

contact details to allow the RCWS to follow up.

The auditors used the same [data gathering] form to collect information and note observations on the site. "

RCWS staff then follow up with the business owner via email, phone, or other preferred communication methods to encourage the operator to apply for accreditation by completing the online application form and submitting to an onsite audit.

The second stage of the process centres on interested businesses where the RCWS requests copies of public and employee insurance policies, planning consents and trade effluent consents held by an operator. Within discussions with RCWS staff it became clear that these documents acted as an initial barrier to entry for many business owners where significant challenges relating to awareness of both planning and trade effluent consent needs were present.

The failure to hold these policies and permissions highlight either a lack of awareness or a strategic choice decision by business owners to avoid compliance with legal and regulatory requirements. As an evaluation team we are unable to comment with certainty on this but anecdotal conversations with stakeholders highlights a mixed picture between both positions which varies on each requirement. Moreover, such obfuscation accords with research findings published by WIP (Clark and Colling, 2018 and Clark et.al. 2020). As an example, from our engagement with car wash owners it is clear that a lack of awareness of trade effluent consent is often discussed by owners who frequently state that they already pay their water bill making no clear distinction between a trade effluent consent and household water bill.

It was clear to RCWS that the application process for a trade effluent consent was also opaque and poorly designed for smaller organisations, this may be something to consider at a national regulatory level with OfWat to ensure trade effluent consents are better delivered and monitored especially in sectors known for non-compliance.

RCWS also highlighted the challenge they faced when following up on compliance with local business rates. This was reportedly due to the shared methods of reporting and monitoring conducted by a cluster of local authorities which restricted access. WIP researchers have also observed a lack of connectivity between hand car wash businesses and local authority business rates data. By our calculation one English local authority failed to collect rates on 90% of hand car washes businesses.

Table of intervention types

Intervention 1 – RCWS engagement with local authority or Police participation - Slough
RCWS undertook a full-scale engagement programme with one Local Authority District (LAD) building on knowledge of hand car wash locations to conduct engagement visits (on site visit sharing of information via leaflet, desk-based research into each site), local press and partner engagement (including targeted letters from the Local Authority), email/phone follow up with all sites. Full sign-up cost covered for one year by the scheme.
Intervention 2- RCWS engagement model administered solely RCWS - Luton
RCWS undertook visits to all hand car wash locations within the intervention area with no external support. This intervention aimed to measure any difference between a RCWS engagement with or without Local Government or GLAA/Police participation. The sites are engaged solely by RCWS staff who visit all NTU identified sites and conduct engagement with business owners/supervisors alongside follow up engagement. As with Intervention One all businesses are contacted following site visit, but the standard RCWS sign-up fee was required.
Intervention 3 – GLAA Land Registry Landowner engagement - Hillingdon
The final intervention aimed to understand the role landlords may play in the sector. Working with the Land Registry the GLAA used NTU site data to engage landlords of hand car wash sites. The GLAA used landowner data to share a standardised letter. The letter sought to engage the landowner by checking their knowledge of the hand car wash business operation, highlighting the potential risks of the businesses and sharing details of the RCWS scheme. The intervention aims to test landowner knowledge of the business operation and to explore if the approach led to engagement with RCWS voluntarily.
Intervention 4 – Control – Watford
The control. Within this Local Authority NTU conducts virtual mapping of locations (and physical confirmation visits) The GLAA reviewed local interventions. As with Interventions 1-3 following a set period these locations are revisited physically to record any change over time to understand the natural change across the sector. This control Local Authority measures the natural change without intervention to establish a degree of churn in the sector.

Table 1: Intervention Types with descriptions

Each local authority was mapped by WIP researchers in the spring of 2021, followed by a physical confirmation visit between Friday 23 April and Tuesday 27 April 2021. Site details were then shared with RCWS and the GLAA to begin intervention engagement.

Intervention locations and justification

Intervention areas were chosen based on two major considerations. The ability of RCWS to connect with and secure engagement from a local authority and the relative similarity between this location and the other three sites. Due to prior connections, Slough Council was suggested by RCWS. The council was interested in supporting and staffing the engagement work and recommended that this be the site of Intervention One. This enabled RCWS to work closely with staff in the council and to draw in their teams to join visits and promote engagement.

As an evaluation team we then suggested several other sites using Office

for National Statistics - Corresponding local authorities data table, (ONS 2021) The use of the ONS area classification allowed us to explore a number of different authorities. The comparison data table within the link above was used to review Slough's five most similar local authorities. These were Hounslow, Luton, Ealing, Hillingdon, and Watford. As an evaluation team we then reviewed each of these five local authorities to understand any mutual cross over. This led to cross authority matching where we selected Luton, Hillingdon, and Watford as the nearest authorities when each authority was considered.

RCWS operational considerations and developing engagement with the local authority meant that they chose to undertake engagement in Luton for Intervention Two. Due to the scale of Hillingdon (this local authority had the most sites identified) it was decided that Intervention Three would target this area to maximise the potential of this work with the Land Registry. This left Watford as our control for Intervention Four.

Project timeline

The project timeline was designed and agreed between the project partners, but it was always known that the ongoing Covid-19 pandemic had the potential to significantly impact on the timeline which was originally scheduled to begin in February 2021 and run for six months.

Task	Time
Undertake mapping of hand car wash locations across four local authority sites	February 2021
Visit all four local authorities to confirm site operational activity following second lockdown	March 2021
Share data on sites within project with partners	March/April 2021
RCWS undertakes site visits across two intervention areas	April 2021
GLAA works with Land Registry to identify and communicate with landowners in area three	May and June 2021
Following the end of intervention engagement evaluation team completes site visits at one month following the end of engagement to track any changes	July 2021
Second follow up visits undertaken to review sites and any physical changes	October 2021
Evaluation report written up and shared with partners	December 2021

Table 2: Project Timeline

The proposed timeline was significantly affected by the Covid-19 pandemic with England's second national lockdown delaying project initiation and delivery. After mapping and in-person physical visits across each location the evaluation team shared this data with RCWS and the GLAA at the beginning of May 2021. Interventions by RCWS and GLAA were conducted

in May 2021 with ongoing engagement into July 2021. The evaluation team then conducted site follow-ups in September and December of 2021.

Methodology

The chosen evaluation methodology was designed to understand how the sector reacted to the three specific interventions described above and to understand the engagement between businesses and the RCWS. By using three independent but similar local authorities the evaluation tracked the changing physical make-up of the sites to understand how they changed over a period of time.

Intervention impact assumptions

This study aims to understand three specific short-term policy interventions designed to improve the HCW sector. We would therefore counsel against making detailed policy decisions against the results presented within this evaluation without a more extensive and long-term analysis of the merits of each policy instrument. To help us evaluate each intervention, as well as understanding the merits and limitations of the process, we outline below a series of assumptions to review against. This is important because we will be measuring impact using differing indicators, including RCWS accreditation rate, closure rates across intervention areas and WIP's own risk classification score. For some local authority areas, we will only have a partial picture of the change.

In evaluating the impact of any policy intervention, it is firstly necessary to explore all the possible policy outcomes that can arise following the application of a policy instrument. There are also many alternative ways in which the outcomes arising from a policy initiative can be measured. In the case of hand car washes, the decision about whether to intervene may be based upon the presence of any one of several specific characteristics relating to the state of the physical fabric, the control of hazardous materials, or the circumstances in which workers might be required to operate.

The overall quality of a hand car wash business might alternatively be encapsulated in a single index that captures these different dimensions within a single indicator. In this latter instance, the ultimate goal of any policy instrument or action is therefore to bring the overall quality score above a minimum threshold that represents an acceptable level of practice and labour market compliance. This study will use, where possible, two main measures of quality with the RCWS 18-point code of conduct described in detail used across intervention one and two and WIP's risk classification used across all four areas. Neither index of quality measures is fool proof, and both offer a valid and valuable measure on the sites. Details of each will be shared later in the report. Alongside these measures

we will also be measuring how active the sites are in terms of workforce, cars being processed and the open rates of sites across each area.

Figure 1 (below) represents four potential policy outcomes following a policy intervention. The overall quality of a hand car wash is measured on the Y axis. Various time points representing the opening of the hand car wash (TP1), the point at which the policy instrument is applied (TP2), the point denoting the end of the policy action (TP3), and a period (for this example three months) after which the desired policy outcome is expected to have been attained (TP4) are displayed on the X axis. The minimum acceptable hand car wash quality threshold is represented by the horizontal line (M). The actual operational quality of the hand car wash across these different time periods is represented by another line (X). Our understanding of the sector as a whole is of broad non-compliance with failures relating to payment of national minimum wage, holiday and sick pay being endemic across the sector. (Clark and Colling 2018 and Clark and Pickford 2019 and Clark, Hunter, Pickford and Fearnall-Williams 2020) This leads us to assume that most businesses are already operating below the minimum threshold of acceptable practice in the sector and any policy interventions will need to work hard to tackle systemic challenges across the sector. However, the changes required to become compliant are not difficult to achieve by willing business owners and support from organisations such as the RCWS. Furthermore, support from agencies and other engaged organisations has the potential to support a thriving and compliant sector that provides a valuable service to customers whilst ensuring they offer the appropriate employment conditions and pay levels for staff and support them to operate on sites that meet planning and environmental minimums.

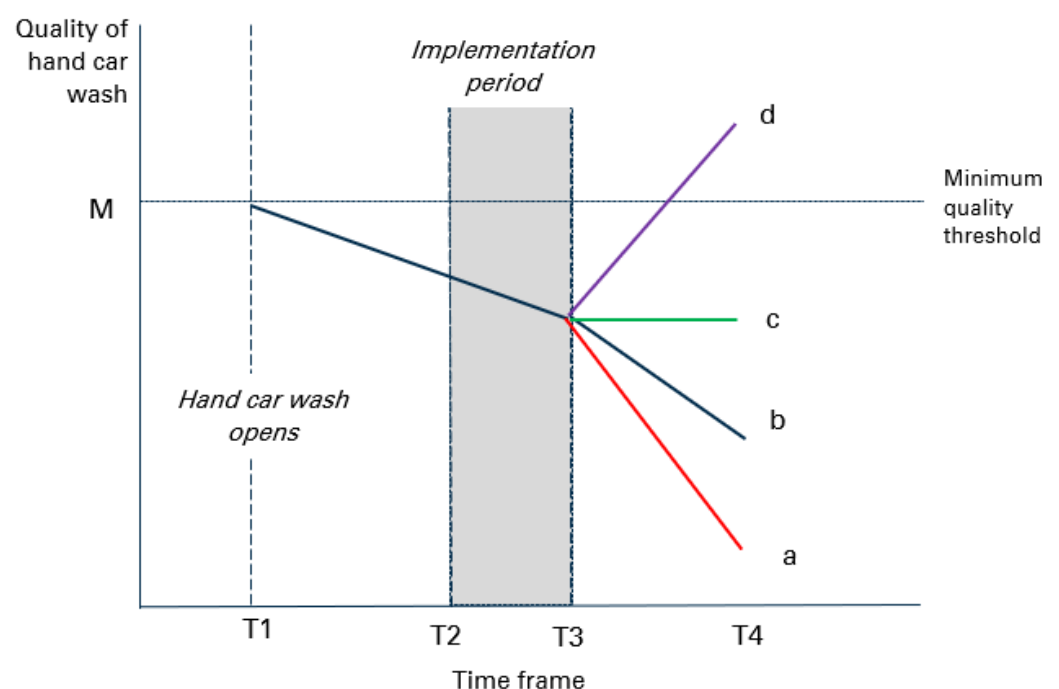


Figure 1: Representation of possible policy outcomes arising from a policy intervention to bring the degree of labour market compliance above a minimum quality threshold.

In the example above at the point that the hand car wash opens (T1), the quality of this site in terms of labour market compliance is at the minimum threshold (M). However, this quickly starts to deteriorate. The enforcement agency therefore decides to intervene and implements a policy action that takes place between the period T2 to T3. During the implementation period, the labour market non-compliance of the hand car wash continues to deteriorate. At time point T4 the evaluation period has come to an end.

The first theoretical policy outcome is represented by the red line (a). In this situation, the rate of deterioration in the level of labour market non-compliance has become even faster. In this instance, the policy evaluators might conclude that either (i) the external and internal factors shaping the nature and operation of the hand car wash have continued to exert a negative impact despite the intervention by the policy agency; or (ii) the nature of the policy action (or how it has been implemented) has in fact worsened the degree of labour market non-compliance. This policy outcome can be deemed to represent *policy failure*. In the second potential policy outcome (represented by the blue line b), the policy intervention has witnessed a continuation in the same rate of labour market non-compliance decline. It might be tempting to regard this outcome as a policy failure. However, if the prevailing external and internal factors that shape the nature and operation of the hand car wash have started to accelerate (e.g., worsening economic conditions), then policy outcome might represent some degree of *limited policy success*. This is because the policy intervention has at least ameliorated the impact of the declining external and internal factors. In the third potential policy outcome (represented by the green line c), the impact of the policy intervention has been to apply a brake on the deteriorating level of labour market non-compliance.

Although this plateauing out of the level of labour market non-compliance has not brought the hand car wash above the minimum quality threshold (M), this may also be regarded as a degree of policy success. The final potential policy outcome (represented by the purple line d), marks a rapid improvement in the degree of labour market compliance – to such an extent that by the time of the end of the evaluation period, the hand car wash has gone on to achieve above the minimum level of labour market non-compliance. This outcome can clearly be regarded as constituting a *major policy success*.

The key point in the exploration of alternative potential policy outcomes outlined in Figure 1 is that the natural inclination to regard only the attainment of the minimum threshold level of labour market non-compliance following a policy intervention as constituting policy success is

too narrow a conception of desired policy outcomes. The embedded and entrenched operating models and practices across the sector require longer term investment to change and the success of sector engagement needs to take a longer-term developmental approach unless radical state-led intervention and stringent licensing is undertaken. We would hope that the interventions tested here will indicate positive movement towards the desired goal of creating a sector that is compliant to all UK legislation and regulation and that offers a safe wash for consumers and staff. The attainment of policy outcomes b, c, d all represents different levels of policy success – and each of these have different implications for what the relevant next steps are in terms of (a) re-applying the same policy instrument; (b) changing the nature of the policy medicine being administered; or (c) bringing the period of policy action to an end. Our assessment of each of the three interventions and the control will be judged considering this start point.

Whilst we recognise that the measures used cannot provide a complete picture of the changes that occur due to the project's timeline and resources, they do provide the best view of the influence of these interventions on some key indicators and therefore help us understand the possible differences between each intervention. The table below highlights the measures we will be recording as change criteria which will be combined with narrative assessments of the sites to provide a unique understanding of how the HCW sector operates within a period across four local authority areas.

Nature of policy intervention	RCWS accreditation	NTU WIP hand car wash risk classification	Other outcome measures	
Visit by RCWS (Interventions One and Two)	Attainment of RCWS accreditation (No. of HCWs)	Improvement in HCW risk classification score (No. of HCWs)	No. of Hand Car Wash Businesses Increases (No. of HCWs)	No. of Workers and Vehicles Increases (No. of HCWs)
	Non-attainment of RCWS (No. of HCWs)	Deterioration of HCW risk classification score (No. of HCWs)	No. of Hand Car Wash Businesses Decreases (No. of HCWs)	No. of Workers and Vehicles Decreases (No. of HCWs)
GLAA letter to Landowner	Attainment of RCWS accreditation (No. of HCWs)	Improvement in HCW risk classification score (No. of HCWs)	No. of Hand Car Wash Businesses Increases (No. of HCWs)	No. of Workers and Vehicles Increases (No. of HCWs)
	Non-attainment of RCWS (No. of HCWs)	Deterioration of HCW risk classification score (No. of HCWs)	No. of Hand Car Wash Businesses Decreases (No. of HCWs)	No. of Workers and Vehicles Decreases (No. of HCWs)
Control	Attainment of RCWS accreditation (No. of HCWs)	Improvement in HCW risk classification score (No. of HCWs)	No. of Hand Car Wash Businesses Increases (No. of HCWs)	No. of Workers and Vehicles Increases (No. of HCWs)
	Non-attainment of RCWS (No. of HCWs)	Deterioration of HCW risk classification score (No. of HCWs)	No. of Hand Car Wash Businesses Decreases (No. of HCWs)	No. of Workers and Vehicles Decreases (No. of HCWs)

Table 3: Suggested change criteria for Interventions

Mapping and visit methodology

This study has allowed us to begin to understand the comparative impact of these interventions. The evaluation was accomplished by undertaking a baseline virtual visit and then physical search method in each local authority collecting hand car wash site data across 36 variables. To do this the researchers used Ordnance Survey Points of Interest data, Search Engine reviews using the terms 'Hand Car Wash' and 'Car Wash' and then Google Street View searches across all streets in the targeted local authorities to identify hand car wash locations.

Sites were then reviewed with all 36 variables recorded where possible and then risk classified using WIP's standard approach recording the physical, worker and environmental characteristics before developing an overall classification score for each site. These risk scores are based on a WIP model recording where differing factors are analysed to create a score of 1-10 raising in severity as the number increases. This risk score methodology is undertaken virtually where Street View enables an exploration of the sites. We recognise that this approach has limitations versus on-site visits where a more detailed investigation is possible (for example to search for the owner's name and contact details, checking for insurance certification and welfare provision for workers, etc.).

However, this method has been utilised across all 1958 sites WIP has reviewed. We also highlight that not all sites are classifiable due to limitations imposed by the Street View mapping schedule and photographic reach. It does however provide a scalable and reliable method to judge any changes and trends across areas or site types. We conduct these risk scores across all sites in our UK database. At current rate we have mapped over 35% of English neighbourhoods and has been validated with physical visits and by partners in the sector. The evaluation employs our initial overall risk score and compares this with a final risk score at three months post intervention to explore the changes across the sector. The final visits to each area were conducted in the winter and some sites may well have been able to operate with higher demand needs.

After this a researcher then conducted an in-person visit of each location. These visits compensate for the gap between Google Street View visits, the project start time and also mitigate the impact of lockdowns resulting from the Covid-19 pandemic which may have affected business continuity. The data was verified and then shared with the RCWS and GLAA to enable them to conduct their interventions. The team shared a data table of the sites which was searchable by each variable and an interactive password protected map built using a mapping platform to allow RCWS and partners

to view sites and key characteristics.

To complement our assessment and to triangulate impact the evaluation team used RCWS's individual written site reports following their engagement across Interventions One and Two alongside two area based narrative reports to provide an intervention wide overview that includes broader perspectives and views. This added additional contextual detail beyond the simple binary measure on accreditation application figures and allowed us to explore how far away these businesses may be from compliance with the code which as outlined below requires the statutory and regulatory minimums across 18 factors.

Following the interventions researchers then revisited all sites to observe the status of each site and any physical changes (positive or negative) at one month and three months post intervention with a final assessment and overall risk score taken during the final physical visits across the four local authorities. Data for each authority was analysed alongside material shared by the RCWS and GLAA to create findings and recommendations.

It is important at this point to also highlight that each visit occurred at a single point of time and whilst visits by RCWS and WIP were intended to be undertaken in close proximity variations in the time of day of visit, weather and consumer demand may well influence the results of this study. As the first study of its type on hand car washes and sector engagement with them in the UK there are lessons and improvements we would consider if we ran this project again. These variables are accepted and should be considered. By applying our policy intervention and outcome measure matrix we can begin to develop a picture of these sites and how they change. Our use of a control area is a further attempt to explore how these interventions affected hand car wash sites, but we do need to stress that there are numerous externalities that this study can not account for. We did not have even data distribution because RCWS did not engage and assess sites in each area. This reduced the chance of affecting the other policy interventions but did reduce comparison capacity.

In isolation each individual record cannot provide a useful record of a business. Our own visits whilst repeated over three time points were conducted off site and they did not enter the property or record details such as insurance or trade effluent consents nor did we speak to workers or owners. Our risk classification is, for reasons of scalability, conducted from an off-site location (in-person or remotely) which means it can only provide a partial image of that business. RCWS visits occurred at a single time point during this project (apart from when a full audit was conducted when a site agreed to take part in the licence process), but they did enter

the site and seek information on compliance across a broader set of factors and where possible engage workers and business owners. The GLAA intervention provided a valuable point of difference that engaged landowners to create a different perspective on business operation. However, we were unable to confirm the veracity of any claims made in response to the GLAA engagement. It is also important to highlight that not all these perspectives were able to be utilised across each area. Our hypotheses of intervention impacts shared above is intended to provide a set of expected outcomes that will support the development of our findings and recommendations later in this report.

Due to scale and time constraints this evaluation is not a study of the value of the scheme or the in-depth impact of changing business processes each of which require a more detailed case study approach with the consent of multiple businesses across the project's locations. We would also have liked to undertake RCWS audits with each site at the end of each intervention period which would have allowed us to fully understand any deeper changes to site design and regulatory compliance. The method we used does not consider any potential changes to employment or regulatory compliance (right to work checks, contracts, insurance etc) that may have occurred. The research team are currently working with RCWS on a new Home Office Modern Slavery Prevention Fund project that is looking at the impact of a two-visit model to check the uptake of compliance requirements from the RCWS and to measure how businesses improve when they know they will be revisited. This will help us understand how businesses react in the short term. A longer-term review of active and passive engagement should be designed and delivered to understand the way these engagement methods may change behaviour. We would suggest that longer term sector wide education, engagement and enforcement of the legal minimums would enhance the sectors compliance at a greater speed and effectiveness than these interventions. Through this project we hope to understand the extent to which 'lighter touch' intervention models can shape the sector and provide a lower cost model to improve the sector.

In addition, the scale and nature of the evaluation did not allow us to undertake interviews with workers, employees at the RCWS or connected agencies. However, the evaluation team recommend that a systematic approach to interviewing owners and workers will provide valuable data for RCWS and wider agencies. RCWS' code of conduct and ability to engage operators and workers creates a unique advantage that continues to enhance our awareness of the sector. NTU's academic research into the sector highlights the value and challenge of undertaking this work and showcases why more in-depth work needs to be conducted. Recent

research conducted for the Office of the Director of Labour Market Enforcement highlights the significant challenge in this space when they were only able to interview five workers (ODLME 2020). Whilst there are significant challenges when engaging workers who are at risk of exploitation we would suggest that there are clear methods and approaches to successfully undertake this work in the future. The other gap is to understand the role and perceptions of consumers which is also an under-researched area and whilst RCWS engaged consumers through adverts and a podcast we think more in-depth society wide studies are required to understand consumer motivations and the intervention or information points that might drive consumer choice to compliant businesses across the sector.

Findings

The findings section of this report is divided between components that outline the baseline search phase data, intervention observations and reflections from our risk scoring.

Search phase

In March of 2021 the evaluation team undertook a virtual mapping exercise of all four local authorities to record the scale and nature of the hand car wash sector in each area. The team use a standard template to record each site using 36 variables. The team then conducted an individual risk classification assessment of each site to ascertain the risk scores. This helps us understand those sites that appear riskier across three domains. This riskiness is then translated into an overall risk score. Details of these baseline figures are shared below which will be followed by a discussion of the RCWS visits across the two interventions where RCWS engaged.

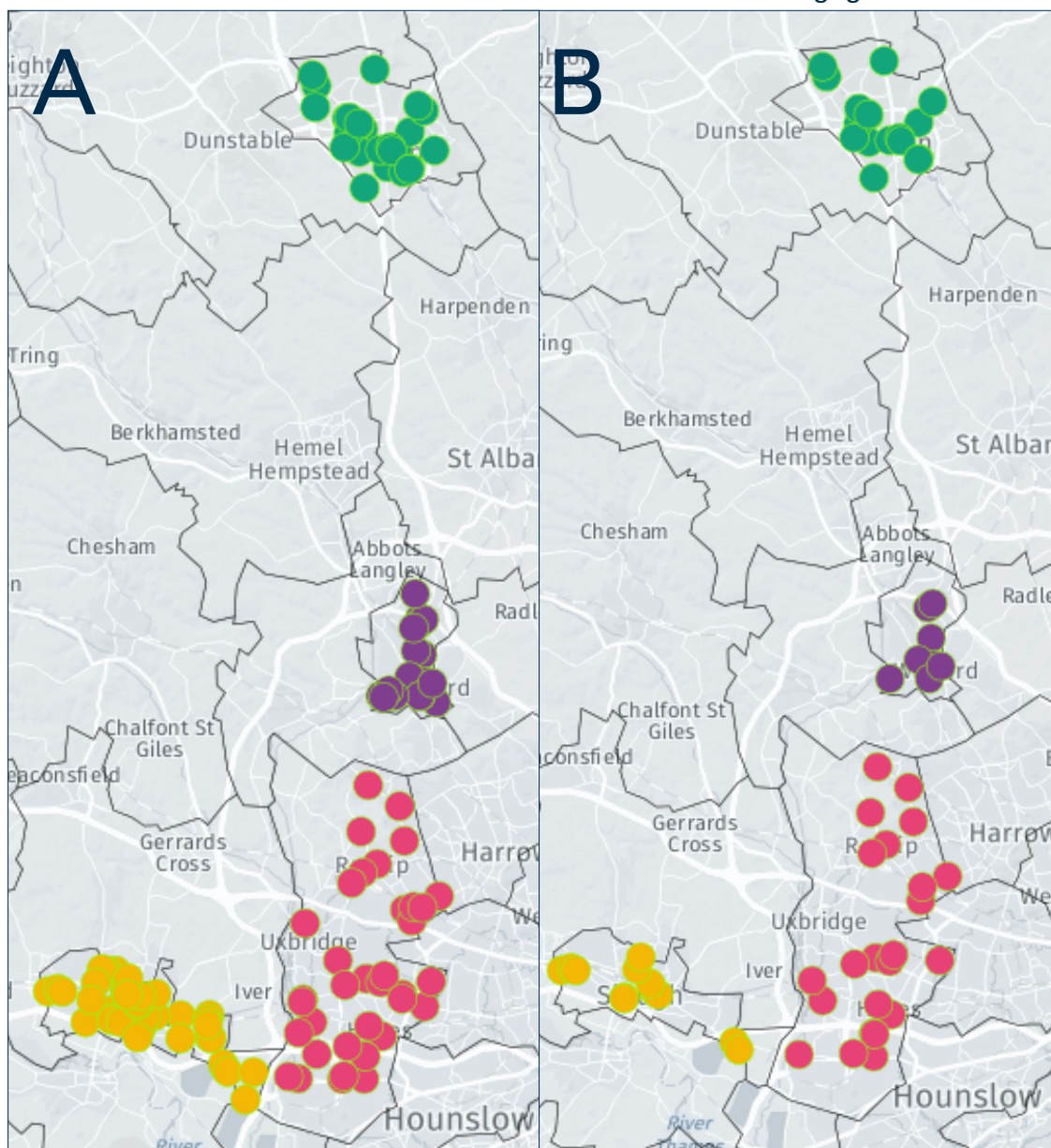


Figure 2: Location of hand car washes across the four local authority areas (Luton, Hillingdon, Slough and Watford) The left map (a) indicates all sites initially identified. The right hand map (b) shows all sites shared with partners.

In total 123 sites were identified across the four areas during the mapping with a small number identified just outside each local authority boundary. A number of these sites were then discounted following the site visits and data cleaning. In total 97 sites were shared with RCWS alongside a site in South Buckinghamshire which the Slough Council had asked to be included.

LAD	Site numbers
Hillingdon	37
Luton	28
Slough	41
Watford	17
Total	123

Table 4: Hand Car Wash site totals per intervention area

Of these sites 10 were noted as inactive on the first visit. Unless a site was no longer present these sites were included in the data to partners and visited in follow up sessions by our evaluation team. Following the initial engagement by RCWS in both Slough and Luton a further four sites were discounted from the sample due to their lack of activity on site.

LAD	Active	Inactive	Total
Hillingdon	97.14%	2.86%	35
Luton	95.83%	4.17%	24
Slough	76.00%	24.00%	25
Watford	84.62%	15.38%	13
Total	89.69%	10.31%	97

Table 5: Hand Car Wash site active and inactive split

After the first visits and when removing all mechanised and jet wash sites the total number of hand car washes present in the four areas was 69. By the final search one site had been removed fully from the data and seven sites were noted as inactive. Of these two were considered to be no longer operating full time as hand car washes.

Trends

Across each local authority it is worth noting several variations across the data we collated that differentiates these authorities. When searching for sites using our methodology, we use an online search engine to compare with the OS Points of Interest data. Across our full data set on hand car washes across England and Wales 66% of all hand car wash sites have been advertised online. Across our project authorities Slough and Hillingdon were closest to this figure at 56% with Luton it was 54% of sites. In Watford the majority of sites were advertised online (88%). The site data was compared to the latest population data at local authority level which highlighted that Slough had a marginally higher car wash per

1000 population figure. Hillingdon did have a lower area ratio score to the other authorities at one hand car wash per 0.003 hectares.

LAD area sizes	Area in hectares	Site numbers	Hand car wash density	Midyear 2019 populations	Hand car washes per 1000 population
Hillingdon	11570.42	35	0.0030	306,870	0.114
Luton	4335.25	24	0.0055	213,052	0.113
Slough	3254.19	25	0.0077	149,539	0.167
Watford	2143.05	13	0.0061	96,577	0.135

Table 6: Area and population comparisons by intervention areas

One other way of comparing the sites was by online scores. Over 125 reviews on Google were noted in Watford with an average 4 out of 5 given across those reviews. The average across the evaluation areas was 3.89. Whilst not distributed evenly across sites Watford's hand car washes received 9.6 reviews per car wash compared to a range of 1.5 – 2.2 across the other sites. Hillingdon had the lowest average review scores at 3.8 out of 5 and all authorities were within a tight banding between 3.8 and 4 out of 5. These online reviews are often easily swayed by small sample sizes of high or low scores and the evaluation team have noted that many reviews may not be legitimate responses.

Our own risk scores which will be discussed in greater detail later in the report review three different set of factors during our online mapping provides insights about the sites that were visited. These scores undertaken using a scoring matrix developed by WIP are each rated from 1-10 with 10 being at the most concerning end of the spectrum. By way of comparison across all WIP mapped and classified sites to date the average overall risk score is 6.9 (across 1647 sites). Some sites across the areas could not be reviewed due to a lack of clear visual images of the site/ This includes sites located behind closed doors or down a street that Street View does not photograph or because no workers were on site at the time of the drive by.

The averages across each authority have been shared below to allow for comparison at an authority level. This highlights that Luton ranks as the most problematic authority in all factors. Slough comes in second. In all but the environmental risk scores Hillingdon is the least problematic area on average. It is important to note that these averages are shared in the knowledge that we are discussing small sample sizes and the variation within authorities varies between four and nine and between local authorities was differences recorded were small.

LAD	Overall RC	Physical RC	Worker RC	Environmental RC
Hillingdon	6.4	6.4	6.3	6.8
Luton	7.3	7.0	7.6	7.3
Slough	7.1	6.9	7.3	7.2
Watford	6.5	6.4	6.7	6.5
WIP data averages	6.9	6.7	7.0	7.0

Table 7: WIP risk score averages across intervention areas.

When we look at the type of sites where hand car washes are located on, we find that petrol stations and car parks are the most prevalent sites accounting for over 60% of sites (with 9% of the 32% of petrol stations being noted as closed). A full breakdown is shared below for reference which highlights the variation across intervention areas.

Site type	Hillingdon	Luton	Slough	Watford	% Total
Abandoned space	0.0%	20%	60%	20%	10%
Car park (former and current)	41%	21%	24%	14%	30%
Garage (abandoned/former)	100%	0%	0%	0%	1%
Garage (Open)	67%	33%	0%	0%	3%
Industrial unit	10%	50%	30%	10%	10%
Petrol station (abandoned/former)	33%	33%	33%	0%	9%
Petrol station (Open)	50%	18%	14%	18%	23%
Pub car park (abandoned/former)	0%	0%	100%	0%	2%
Second-hand car sale	60%	20%	20%	0%	5%
Unclear	33%	33%	0%	33%	6%
Grand total	36%	25%	26%	13%	100%

Table 8: Prior site types by area rounded up

The evaluation team also recorded the type of sites located in the four intervention areas and through discussion with RCWS added jet wash and mechanical sites to the sample. The RCWS is available to both hand car washes and automated, unmanned sites, with evidence requirements adjusted to the business model in operation. Including both categories within the project allowed for all site operators within the areas to evidence their compliance with the RCWS Code of Conduct. A breakdown of the different wash models is shared below for reference which highlights the prominence of hand car wash sites across all areas. It should be noted that initially the evaluation teams did not search for unattended jet washes or mechanical washes so the number of unattended jet washes may be higher in Hillingdon, Watford and Luton. RCWS reported to us that mechanised and jet wash sites were reluctant to engage with the scheme even where the initial cost was covered to join in Slough. NTU research on hand car washes have focused on hand car wash sites over mechanical or unattended jet washes due to the differing operating model used at the majority of these sites.

LAD	Attended automatic car wash	Hand car wash	Mechanical car wash	Unattended jet wash	Grand total
Hillingdon	0	26	9	0	35
Luton	1	20	3	0	24
Slough	0	20	2	3	25
Watford	1	9	3	0	13
Grand total	2	75	17	3	97

Table 9: Hand car type distribution

The initial mapping also recorded the number of workers and cars on each site. A summary of this data is shared in the table below. It highlights a relatively even distribution between each authority for workers on site, but Slough was noted for having a higher proportion of cars on its sites compared to the others. Two sites across the areas searched had six staff on site and ten had no workers recorded on sites. It is important to recognise that these figures are a snapshot in time and can not be used to make solid assessments of workforce. These numbers are of course small, and we will return to how they changed over the course of the review later.

LAD	Sum of no. workers viewed	Site and worker density	Sum of 0. of cars on site	Site and car density
Hillingdon	48	1.37	67	1.91
Luton	41	1.71	40	1.67
Slough	30	1.20	60	2.40
Watford	15	1.15	30	2.31
Grand total	134	1.37	197	2.03

Table 10: Worker and car numbers by intervention area.

Our team also recorded the use of PPE as a proxy to understand the safety of workers on sites across the area. It should be noted that we do not know why PPE was not worn be it due to worker choice, lack of PPE available, restricted types of PPE and the time of year the images were taken on. Across all four authorities only 6.25% of workers were recorded as wearing full PPE which we define as a form of suitable uniform, gloves and footwear. Only 15% of sites workers wore hi-vis clothing. Over 35% of sites showed workers in inappropriate clothing and footwear. Unfortunately, in 42% of cases the researchers were not able to make a recording. RCWS data provides a valuable data point in Interventions One and Two to compare against these figures.

LAD	Full PPE clothing/shoes	Hi-vis vests and own clothing	Own clothing/trainers	Unclear
Hillingdon	8.6%	17.1%	28.6%	45.7%
Luton	4.3%	8.7%	47.8%	39.1%
Slough	4%	20%	40%	36%
Watford	7.7%	15.4%	23%	53.9%
Grand total	6.3%	15.6%	35.4%	42.7%

Table 11: PPE distribution across intervention areas

One other measure of site safety that we recorded that is worth highlighting is the treatment of wastewater. Across our data recording we used five categories listed in the table below. As noted in the table there are significant issues across all authorities, but Hillingdon and Watford appear to have a higher proportion of sites with onsite drainage present. This does not mean these sites deal with this wastewater appropriately or have trade effluent consents, but water is not necessarily running directly into main drains or the water course in these sites.

LAD	On site drains	On site drains, pooling, Runoff to street or pavement	Pooling, Runoff to street or pavement	Runoff to street or pavement	Unclear
Hillingdon	48.6%	0%	14.3%	2.9%	34.3%
Luton	4.2%	37.5%	4.2%	33.3%	20.8%
Slough	12.0%	4.0%	8.0%	68.0%	8.0%
Watford	38.5%	30.8%	7.7%	0.0%	23.1%
Grand total	26.8%	14.4%	9.3%	26.8%	22.7%

Table 12: Site water status across intervention areas

Observations of RCWS site reports

Name of business	
Address	
Name of owner/ director Contact number Email address	
Name of site manager Contact number Email address	
Planning permission in place? (ask owner/ manager)	Stated yes. Operated for 12 years
Number of workers	3 to 4
Nationality of workers	Stated mixed European
Hours worked a week Weekly pay	Various hours worked (dependent on weather and volume of business). £8 to £9 per hour depending on experience (not NMW)
Method of payment E.g., pay roll, cash	Cash and Bank Transfer
Lowest price of car wash Highest price of car wash	£8 £10 plus extra for valeting
PPE equipment available	Stated PPE available but not always used by workers.
Concerns around set up? PPE, staff demeanor, drainage, chemicals used.....	Staff demeanor reasonable. Drainage didn't look good! Follow up with phone call and emails but no engagement with RCWS

Figure 3: RCWS site report form used in Slough and Luton

RCWS made site visits to all identified sites across Interventions One and

Two. They produced reports for each site visited that provide an assessment of each site. An example of these reports is shared here. These reports were taken on-site with workers and or owners voluntarily sharing information. Data recorded on these site forms recorded site location, ownership and management information, planning compliance, staff numbers and nationality alongside details on opening times, payment options and cost ranges. The RCWS staff also recorded the prevalence of PPE and any concerns around the setup of each site. The RCWS also conducted desk-based checks on trade effluent permits and planning if information was not shared by owners or management.

These forms provide the basis for our observations in the following section of the report and are combined with WIPs risk score to develop a view on the site's compliance.

Observations of RCWS and GLAA interventions

The evaluation team did not accompany intervention teams on site visits but reports of all sites were shared for review along with a report on the response rates and dialogue between the GLAA and landowners. In this section each intervention will be discussed in turn to note results and activity. These observations will be based on RCWS and GLAA data alongside data gathered at review point one and two by the WIP team. A review of changes will be noted.

Intervention One

The first intervention was designed to test the effect of a full multi-agency response to hand car washes led by the RCWS. It involved visits with local authority and police partners, follow-up engagement by the local authority alongside correspondence to site owners by the local authority with media engagement and fully funded accreditation offers for all participating car washes.

Slough

This local authority is classified within the ethnically diverse metropolitan living group within the ONS area classification clustering system.

“The major characteristic of these areas is that they have a high proportion of residents from non-White ethnic groups. Population density is high, as is overcrowding (households who have on average fewer or less rooms than required) and there is a relatively young population age structure.

Households are more likely to reside in terrace housing or flats, either socially-rented or privately-rented, than households generally.

Unemployment is higher than recorded nationally. Compared with the UK, workers in the administrative or support services industry are most over-represented, and workers are more likely to use public transport to get to work” (ONS 2018).

Slough is in the South East region of the UK and has population of approximately 149,600 residents, 69.1% of residents are in employment which is lower than both the regional and national averages. The gross domestic household income per head of population in Slough is £19,469. The regional median is £24,004. The Indices of Multiple Deprivation rank Slough in 73rd place but none of Slough’s neighbourhoods rank in the bottom 10% of most deprived. The authority is 3254.19 hectares in size which is the second smallest in the project (NOMIS 2021).

Across Slough (and the one site outside of the authority that we were asked to visit) the RCWS team and council colleagues visited all 25 sites we had

identified. Of these three were not operational and were removed from the sample and the unattended jet wash sites were also discounted due to external correspondence with owners who indicated they would not be participating in the scheme. This led to a final sample of 16 sites across intervention one. Site visits were conducted during the second week of May 2021. During these visits as noted in the project methodology RCWS and local authority staff made themselves known to staff and asked to speak with a manager or owner and an informal visual observation was taken and recorded on a template document. A copy of the observation template is shared above. A leaflet about the RCWS Code of Conduct and scheme was shared with the site alongside a letter from Slough local authority recommending participation in the fully funded scheme (also shared in the appendix for reference). This was in addition to a council news piece through the Citizen magazine reproduced online on the Council website (Slough Council 2021).

In total sites within this intervention received three sets of email communication by the RCWS and Slough Council following the initial visit. The email from Slough highlighted the requirements to have a trade effluent permit and the possible sanctions for failure to comply and was sent following two emails from RCWS. RCWS also engaged in two rounds of phone calls with owners or managers when details were provided. RCWS felt these engagements met with a mixed success in gaining responses and it was noted that many gave platitudes about how they were planning to complete forms. During this intervention accreditation costs were fully covered for one year for any site that engaged with the project.

During the course of the project two sites have secured accreditation and now display the RCWS information on the site highlighting their participation and compliance to the code of conduct. RCWS has indicated that two other sites expressed interest in applying but at present they have not completed the audit process because they do not have the necessary planning permissions or trade effluent consent on their sites.

To support the accreditation process sites must share a range of documents and supply details of how they meet the requirements of the code of practice. A full copy of the code of is shared in the appendix to this report. The key initial factors are:

- Photo of the site, showing its location
- Copy of Employers' Liability and Public Liability Insurance certificates
- Copy of Motor Insurance certificate if customers' vehicles are moved

- Details of planning consent
- Trade effluent consent number
- Legal structure of company and details of key persons associated with business
- Confirmation that they undertake Right to Work checks in line with government requirements
- Sample copy of employment contract provided to workers
- Sample copy of recent pay slips and/or invoices for self-employed staff
- Recent P32 submission to HMRC
- Photo of a health and safety poster displayed at the site
- Confirmation that they provide appropriate PPE and have adequate welfare facilities on site.

These are uploaded as part of the RCWS application process stage one before moving ahead with a site audit for all hand car wash sites. The two sites successful sites underwent this audit process and according to RCWS initial site visits were already operating within the requirements of the code. The same was not true of the other sites with RCWS staff and reports highlighting that a lack of planning and trade effluent permits created barriers for owners and confirms the concerns that the sector operates as an alternative regulatory regime away from the expected norms where legally required insurance policies and permits were not present.

Key trends and views

RCWS desk-based research highlighted that 11 of the 16 sites held planning permissions logged on the Slough local authority planning portal. Of these four were in contravention of the planning permission they had been granted meaning that half the sites in Slough were unable to meet one of the core requirements of the RCWS Code of Practice. RCWS staff have informed us that the local authority has been informed of these violations and is taking appropriate action. During RCWS' desk-based research phase they found that only two sites across Slough had consent to release trade effluent. Thames Water supported RCWS in this regard, searching their systems and providing insights. All trade effluent consent is logged on a public register and require the matching of business location and name to check. These did not yield additional trade effluent consents. One site on inspection from RCWS was immediately reported to the GLAA and Council over concerns for workers and the use of unlicensed houses of multiple occupancy. According to the RCWS this is being explored by the police. Due to council insolvency issues RCWS was unable to confirm which sites were paying business rates.

The narrative sections of the visit reports from RCWS discuss owner and worker behaviour and appearance – *“Staff demeanour (particularly of a couple of men) was concerning in that they were very withdrawn, vacant, of shabby appearance with no command of English”*, the sites general make up and quality and notes on both trade effluent and planning. The reports for three sites highlight conflict with the landlord either due to rent or planning permission – *“he is in dispute with the landlord of the pub who has overstayed her contract and won’t get out. Claims it is an unlicensed HMO and that she is making money out of the HCW etc”*. Challenges with the dispersal of wastewater is an issue across the sites – *“Gulley leading effluent to pit and pump then to main drain!”* We also see evidence of false information given about the sites with *“Mr [NAME] indicated that he will be closing the business shortly once he has paid off his debts – likely to be July/August at the latest.”* This site continued to be active into the winter of 2021. However, there was also a number of positive reports with four sites showing interest in the scheme and two fulfilling the requirements to become accredited as discussed below. The two key barriers to successful completion reported on the RCWS reports being a lack of planning or trade effluent consent – *“The operator is very keen to obtain RCWS accreditation...Insurances subsequently put in place following the RCWS visit. Trade Effluent permit not in place. Operator is engaging with landlord over the lack of planning permission.”*

Data from our analysis of the Slough site information sheets highlights that sites employed between zero and seven staff with the average being four. By comparison across the evaluation team visits we recorded 34, 42 and 30 staff on sites across the three visit timepoints.

The ethnicities reported to RCWS were Bulgarian, Egyptian, European, Iraqi, Lithuanian, Pakistani, Polish, and Romanian. Due to the reporting style of the RCWS reports it is not possible to clearly outline the distribution of ethnicity numbers against the 48 staff recorded on sites in Slough. Five of the sites had workers on site from multiple reported ethnicities. Romanians and Bulgarians are reported in six of the sites and one site was reported to employ five Pakistani workers during the visit.

Once the RCWS visits had been concluded and allowing for a period of time for the operator to complete the online application, NTU undertook evaluation re-visits and site classifications in Slough.

Of the 16 hand car wash sites that RCWS initially visited one site is clearly no longer active and has transitioned into a car mechanics and sales business whilst the rest appear active. However, one site has proved difficult to assess and could be classed as closed because whilst site equipment and signage were present no hand car washing was ever

observed. As noted above two businesses had become accredited to the RCWS scheme. During the RCWS visits it was noted that one site was inactive however further visits highlighted its continued operation and was a site of significant concern to the evaluation team due to its location, access to a derelict and fire damaged building and extremely poor operating layout.

Across the sites still active at the final visit our data indicates that the average tenure of these businesses is 10.3 years. All but one site that we have data on has a hand car wash on site for over 8 years indicating the established nature of the sector in Slough.

RCWS accredited sites in Slough

Data from RCWS and confirmed through our visits highlights that two sites have registered to join the RCWS scheme and was reported in the press. (Wells 2021) A Waves site located under a Tesco Extra in central Slough and Pro Touch Car Wash and Valeting Centre. Both sites from reviewing RCWS' initial site visits appear to be well designed and developed businesses with the Waves site operating within the design brief of all Waves sites. RCWS reported that both sites had trade effluent consent documentation, insurance and planning permission alongside access to PPE. The Pro Touch site is the larger of the two with a significant ability to create throughput being located on the main road through Slough and with space to wash and valet a large number of cars. Our subsequent visits indicated their use of the accreditation material and despite three small concerns raised by the team it was clear these sites were operating in a different way to the others.

Both sites scored the lowest across all our risk measures with Waves recording 4/10 and Pro Touch rated with 6/10 across the board. Pro Touch was classified higher by the team because full PPE was not use by all workers, but RCWS has indicated this is available to all workers. The team also felt that there was pooling of water on site. As noted above Pro Touch has the capacity to deal with a large throughput of cars due to the scale of the site and operations within it. On our final visit we also observed a non-liveried individual washing a car on site at Waves. They appeared to be cleaning their own car and we were unable to confirm if they were the site owner, worker or a member of the public who had been given access to the on-site jet wash.

Summary

Slough's car washing offer leaves a lot to be desired for consumers and workers. Whilst four sites expressed interest in joining the RCWS scheme to prove their commitment to basic legal minimums to run legitimate

businesses has not translated into compliance. Only two have so far progressed to accreditation (at the time of publication a third site is making its way through the process and is expected to provide the required evidence to join the scheme). The requirements for meeting the accreditation should not be onerous or difficult for well managed businesses. Despite this the majority of sites in Slough have not been able and/or willing to join up despite the cost being zero and the requirements of the code of practice being legal obligations to operate in the UK.

Whilst two of the sites are relative newcomers to market in 2020 four sites have had an operational car wash since 2008 when Street View first recorded, five have been in operation since 2012, two since 2014 and one since 2018. They have operated in this way for a considerable amount of time which reinforced our view that many agencies are currently unable to tackle this sector's failure.

This evaluation was not designed to measure the success of the scheme on the two sites who participated. We would recommend follow up interviews with owners of these sites to explore the motivations for joining and benefits of the RCWS scheme alongside engaging with those who either expressed or did not express interest in the scheme to understand the barriers to engagement to help to understand if these barriers were due to business pressures, a lack of awareness of their obligations or due to a conscious choice to not disclose their business to oversight. Without these insights we are only making assumptions for the reasons for these sites lack engagement with the scheme.

Slough local authority should be commended for engaging with the RCWS to participate and utilise resource but those sites that score highly on our risk score, fail to comply with planning regulations and are unable to share basic legally necessary documentation to RCWS for accreditation should be formally investigated in a joined-up approach by multiple agencies. This is the second time they have engaged with RCWS having undertaken a piece of work to visit sites through Operation Flinch where sites across Slough and Newbury were visited and owners were engaged in a workshop.

Intervention Two

Intervention Two was created to test the impact of the RCWS as a private licensing body across the sector with no support or backup of regulators, the local authority or wider partnership. Alongside this there would be no monetary support for business owners to join the scheme to understand the level of interest from business owners.

Luton

Luton is classified within the ethnically diverse metropolitan living group within the ONS area classification clustering system alongside Slough. It is a local authority made up exclusively of the town of Luton within the East of England. It has a population of approximately 213,500 residents, 68.9% of residents are in employment which is lower than both the regional (77.1%) and national averages (74.6%). The gross domestic household income per head of population in Luton is £16,873. The regional median is £22,089. The Indices of Multiple Deprivation rank the authority in 52nd place with 3% of its neighbourhoods rank in the bottom 10% of most deprived. Luton is the second largest authority in the project at 4335.25 hectares. (NOMIS 2021)

Our mapping of Luton identified 24 sites with an additional site discovered in September 2021 outside the window of the intervention project. One site ceased trading between NTU site confirmation visits and RCWS visits on the 10th and 11th of May 2021.

Post engagement visits identified one site as a pre-existing site that we had not mapped, and one site was inactive. The second round of visits discovered that the latter site had returned to activity, but two other sites were closed and appeared to operate as an MOT centre and a second-hand car sales business, but all the hand car wash operating materials were still located on-site. One additional site was in the process of setting up in close proximity to many of Luton's other sites on Leagrave Road that was on the same site as a pop-up food venue. A new tarmacked surface, wood and plastic awning and drainage had been installed. This indicates that the sector in Luton is changing but we are unable to record why. The sites that have become inactive all appear to be due to a change of use on the property and the sector appears to remain active and busy through our project with a new site in the process of opening up.

The RCWS record sheets for Luton sites are less detailed in comparison to Slough information shared with the evaluation team. The RCWS staff highlighted that this may well have been due to a lack of local police and council staff engagement when compared to Slough where engagement with questions appeared to be more detailed and forthcoming than in Luton. It should also be noted that in Luton one site refused to engage with RCWS staff. The overall standard in Luton was felt to be poor by the RCWS staff. Two sites were noted as being particularly concerning, with auditors observations resulting in a negative feel about the business *"Covered wash. Some drainage. 'Not a good feel about the place' - cash handler in car being washed!") Poorly lit. Chemicals all over the place.* On one site however, workers were perceived to be happy. One site was noted for its purpose-built washroom and waiting room and another recorded details of

welfare facilities, but the remaining sites did not have recorded details of acceptable welfare and waiting areas.

Sites did not have any records of trade effluent consents and poor drainage was observed on the majority of sites. Four sites were observed to have some form of drainage and grating whilst two sites were recorded as having “*good drainage*”. Where PPE was mentioned (three times) it was to note that it was available once but not present for the other two sites with one of these observations simply noting the use of wellies. In one observation the staff indicated the owner was away in Albania purchasing wash products. The link to Albania was continued in staff locations with the only recorded nationality on the form being Albanian on one site. A total of 75 workers were counted across the sites with a range on site between 2 and 8 workers with the average worker per site being 4.1. When compared to our observations the total number observed by RCWS was slightly higher with our total scores being 38, 41, 55 across the three visits to Luton. Of the 23 sites in the sample 10 provided an email address and 17 a telephone number. RCWS reported to us that at all but one site they were welcomed onto the premises with one owner giving RCWS staff a tour. Two owners expressed positive views of such a scheme. Despite this apparent interest during the visits the RCWS reported to us that many of the contact details shared did not lead to ongoing dialogue and one manager was unwilling to support the scheme to contact the owner – “*Manager stated he would pass info onto Owner. Refused to give us Owners details.*”. Many were felt to be false details. Despite this the RCWS engaged all businesses who shared contact details with follow up calls or emails on Tuesday 1 June 2021. Of those sites, to date, no businesses have become accredited or expressed interest in being accredited.

The team reviewed planning applications across Luton’s active sites (16). 56% of these sites had no recorded planning applications against their address. Of the remaining sites that had gained planning permission it appears that two of the seven sites were not compliant with planning details shared online.

Summary

It is clear that hand car wash owners in Luton did not engage with the RCWS in a way that led to invitations to audit them officially and to join the scheme. It is important to recognise that half the sites have been operational since at least 2009 with only three sites set up in the last two years. The sites in Luton are long established and perhaps more confident in the longevity of their operating practices. This intervention highlights the challenge facing private licensing across local authorities without multi-agency partnership and wider sector communications. Due to the lack of

audits, it is difficult to make any concrete judgment on the impact of the RCWS engagement across Luton in 2021, however, the fact audits have not occurred does highlight that this voluntary scheme has not yet persuaded business owners to be compliant in the short term. As noted in other WIP research, we may assume that site owners operate in an alternative regulatory environment where law enforcement and other regulations do not impact on their strategic and operational choices. This intervention highlights to us the need for in-depth longer-term engagement where businesses show almost no interest in joining a voluntary scheme when approached by RCWS.

Intervention Three

The third intervention was designed to explore what if any effects might follow-on from engaging the landowners of hand car wash sites by a government agency. The GLAA obtained information from the Land Registry for the freehold owners of sites for identified car washes, and then contacted all landowners where hand car washes operated in the local authority with a recommendation that the landlord suggest the RCWS to their tenants. The letter sent to all landowners is included in the appendix for reference. This letter highlighted potential illegal action that could be occurring and asked for “assistance in raising the awareness of the car wash operator to be compliant.” It goes on to explain the details of the RCWS and how businesses can explore and join the scheme asking landowners to engage their tenants.

Hillingdon

The location for the third intervention was Hillingdon. The ONS classify this authority as within the Ethnically diverse metropolitan living group within the ONS area classification system as with two of the other areas. (ONS 2018)

The local authority was the largest in the project in terms of car wash sites, population and area. Hillingdon is located in London and has population of approximately 309,000 residents, 74.11% of residents are in employment which is almost on par with the regional (74.2%) and national averages (74.6%). The gross domestic household income per head of population is £23,160. The regional median is £28,155. The Indices of Multiple Deprivation rank Hillingdon in 151st place. None of the authority's neighbourhoods rank in the bottom 10% of most deprived. Hillingdon is the largest region in our project with an area of 11,570 hectares. (NOMIS 2021)

The purpose of the strand of activity using Land Registry data was to test the effectiveness of a nudge approach (Thaler and Sunstein 2009) to

identify whether landowners, with raised awareness could act as a lever to improve compliance and contact with the RCWS. The team mapped 37 car washes during the initial phase and 35 sites following the physical confirmation visits. Letters were sent to the 32 addresses in June 2021 (letters were not sent to sites operating on supermarkets or sites noted as being inactive). Each landowner was sent a letter based on the available location data we shared with the GLAA and Land Registry. Land Registry converted the longitudinal and latitude data supplied by our mapping to their system to identify landowners. Several letters were returned not known at the address. Contact with the Land Registry confirmed that, post-registration as the owners, there was no requirement on the landowner to provide updated correspondence details so this may well be the cause of these unknown responses. Therefore, checks were undertaken with Companies House to confirm addresses, and re-issue letters were sent.

The GLAA have shared responses with the team which have been assessed and are reported here. The GLAA has gathered, and anonymised responses and the team have categorised the results of this work. 14 sites (45%) did not respond to the communications shared by the GLAA. In total the GLAA received 17 responses or 54% of the sample. Of these 14 confirmed their ownership and the presence of a car wash often stating the length of tenure. Two respondents highlighted they sub-let the land to a third party who manages the businesses on site. One site failed to identify the owner because Land Registry data was out of date following a sale and one landowner highlighted that the business was in discussion with the RCWS about the scheme but so far, no applications have been forthcoming across Hillingdon. That correspondence was in July 2021. One landowner indicated that the hand car wash had been in contact with the local Police due to lockdown violations.

Nine of the respondents came back to the GLAA in the first half of July with the other half responding in October and November of 2021 which may well be due to an additional chasing letter in August 2021. Due to the projects design and stipulations of data sharing between the GLAA and Land Registry the team has not engaged directly with the landowners. The analysis of the anonymised responses to the GLAA appear to focus on the reporting of facts highlighting if a car wash is on site and its tenure but there is little discussion of compliance or concern that poor or illegal practices might be in evidence accepting the one response about lockdown violations.

One interesting finding was the tenure information provided by 12 of the sample. Our data calculated tenure based on Google Street view data for all sites allowing us to identify that in Hillingdon the median length of hand car wash operation is 13.4 years with 23 sites open for 13 years. Landlord

insights showed that four sites operated beyond that time with two operating beyond 20 years. We also noted some discrepancies which may be due to land sales. The two sites which landowners identified very new businesses actually have evidence of hand car washes operating for a much longer tenure and Hillingdon was noted for its long-established car wash sites.

The team reviewed the planning permissions across the hand car wash sites in Hillingdon. 64% of the sites we reviewed had no identifiable planning permissions. Due to the fact that the team are not planning experts we will not make technical observations on the planning permission stipulations but if clear and obvious failures are observed we will note these. Of those nine that have permission it is clear that three are compliant, whilst three sites may or may not be meeting their obligations (as non-experts we do not feel able to make an assessment based on conflicting information in the planning portals communication with applicants). Two others either have no documents to review or contain multiple applications across multiple named businesses based on the address the hand car washes are based at. One site is awaiting a decision from the planning authority at the time of writing. The fact that a majority of sites have no registered planning in place is an obvious concern for the local authority and customers.

Summary

This intervention aimed to explore the nature of the landowner business owner relationship along with how much influence and interest landowners might wield on their tenants when engaged by a government agency. It is clear that just over half see it as important to respond but this has, to date, not led to any change in site numbers or the way they operate when comparing against our risk criteria. The fact that half of landowners responded quickly indicates they are concerned enough to at least respond to the GLAA. It would be of value to conduct some formal interviews with these landowners to understand their wider engagement with the businesses and sector and to track their perceptions of the GLAA, RCWS and other regulating agencies and their motivations as landowners. We only have limited anecdotal evidence of rental prices for HCW sites so further engagement with landowners would be insightful to understand how many of these landowners are renting the land to hand car washes because it is the only viable economic opportunity or because a hand car wash is the most profitable enterprise to gain rent from. It would also be valuable to undertake further engagement work with those who failed to respond and to better disaggregate the landowner operator versus the landowner as renter which we have not been able to accurately understand due to the high level of nil responses. This intervention highlighted that it

was not a straightforward process to identify the correct landowner with multiple owners and some site location challenges. Whilst it is positive that over half of all owners responded we have not seen an uptake in engagement with RCWS as we had hoped.

The GLAA used the relationship with the Land Registry to conduct further correspondents with the other test areas after the initial visit. The records of these are beyond the focus of this report.

Intervention Four

The final area was used as a control to understand how the sector behaved with no direct engagement from RCWS or the GLAA. No targeted operations by the GLAA were recorded during this time and no attempt to limit or impact on authority or local Police activity was undertaken to sites in this area. The GLAA has confirmed to us that no specific and additional activity was conducted by Police such as AIDANT intensifications.

Watford

Watford is classified with the Urban Settlements ONS area classification clustering system. These areas are characterised by a slightly younger age structure than nationally, with higher proportions of all groups aged 45 and under (covering the age groups 0 to 4 years, 5 to 14 years and 25 to 44 years). Ethnic groups are over-represented compared with the national picture and households are more likely to live in semi-detached or terraced housing. Adults generally have lower qualifications than nationally and are more likely to be unemployed. Residents who are employed are more likely to work in the wholesale and retail trade, transport and storage, and administrative and support services industries. Workers are more likely to commute using public transport and car ownership is lower than nationally (ONS 2018).

It is a local authority made up exclusively of the town of Watford within the East of England region. It has population of approximately 96,600 residents, 72.2% of residents are in employment which is lower than both the regional (77.1%) and national averages (74.6%). The gross domestic household income per head of population in Watford is £24,163 which is higher than the regional median of £22,089. The Indices of Multiple Deprivation rank the authority in 195th place with none of its neighbourhoods rank in the bottom 10% of most deprived neighbourhoods in the UK. This is the least deprived authority in the project group. The region is the smallest authority in this project at 2143.05 hectares in area (NOMIS 2021).

In all 17 sites were mapped with four sites discounted because they were

no longer active or classed as mobile valeting businesses. Three sites were mechanical roll over businesses, and one was an attended mechanical site. This left nine hand car wash sites in the sample, one of which one was a Waves site located on a Tesco Car Park. It should be noted that the size of the area and sample does mean we see larger influence afforded to sites across the analysis.

Over the course of the intervention no recorded applications to RCWS occurred. Across one and three month visits it is noted that there was almost no change in activity across the sites although during each visit one site was closed and marked as inactive. These closures were considered temporary due to the available evidence of the sites and was considered to be based on time of day and the opportunities for business.

Across Watford's hand car washes we see three sites that have been in operation since at least 2008, one since 2012 and three since 2014. Two newer sites were set up in 2020 on supermarket car parks.

The team has researched each site planning history. 10 Sites were included in this search with 50% not securing planning. The remainder secured planning with one permission expiring in 2016.

Summary

Watford had a high proportion of sites operating within the supermarket sector. This impacted the initial impression of the sector in Watford, but closer examination highlighted that that it showed similar risk scores to both Luton and Slough when these site types were discounted. As with the other authorities we observed very low levels of churn in terms of car washes and note the high numbers who have been in operation for over five years which highlights the established and settled nature of these businesses. As the control area we have no observations to share about the impact of the intervention viewed here.

WIP risk scores

Alongside our other measures of change the evaluation team created risk classification assessments during the initial mapping and at the end of the project three months post intervention. This was done at all sites across each local authority and a measure of difference across each site was recorded. As indicated above risk classifications were undertaken remotely at mapping and in person at the end of the project but these in-person scores were undertaken off-site to replicate the method. This meant that no questions were asked, or detailed investigation was made on sites to reduce influence and ensure comparison similar. Of course, we must recognise that familiarity of sites had been developed by the evaluation team across mapping, physical confirmation visits prior to interventions and then at visits one- and three-months post intervention. This familiarisation will have potentially shaped the team’s views of these sites but every attempt to remove external perspectives from prior visits was undertaken and each review of the risk score was done independently of prior scoring or RCWS information.

Each intervention area will be taken together where the risk score changes are shared and discussed. To help situate the following discussion it is important to understand that the average risk score for our current data 6.9 across 1647 sites from across the United Kingdom with standard deviation of 0.67.



Figure 4: Overall risk score distribution of WIP’s UK database of hand car washes. Please note scores of 4, 4.5 and 9 do exist but aren’t clearly visible in the chart representation

Within this project’s four areas the initial average was 7.03 with a standard deviation of 0.8 as highlighted in our Findings section of this report above. A summary of these risk scores results follow the area specific descriptions

and helps to inform our understanding of the changes that have occurred across the hand car wash sector in these four areas.

Slough

The average risk score for Slough prior to intervention one was 7.37. This was the second lowest across the project behind Watford. Across Slough the final average overall classification was only slightly increased to 7.42 growing by 0.04. Four sites had been classified as improving by 0.5 points and four sites remained the same. The overall risk score increased in five by 0.5 in two cases and by 1 in two further cases. For one site the risk score increased by 1.5 points. The site with the largest increase was in part due to general degradation of the site and a change in visibility of the site which highlighted exposed electrical cabling that concerned the team. The site also had a large number of workers on site for a very small site with limited shelter for them.

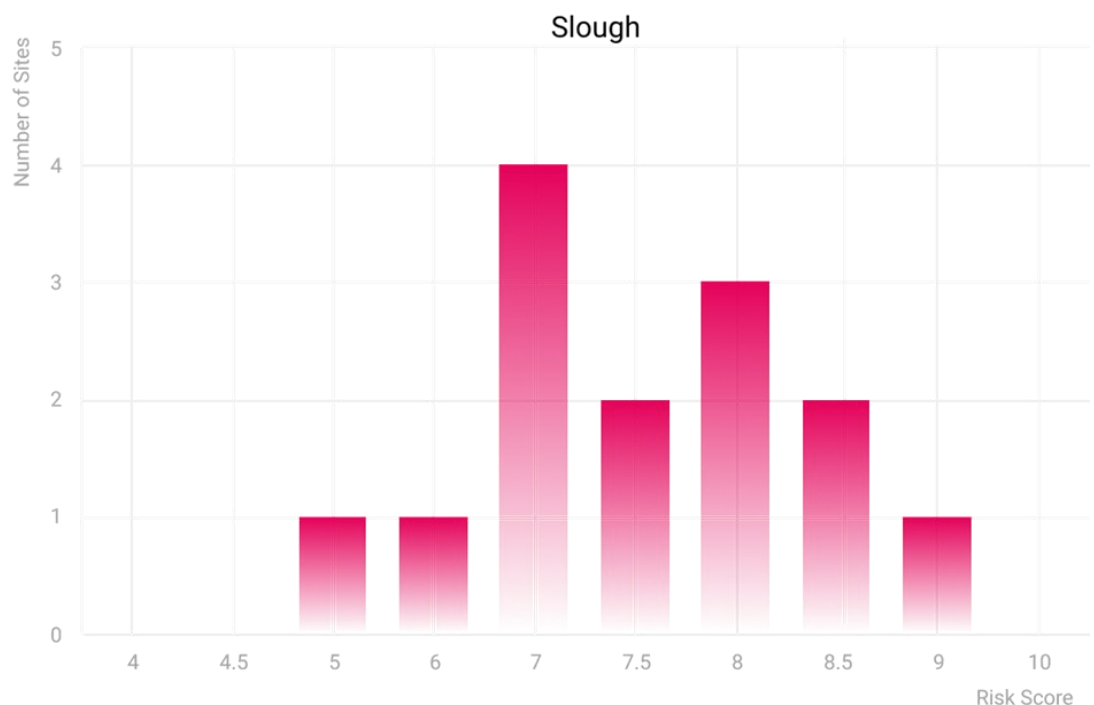


Figure 5: Overall final risk scores across Intervention One: Slough

Slough has a large number of highly problematic hand car washes, and we feel additional activity to target these businesses should be continued. The widening of the standard deviation across Slough highlights a spreading of the risk scores which may be an indication that sites have attempted to improve their appearance based on RCWS and Council engagement, but further work is still required.

Despite engagement from the RCWS and the Local Authority it is clear that the sector needs longer term engagement to reduce the risk score down from 7.42 but eight of the Slough sites either improved or remained the same and were not judged to have got worse. This is a positive point to recognise alongside the accreditation of two sites in the sample who

successfully met the legal minimums to operate a car wash business. The fact that other sites in the sample also expressed interest in joining the scheme but have not yet done so is also a positive to be understood. However, Slough’s hand car washes remain problematic businesses and we would hope that this report and the work undertaken by RCWS will act as a starting gun for regulators and the local authorities to engage with and challenge the sites scoring highly on our risk score and that failed to meet the legal minimums observed by RCWS staff during their visits on site.

Luton

Sites in Luton scored on average 7.41 for overall risk at the start of this project. This increased by 0.06 to 7.47 over the course of the project. Whilst only a small increase it was the second across the intervention areas. Concern for worker scores were particularly high in Luton with one site scoring 8.5 and six others recording a score of 8. The higher worker concerns across Luton are linked to a low level of PPE and a lack of welfare facilities for the workers. Many sites lacked even rudimentary places for workers to rest or shelter from the weather or cleaning areas. RCWS visit data indicated that the WIP graded site that scored 8.5 was deemed to be in poor overall condition, and in the garden of a residential property with no available PPE to the workforce.

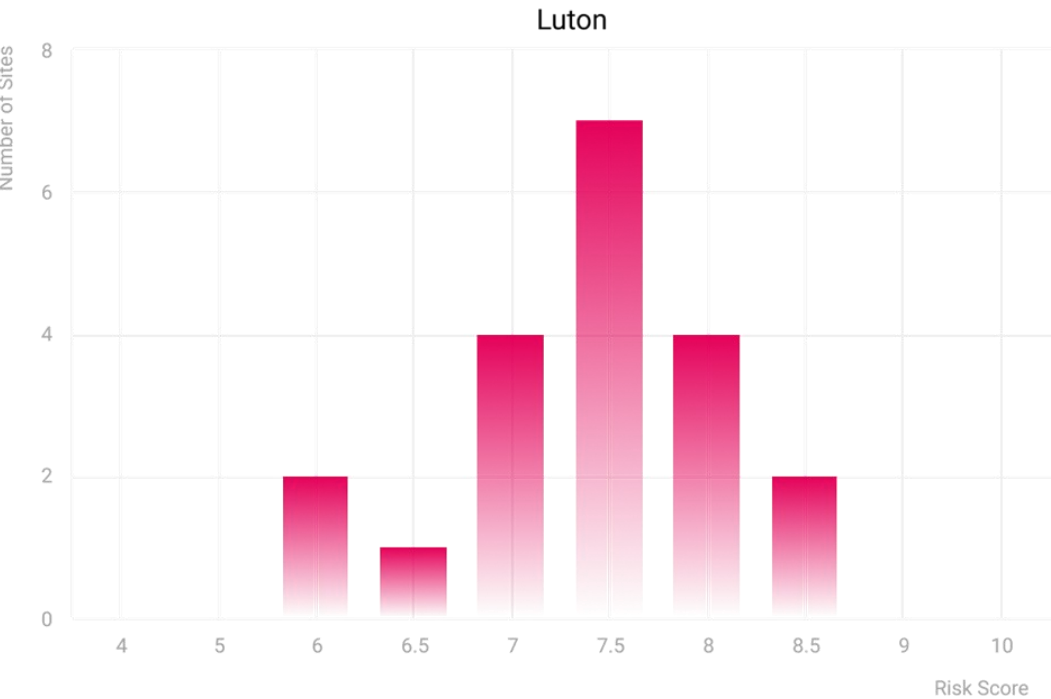


Figure 6: Overall final risk scores across Intervention Two: Luton

Since four sites were in obscured locations, we have four new risk scores when re-assessment occurred in December 2021. We see an average increase in the overall risk score for Luton sites by 4 points with the average moving from 7.41 to 7.47. Five of the 15 sites that recorded a risk score at

both time points went up. One by 1.5 points, two by one point and three by 0.5 points. The majority scored the same and only two appeared to improve by 0.5 points. The final risk scores for Luton are displayed below.

In Luton as with the other locations in this project we see a general but small decline of site ratings undertaken by WIP and little change in the scale of the sector across the authority. In comparison to Slough we see a larger cluster of sites with a 7.5 and 8 risk score. The sites appear to be similar in risk score with the lowest standard deviation of all the areas. It should also be noted that the lack of response to the scheme and obfuscation noted by RCWS makes it difficult to assume that any risk score changes we observed were linked to RCWS engagement and highlights a need for more systemic engagement. The risk score changes highlight a general but slow degradation trend in the sector with sites slowly become more run down. It will be interesting to understand if the newly developing site in Luton helps to push up standards in those sites near it or if this site follows our assumption that most sites appear to degrade in quality over time with limited investment in the site infrastructure and processes unless driven to do so by competition or regulators.

Hillingdon

This is the first of two areas where we have no RCWS site visit data for comparison. Hillingdon's initial average risk score was 6.59 and it grew to 6.94 at the review timepoint. The distribution of risk scores was the second broadest with a standard deviation of 1.11 at the final review which had grown from 0.7. This spread of risk scores has been due to a growth of scores at both ends of the risk spectrum.

As this intervention aimed to explore if landlords may apply pressure to improve compliance based on the idea that they were being scrutinised by the Gangmaster and Labour Abuse Authority and being given a way to ensure compliance through the RCWS. The WIP risk score average for Hillingdon declined by 0.34. This was the largest of all areas recorded. Whilst it is not possible to correlate the intervention with this decline, we would have hoped to see that some sites experience pressure to improve based on landlord engagement if this letters from the GLAA had been influential. To understand the intervention further the team explored the correlation between tenure and risk rating, but none was found. Responses from landowners came from across the risk spectrum in the authority. As noted earlier Hillingdon has the lowest average risk scores across all facets except for environmental issues where Watford scores lower. The final overall risk score has been shared below in the table. It should be noted that we did not risk score the nine mechanical wash sites in the Hillingdon

sample which may well have reduced the average score in this authority. Hillingdon unlike the other authorities explored so far has a much flatter distribution with five sites scoring 6.5, 7, 7.5 and 8. Ten sites degraded with six remaining on the same score and six improving. There were also three newly scored sites. It should be noted that two of the improved scores were in light of an error in scoring initially by the research team that was rectified during the project.

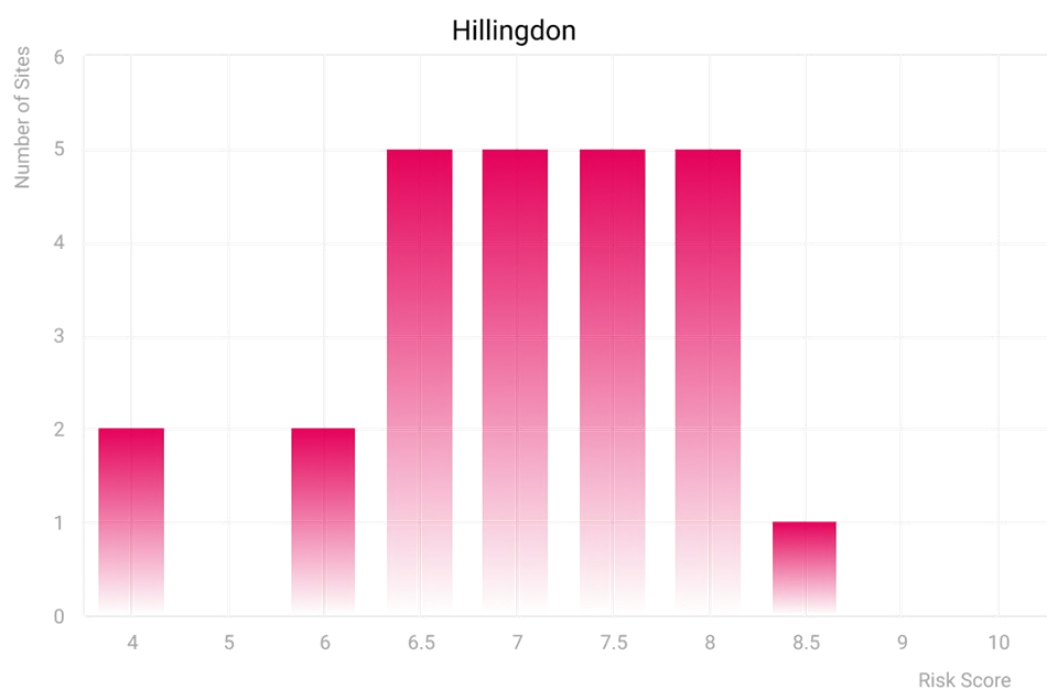


Figure 7: Overall final risk scores across Intervention Three: Hillingdon

Hillingdon has degraded the most in terms of its risk scores during the project time frame adding a cumulative 12 points to the risk scores from our initial scoring to final assessment. This is in part due to three sites increasing their risk score by 2 or more points (2, 2 and 2.5). For one of these sites the research team has agreed that the risk score was miscalculated due to a lack of observable virtual data. The other two were deemed to have degraded from initial review to follow up. As noted in the methodology section, we are not always able to review all aspects of the site and it is therefore possible for sites to increase or decrease their score due to the improvement of our review process based on a near-site review. In a small number of cases the reviewers may disagree on their assessment of a site but through cross-checking and training we have created a robust and agreed method for scoring sites. The level of degradation may well highlight that this intervention has had the smallest impact on the sector of the three and any use of it going forward may need to be adapted and rolled into a broader engagement and enforcement programme.

The overall decline in site quality is an obvious continued concern but we would caution against using this measure against the intervention itself.

Watford

Watford sites were initially scored as the third most problematic overall with an initial scoring of 6.8 given across the area. The average risk score at the end point assessment improved by 0.06 to generate an average overall risk score of 6.72 which meant it was scored as the least problematic area using this method. It is important to highlight that Watford had a small number of sites so changes to one or two sites had a much larger affect. This is born out in the standard deviation score which is 1.39 the largest of all the areas.

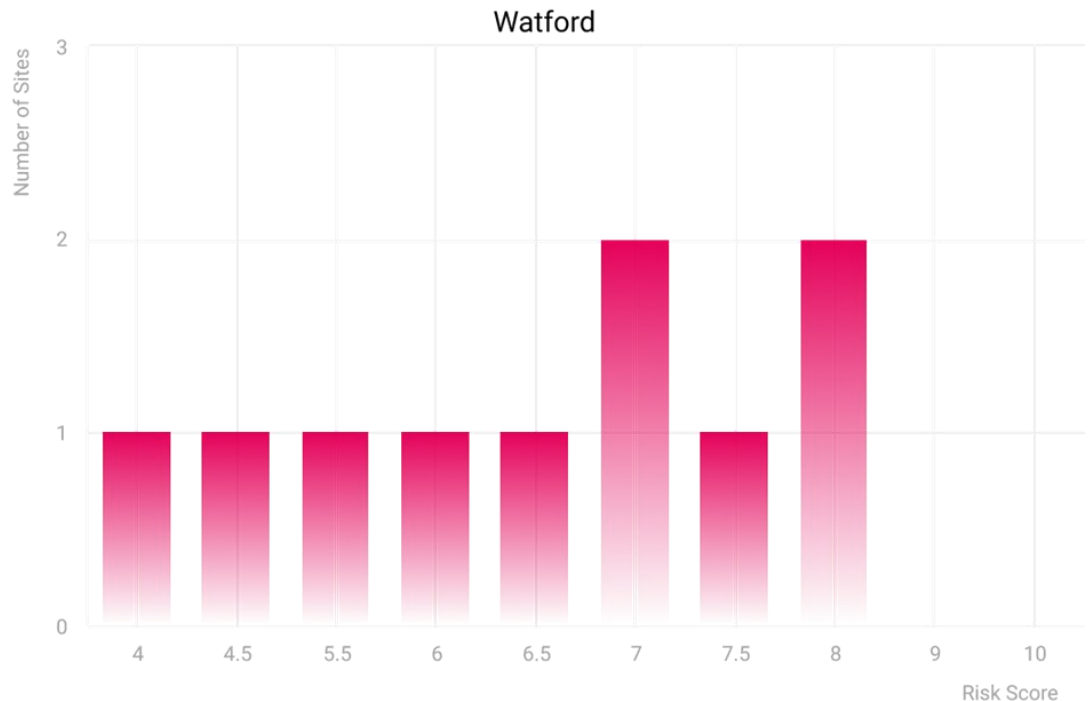


Figure 8: Overall final risk scores across Intervention Four: Watford

On final review one site got worse by 1.5 points and two by 0.5, two sites registered no change and four improved by a combined total of three points. As with Hillingdon part of this improvement has come from a development of the risk score system based on information on supermarket sites so one points of this improvement is due to reassessment that isn't due to any physical changes. The reduction in overall risk score is also shaped by the recent influx of two supermarket-based sites located at Morrison's and ASDA which were both-purpose built and follow a similar model to Waves which means the physical design and implementation is of a high quality. These two sites have been in operation for less than 2 years whereas the remainder of recorded sites in Watford have an average tenure of 10.5 years. As with other sites we can not make assessments on insurance and employment rights, but the sites are purpose built and provide safe and dry staff and customer facilities. Having three of the sites located on supermarket land that conformed to many of the expected physical and environmental requirements effectively reduced the sample of typical hand car washes to five when you include the IMO attended mechanised site also in the area. When these sites are excluded, the

remaining sites return an average risk score in December of 7.42 in line with both Luton and Slough whose December averages were 7.47 and 7.42. Respectively, these figures do include one supermarket site in Slough which increased the average there to 7.62 when it is removed.

As Watford was the control it acts as our baseline measure for risk scores but as indicated above the small sample size and large proportion of supermarket-based sites makes comparison with the other areas more difficult. It does, however, highlight that new entrants into the market basing their setup on compliant site design can influence the way we record risk at an area level. When we adjust the score of the site that the team reassessed this brings Watford into the same small degradation position as the others with a 0.02 point decline.

As an evaluation team we would suggest that this score is a more accurate comparative figure to measure against when considering the impacts of each intervention as it provides a more accurate picture of the non-intervention areas risk rating.

Risk classification summary

The comparative risk classification task allows us to explore the policy implications of each intervention in a unique way checking to see what linkages we can make between the different interventions and any changes in the risk scores pre-intervention and post-intervention. This provides a useful but not comprehensive perspective as noted in the method section but alongside the data from RCWS, reviews of planning compliance and responses from landowners we can create a matrix view of these sites. In an ideal world this would also be triangulated with perspectives from owners and workers to register any changes in operational approach or perspectives caused by the three interventions. We should also remind the reader that any comparison is also limited by the fact that these areas despite their similarity are also unique geographic areas with differing socio-economic characteristics that will shape how businesses and citizens act.

Within the report above we have shared the individual overall risk scores at the end of the intervention period that highlighted that all areas saw a slight on average decline using this method of review. The two charts below highlight all the areas risk scores and how they have changed since they were originally mapped. Sites scoring above seven are of significant concern and we would recommend that all 36 sites in that bracket are investigated as a matter of urgency by regulators.

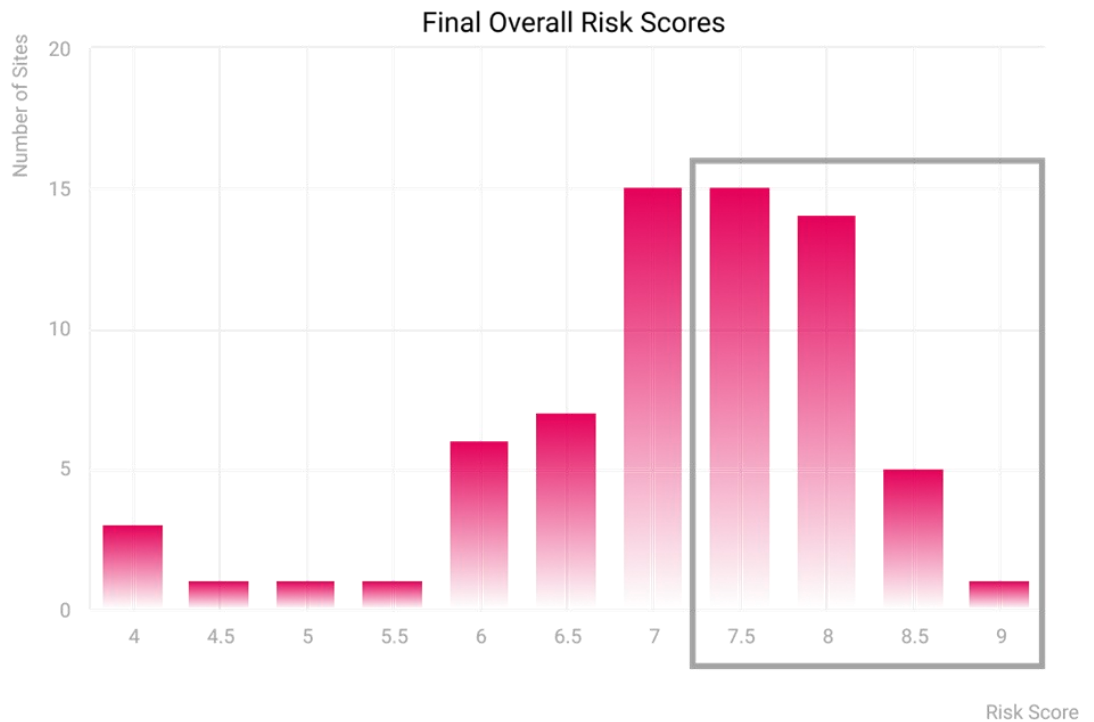


Figure 9: Final overall risk scores across all intervention areas

We see across the areas that a general but limited decline is observed using our risk score technique. The changes observed are small but indicate that on average the sectors businesses are not improving the physical or service offering over the period we observed the sites. 25 sites were recorded as having an increased risk score, 14 improved and 19 stayed the same. It is important to note that individual sites did see improvements in their individual overall risk scores at the end of this project. Without in-depth investigation of site owners, it is not possible to correlate these improvements to RCWS and partner agencies engagement.

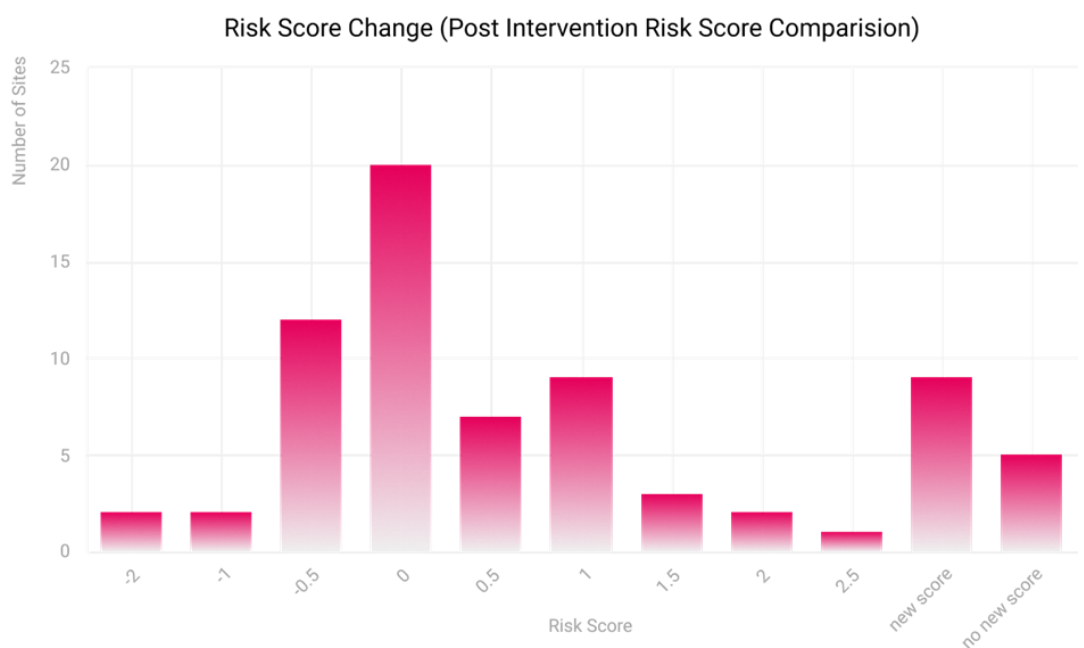


Figure 10: Risk score change (Post-intervention overall risk score comparison)

Conclusions

This RCWS and GLAA project on hand car washes across four local authorities in England provides a unique insight into the short-term impact of interventions to tackle well known infractions by business owners in the sector. This project has confirmed many of the challenges our research has been highlighting and in this final section we will discuss these and ways forward for all parties.

During the operation of the interventions there is no significant improvement in the compliance of businesses or sign up to the RCWS scheme which whilst disappointing is not especially surprising considering the embedded nature of many of the businesses. Of the 69 hand car wash sites that were visited in the final round of reviews only two were accredited to the RCWS with a further three having applied but failed to meet the codes requirements. Whilst this report has not been written to review the RCWS process and approach per say we think it is important to highlight that any sectoral level changes must be given time to filter through. Our data on these sites highlights that they have on average been operational for over 10 years. They have established norms and operating principles and, in many cases, have had limited interactions or support to operate properly.

By way of example 57% of the hand car wash sites in this project final sample did not have a recorded planning record against the address they were based at. Of those that did have consent it appears that at least 25% are not compliant with the planning agreement.

In the discussion of our methodological approach, we set out four possible policy outcomes that might arise as a result of interventions designed to improve conditions in the HCW sector:

- a) increased deterioration;
- b) continued deterioration at the same rate prior to the intervention;
- c) improvement in conditions (but not enough to bring a HCW above minimum acceptable standards); or
- d) raising of conditions at the HCW to a level that is equal to (or above) a minimum threshold.

As noted in the intervention sections of this report we have recorded an overall decline in the quality of the sites we reviewed in all local authorities which highlights that none of the interventions as currently delivered meet policy outcomes as described above. Whilst we have noted some general improvements in specific sites it is of concern that the sector does not appear to be improving site quality both for consumers and workers, but

this is not necessarily indicative of the interventions failures to change behaviour. We have certainly not observed an increased deterioration (a). There are clearly sites that buck the trend of degradation which have invested and created sites that offer a professional and well-designed offer. These sites should be supported and encouraged, we noted through the two RCWS based interventions the recorded comments by owners or manager who felt they were struggling in face of unfair competition and difficult planning or trade effluent processes.

On further investigation at the intervention area level we see that both areas with RCWS interventions (Slough and Luton) show small numbers of No New Score figures indicating that sites have become inactive (13% of sites in Slough and 14% in Luton) since engagement, whilst we can not attribute this directly to RCWS it is the sort of activity we would hope to see if the Scheme was pushing businesses unable to meet the legal minimums to exit the market. This would indicate that at an area level we are seeing signs of policy outcome (c) at work. We see very low levels of improvement in Luton which chimes with the feedback we received from the RCWS about a lack of engagement, this remains a concern for the Local Authority and regulators. There is a marked number of sites that declined in Hillingdon; however, it should be noted that Hillingdon showed the biggest swing of score changes from +2 - -2.5 which may indicate a sector in flux, and we should be wary of attributing this to the GLAA letters.

In Slough and Luton, we see slight but higher levels of decline than in Watford which was our control area. We can't be certain of the reasoning behind this, and the differences are small. As noted in the Risk Classification section of this report that accounting for the newer supermarket-based hand car washes creates a much more even picture of small-scale decline in Watford. When we average out the recorded risk change across each area including this re-evaluation Watford declined by 0.02, Slough degraded by 0.04, Luton degraded by 0.06, and Hillingdon by 0.34. This highlights that there is very little significant difference between any of these areas in terms of the transformation in their respective risk profiles and indicates that such short-term interventions may have very little impact on the physical design and operation of these sites. Over the longer term it would be valuable to understand how these higher rated sites influence sites around them. We would assume that any changes would be linked to expected market share calculations with the more popular sites influencing behaviour of their neighbours.

It is important to recognise that we have not measured how intervention engagement has affected the way business owners consider their sites and the link to regulations and rules, but we are unable to measure these changes in this evaluation, returning to these sites and interviewing owners

alongside reviewing site practices and design in the longer term would all be useful future actions.

We would have hoped to observe some more clear variation across each intervention that would allow us to make stronger conclusions on which policy outcome hypothesis had been delivered. The change timeline we had to adopt alongside the voluntary nature of RCWS as it is currently designed means that most businesses appear to be operating regardless of the interventions that were undertaken. Engagement with sites in Slough whether successful in accreditation or not shows that connected, long term partnership-based interventions are needed to influence and challenge the sector to become compliant and had a bigger impact than in Intervention Two and Three. The clear difference in engagement of sites between Intervention One and Two shows this with five Slough sites exploring accreditation to zero in Luton. The limited engagement with both the letters to landlords and no follow-on engagement with the RCWS from Hillingdon-based business is a clear indication of its limited impact as a sole intervention strategy. We believe there is merit in future studies of more connected area-based interventions that utilise elements of Intervention One and Three alongside engagement with agencies such as HMRC National Minimum Wage, Community Organisations and Police to educate, challenge and target businesses to meet their legal obligations to run businesses that at least meet the RCWS code of conduct requirements.

Recommendations

We believe this project highlights five key lessons to take forward for the RCWS and wider sector.

1. Tackling the hand car wash sector requires concerted and long-term engagement from multiple stakeholders.

The average site tenure across the sample of sites was 10.3 years indicating that many sites are an embedded presence in the social and economic fabric of these areas. To improve compliance within them will require long-term engagement with both consumers and regulators to highlight systemic failures and promote leading practice. These pilots highlight that whilst some change has been noted without concerted engagement large parts of the sector will continue to operate with little regard to the regulatory and legal obligations that society should expect. The RCWS have explained to us that they exist due to a successful working model with a segment of the industry – supermarkets. This sub-sector has provided the RCWS with financial support for this pilot that aims to drive up standards in the sector to support a more compliant and safer place for cars to be

washed for both consumers and workers. This RCWS model of voluntary licencing has not yet gained support from the arguably less compliant, independent HCWs. For it to succeed they will need to do this in the long-term. They have called for a centrally financed statutory scheme to ensure the whole sector follows a version of the RCWS code of practice and we at WIP would recommend something similar, whilst also recognising the potential of locally or managed schemes across the United Kingdom.

The short-term nature of this project has shown shoots of encouragement, but they should be followed up and sustained to ensure business owners continue to be reminded of their legal obligations and transgressions followed up and punished. Based upon the available evidence, we are not convinced that a week of action model can change the direction of this sector for the better.

2. Fragmented oversight and enforcement reduce the ability to develop a joined up and systematic approach.

Our analysis of planning regulators across the projects areas highlights that there are significant failures in compliance and application with over 50% of sites having no recording planning application to operate. Discussions with RCWS staff has also identified that the use of trade effluent consent is a barrier to application and is often difficult to monitor and view which restricts the ability of agencies to monitor compliance. Making it easier for businesses to be compliant is a key feature of improving the sector to help create a clear differentiation between businesses. RCWS also reported to us the challenge of viewing employer's liability insurance at sites and that in one authority the access to up-to-date business rate payments was not centrally held or accessible. This created an additional barrier and makes observation of this sector more difficult. Prior WIP engagement in a separate authority highlighted that only 11% of identified sites were on record as paying business rates to the council.

Alongside other sectors known to be at significant risk of labour market non-compliance we recommend a formal register of ownership and operation be kept updated at local authority level to increase the awareness of these businesses and to ensure the owners are informed of their requirements to operate legally compliant businesses. The alternative would be a national register which would have the benefit of showcasing the range of franchise or multi-site businesses that exist but can't easily be linked. We would suggest that this register is held by the developing Single Enforcement Body when/if it is created by the Government.

The multitude of departments at local authority and governmental level

creates uncertainty about who is responsible for tackling transgressions especially when they fall across multiple areas such as employment, trading standards, health, and safety, environmental and planning. The creation of a single register would be one way of connecting these bodies to ensure the point of focus is on the whole business enterprise and not single aspects of it.

3. A voluntary scheme even with support from local authorities and agencies will need time and enforcement-based support to influence the sector.

This project has shown through Intervention Two that a voluntary accreditation scheme has not yet been accepted as part of the standard operating needs of the sector. The purposeful refusal to engage highlights that additional influence must be utilised if, as a society, we wish to reduce unlawful employment and business practices in this sector. We are also convinced that any form of accreditation scheme needs time and significant promotion amongst business owners and those who use them. The current model from the RCWS has highlighted that a voluntary scheme is too easily bypassed by business owners further strengthening our belief that a statutory scheme is needed to tackle the endemic challenges in this sector.

Failure to create oversight of the sector will further enhance the acceptance of these businesses across the UK further weakening the rules and regulations that make our citizens, streets, and whole environment safe.

4. A supply side factors need to be considered alongside demand issues. The consumer and worker need to be engaged

This project looked exclusively at the supply side of the equation understanding what could be done to increase take up of a voluntary scheme. Whilst some limited engagement through local authority media was undertaken it was not designed to address demand side issues. These sites provide employment and a service that is in demand and until these demand side issues are explored and better understood we will not be successful. More in-depth worker engagement is needed to highlight the minimum standards required from their employers (along with challenging notions of so-called self-employed status) and further research into consumer behaviour and decision making is needed to help us understand how to promote and engage with consumers to spot the signs of a legitimate and ethical hand car washing.

Alongside the engagement of workers and consumers there may be scope

to consider the role of companies and individuals that facilitate the operation of hand car wash sites including those that supply hazardous chemicals including acids. Ensuring more stringent handling and purchasing requirements may go some way to ensuring business compliance across a broader range of factors acting as a push factor to ensure these businesses adhere to the full code of conduct requirements set out by RCWS.

5. Regulatory infractions must be followed up and tackled to ensure better adherence to regulations and legal standards

RCWSs site visits alongside our own observations highlight a string of infractions which arguably have been in existence for some time, especially when we consider building standards and associated health and safety requirements alongside potential employment violation. This project has at a minimum showcased these to business owners and regulators which if nothing else has helped to challenge the status quo. Time will tell if the local authority and other agencies make use of this insight from the RCWS and WIP. As noted in the recommendations above a more unified approach is required with resources put in place to fully understand the scale and nature of the sector* (WIPs research has mapped over 30% of English and Welsh neighbourhoods) and to ensure action is taken to improve conditions for workers, consumers and the environment.

**Through this project a local authority toolkit has been developed alongside a series of RCWS podcasts hosted by the GLAA. The toolkit has not yet been formally launched and has not been assessed in this report. It was deemed to be out of scope of this evaluation.*

Further action

The scale and focus of this evaluation meant that we were unable to understand the motivations and decisions of workers, owners, or consumers. These parties need to be engaged and research into this is required. We welcome the attempt by The Director of Labour Market Enforcement (ODLME) to better understand the scale of nature of the issue through the recent research tender, but additional research is needed to understand consumer behaviour and the tipping points to alter it so that hand car washes that continue to disregard regulations and their legal obligations find it impossible to operate in their current manner.

This report summaries a three-month post-intervention review of three active interventions. It highlights the continual challenges across this sector and shows that more concerted work is required in these intervention areas to improve it. This is a short-term review, and we call for more longitudinal

research including a thorough re-mapping and evaluation of sites at one year on from the projects alongside a review of the whole of the areas to understand changes in the sector. A project should also be developed to track those sites who do comply to record any direct impact of the RCWS scheme on business success and employees' conditions.

Insights from the full report should be shared across local authorities, government agencies and police to highlight the continued risks these businesses pose for workers and the wider community, and we hope that the RCWS can share their site visit reports with the key agencies to ensure further work is undertaken to challenge non-compliance. The sites clearly failing to be complaint must be challenged to improve or face closure.

It is the view of the evaluation team that a more forceful licensing or registration scheme should be developed for hand car washes across the UK to ensure poor and illegal practice is successfully challenged to allow good businesses to flourish and dominate the market. Whilst the RCWS voluntary scheme has set the groundwork for what is required of compliant businesses the voluntary nature of the RCWS is one limitation as it attracts those already inclined toward compliance but does not reach those which are wilfully non-compliant. The embedded nature of the approximately 5,000 hand car washes need to be targeted by the full spectrum of agencies and organisations responsible monitoring and enforcing the failures that we have observed across employment, insurance, environmental, health and safety and planning in the hand car wash sector. We believe significant disruption to the sector is required to make long lasting and meaningful change. The latter will ensure the sector transforms from one that is viewed as purposefully non-compliant with almost all regulations to one that is fit for purpose to operate in a modern economy. That is a business that observes all legal and moral obligations to its customers, workers and the environment that surrounds its location.

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