



DEPARTMENT FOR ENVIRONMENT, FOOD AND RURAL AFFAIRS

MANDATORY WATER EFFICIENCY LABELLING

PUBLIC CONSULTATION: 02 SEPTEMBER- 25 NOVEMBER 2022

The Builders Merchants' Federation is the trade association for businesses in the building materials' supply chain in the UK & Ireland. Since 1908, it has represented builders, plumbing & heating and timber merchants and manufacturers who make and deliver building materials and home improvement products. The BMF's 860 members have combined annual sales of over £44 billion and employ more than 225,000 workers.

OVERVIEW

Water conservation and demand management are central to our members' businesses. They make and distribute the majority of materials & products about which DEFRA is seeking advice. Merchants earn a living from selling (amongst others) baths, toilets, showers & wet rooms; taps & brassware; heating & hot water systems; cylinders & tanks; tubes, pipes & fittings; kitchens; water mains & domestic waste pipes; rainwater harvesting equipment; and underground & surface water, stormwater and sustainable urban drainage systems.

The USP of this Federation is that buildings (especially housing) are not erected - nor are properties (especially homes) repaired, maintained or improved - without the primary materials and valued-add products that our members make, stock and deliver on a daily basis.

We are irked to read that DEFRA held pre-consultation talks with others (in Annex B) and not us, nor any individual BMF company. Given that merchants, not supermarkets nor high street retailers, are the established, most efficient route-to-market for products, we find this irritating and not good policy-making especially as (a) the proposals seek to obligate our members and (b) we took part in the earlier public consultation on reducing personal water use in 2019.

DETAILED OBSERVATIONS ON THE CONSULTATION DOCUMENT

Apart from a few general remarks, the BMF confines itself to what it knows best. We are not a technical association - but our members have hundreds of years' experience distributing indoor plumbing products and outdoor water management solutions. Not all questions are answered.

We can support other contributors like Association of Manufacturers of Domestic Appliances; Bathroom Manufacturers' Association; and Kitchen Bathroom Bedroom Specialists Association. They are more technically qualified and better placed to respond to certain questions.

INTRODUCTION

Policy responsibility for water is devolved to Cardiff, Edinburgh & Belfast and we note this is a joint consultation between governments. The BMF makes two headline points.

Firstly, BMF members are aware that water pressure to residential & business customers varies in different districts according to each water supplier. This has a knock-on effect to the selection, fitting and use of various appliances & products likely to be covered by these proposals. There is a

tendency to over-compensate for low pressure by (for example) fitting high flow rate products. This, in turn, poses questions for the label criteria that may be under consideration.

Secondly, the BMF questions why the DEFRA thinks it is necessary to legislate for a mandatory water efficiency label at all when there already exists a workable and more cost-effective scheme: the Unified Water Label at: <https://uwla.eu>. This the leading labelling scheme throughout the UK and Europe, run independently by the Unified Water Label Association (UWLA), which is already referred to within the ISO 31600 standard.

The BMF questions why DEFRA believes it is reasonable or desirable to spending £££ millions of taxpayers' funds to invent its own scheme, from scratch, to replicate or take-over the established industry-wide UWL scheme. Ministers ought to instead embrace the UWL as a route to comply with any new mandatory labelling, rather than legislating for new and unnecessary arrangements.

PROPOSED MANDATORY WATER EFFICIENCY LABELLING SCHEME

Labelling Scheme Approach

The BMF does not see a compelling case for a wholly new scheme for the products that we distribute because the UWL covers all the bathroom products listed in the document.

This consultation looks rushed as it lacks sufficient detail or reasoning about how the proposed scheme will operate - notably the product database and enforcement arrangements. The BMF finds it difficult to offer balanced, well-informed input without such detail and reasoning.

The BMF firmly believes it is unwise to use the term "efficiency". These proposals wrongly imply water efficiency when (in fact) it will only indicate water use. As seen, the proposals are misleading to buyers and take no account of low or high water pressure that has a bearing on actual use.

Products Covered by the Label

It is unclear what the status of electric showers is under these proposals: clarification is necessary. These showers comprise approx. half of UK shower sales - so it looks odd and confusing to buyers if water labelling does not cover them too. If any new mandatory label is to apply to mixer showers, it should apply to all types of showers.

Question 1: Does the list of products we selected set the right level of ambition? [yes, no] [If no], please outline why not and what other product(s) we might consider labelling in future and why ?

No. Insufficient detail was given to offer balanced, well-informed input. Only by providing the technical criteria could we give views on whether (or not) the products selected were correct. The question of what components do (and do not) comprise a functional unit is also unresolved.

Label Design and Features

If it is necessary to have a new label (we do not believe so) then it is logical to have a stand-alone label - rather than attempt to combine water with the current energy-efficiency rating label.

Question 2: To what extent do you agree or disagree that a standalone water label only is the most appropriate way to deliver mandatory water efficiency label policy ? [strongly agree, agree, neutral, disagree, strongly disagree, don't know-no answer]

Agree.

Question 3: In what ways can the impacts of dual labelling on manufacturers be minimised ?

In some circumstances, it is possible that dual labelling for energy & water could apply to electric showers - but our views earlier on their status requires clarifying first. It is unfair to compel electric shower manufacturers whereas those who make other types are not obligated to show energy rating for their products.

Label Design

It is logical for a water label to be similar, if not identical to, the current energy-efficiency rating label. But as stated earlier, your proposed water label does not indicate efficiency, only use.

Question 4: To what extent do you agree or disagree that the example label designs appropriately deliver water efficiency information to a consumer ? [strongly agree, agree, neutral, disagree, strongly disagree, don't know-no answer]

Question not answered.

Question 5: Are there any additional elements required in the labelling specification ?

Yes - the label design should be shaped by the technical criteria. Pages 7 & 8 do not say what information the label will show for each product category.

Energy Information on Water Efficiency Labels (Taps & Non-Electric Showers)

Question 6: To what extent do you agree or disagree that including energy information on the label (for taps and non-electric showers) would be beneficial ? [strongly agree, agree, neutral, disagree, strongly disagree, don't know-no answer]

Disagree.

Question 7: What would be the most effective way for energy information to be included the label ?

Our remarks for question 2 refer. It is unwise to attempt to put energy use ratings on a water use label. Most water fittings that merchants sell are not primarily energy-using products. For example: toilets do not use hot water for flushing.

Label Display

Extent of Obligation

These paragraphs describe the proposed obligation that may be put onto BMF members. Any new display requirements must be consistent and apply to all purchasing methods - namely in-branch, and via online, remote & distance selling.

DEFRA's policy objective must be to provide specifiers & buyers with salient information on which to make informed choices. It ought to appear where they carry out pre-purchase research and this is not necessarily at the point-of-sale. Buyers will often look at goods in a merchants' showroom, using various personal criteria (like colour, size, aesthetics, etc) before buying online - or indeed, vice-versa, when perhaps the online photo or description is less than helpful or is misleading.

Label Visibility

Images used to support online sales to be more clearly defined. It is preferable for the proposed label to appear on the product page itself, rather than in each product image.

As buyers use various methods in pre-purchase research, requirements for displaying the label must be consistent and apply equally to all purchasing methods as above.

Question 8: To what extent do you agree or disagree that the display requirements are suitable to ensure water label visibility to the consumer ? [Strongly agree, agree, neutral, disagree, strongly disagree, don't know-no answer] Please include any additional comments on the above proposals.

Disagree.

Database of Products Registered with the Mandatory Water Efficiency Label

We support the views of the BMA about the proposed database. Some suggestions at Annex E are sensible. For example: product class, product name & model, flow rate, and image.

- the use volume may prove to be more salient than flow rate for certain products.
- the brand name is more meaningful to buyers than the company name - manufacturers often supply more than one brand to our merchants.
- the price of products charged by manufacturers change regularly, for whatever reason, and they (rightly) have no veto on the actual price paid by customers of merchants.
- the cost per unit: the BMF does not know what this means and - unless & until it is clarified - it is unwise to include it in the proposed database.
- registration expiry: ditto the above. the BMF does not know what this means. The unexplained implication is that "sunset clauses" are proposed and if so, this ought to be clarified - otherwise it is unwise to include it in the proposed database.

Nowhere on page 10 nor at Annex E does it say who DEFRA is proposing to administer the database, what the estimated set-up & running costs are, and how government will cover such costs. As stated earlier, the BMF does not see a compelling case for a wholly new scheme. Consequently, we firmly believe that the Unified Water Label Association be awarded this role.

Question 9: To what extent do you agree or disagree with the information we propose for the database in annex E ?

The BMF is not qualified to answer and defers to other contributors like the AMDEA or BMA.

Question 10: Should any additional information to that set out in Annex E be included in a database? [yes, no (if yes, please explain - open text)]

It is desirable for an image of the label for the product be included on the proposed database.

Requirements to Support Mandatory Water Efficiency Labelling

The BMF agrees with the sentiment (page 10) that manufacturers should not have further burdens imposed on them with extra or poorly-designed new obligation(s) such as additional testing. It is better to stick with established, well-understood standards or certifications like BSI and CEN.

The BMF notices there is no mention of either (a) the Construction Products Regulation or (b) the new UKCA marking for conformity assessment, certification & labelling of goods. As UKCA marking applies to labelling, we doubt that DEFRA has considered the inter-connection between UKCA and the proposed water label. If not, then urgent consideration within Whitehall is required (DEFRA & DLUHC) so as not to cause unintended consequences or detrimental impacts.

DEFRA is urged to look at the Water Supply (Water Fittings) Regulations 1999 to check they do not give rise to further inconsistencies or confusion - thus causing new problems for manufacturers and regulators. There is also the position of Part G of the Building Regs to consider.

Question 11: Are there any existing standards or regulations beyond those listed from pages 99-104 of the EST technical report, which you consider may have implications for the delivery of mandatory water efficiency labelling ? Please outline and provide explanation

Yes, as described above: (a) UKCA (b) Water Supply (Water Fittings) Regs and (c) Building Regs.

Setting Maximum Flow Rates for Appliances (Minimum Standards)

If maximum flow rates are introduced, which saving is sought: water, carbon or monetary ? There is also scope for fraud or tampering with products to circumvent any maximum flow rates.

Enforcement

For bathroom fittings, DEFRA is reminded of split responsibilities under the Water Supply (Water Fittings) Regulations 1999. s. DEFRA itself is the national regulator but enforcement is the responsibility of water companies. This leads to complacency and a dependency on third-party approval schemes like the Water Regulations Approval Scheme that lack sufficient capability & capacity. This will not instil much confidence in BMF members.

Question 12: Please outline the criteria which you consider the enforcement authority should fulfil, and explain your reasons ?

What offences will be looked for when conducting inspections - major or minor breaches ? A pragmatic, risk-based approach is preferable - especially where it is obvious that it was simple human error, rather than wilful intent to mislead or defraud. The BMF suggests some effort is taken to screen the proposals (before the regulations are drafted) to compile a sliding scale of possible offences that may arise and the consequences of such breaches.

For a merchant, the most likely breach will be failure to display the label in the way set out in any new regulations. If so, an improvement notice, administrative penalty, or civil sanction to rectify the problem is preferable to a prohibition notice, formal prosecution, or court order. And there must be a consistent approach to such arrangements in all 4 home nations.

One organisation should be given UK-wide responsibility for policing any water use labelling scheme. Enforcement must be rigorous and well-resourced if it is to be meaningful. The costs for government outlined in the consultation document suggest there is little or no extra resources allocated to enforcement. Under-resourcing is a cause for genuine concern among local authorities and businesses alike. For example: Trading Standards struggles to carry out many of its duties like market surveillance - yet Whitehall loads more un-funded responsibilities onto local authorities.

Overview of Enforcement Regime

The BMF awaits sight of the draft secondary legislation and the guidance on civil sanctions.

Question 13: To what extent do you agree or disagree with proposed mandatory water efficiency labelling enforcement plan ? [strongly agree, agree, no preference, disagree, strongly disagree.]

Question no answered due to insufficient information provided to offer meaningful input.

Question 14: Do you have any further comments on the enforcement plan ?

Yes - and as stated earlier - insufficient detail or reasoning on future enforcement arrangements makes it difficult to give well-informed input. What is described at the 8 bullets on page 12 does not equate to an enforcement plan in our opinion.

Adopting a consistent approach to all purchasing methods - namely in-branch and online, remote & distance selling - must be the basis of properly-resourced and well-trained enforcers.

A distinct source of future problems is the aim of aligning these proposals with energy-efficiency label enforcement. Efforts to check online compliance with today's energy label are ineffectual and not even-handed between bricks-and-mortar sellers (like merchants) and online sellers.

REDUCING IMPACTS ON THE NATURAL ENVIRONMENT

Providing buyers with clear, accurate information on the use of water by products or systems our members sell is a good thing. Behavioural changes ought then to yield environmental benefits.

Question 15: To what extent do you agree or disagree that these figures are accurate ? [strongly agree, agree, neutral, disagree, strongly disagree, don't know-no answer] Please provide any information to support your view.

Disagree.

Assumptions are being made about actual choices made by households - if they have the proposed water label in front of them at the time of buying - as against what perceived buying behaviour, perhaps based on modelling done by DEFRA or other officials.

Choices made by DIY enthusiasts - and their level of competence when doing installations or replacements - will be wholly different to those of the professional trades.

ENVIRONMENTAL, SOCIAL AND ECONOMIC COSTS

Voters do not give water a second thought unless there is too much of it (flooding) or too little (hosepipe bans). Central & local government, water companies, environmental & consumer groups, and businesses have a joint role in educating consumers that water is finite - and must be used with more consideration to conserve supply and uphold quality.

These proposals, if implemented correctly and not rushed, ought to help to lessen costs by encouraging more environmentally-responsible buying decisions. But as stated earlier, insufficient detail and unquantified factors make it difficult to give well-informed input.

Question 16: To what extent do you agree or disagree that the costs and benefits are accurate ? [strongly agree, agree, neutral, disagree, strongly disagree, don't know-no answer] Please provide any information to support your view.

Strongly disagree.

The consultation document under-estimates costs to government and industry. The Energy Saving Trust report mentioned is several years old. It is unwise to base decisions on out-of-date data.

Industry colleagues tell us the Unified Water Label's running costs are calculated as £1.9 million over 10 years. The UWL covers a narrower list of products than DEFRA proposals. Consequently, we reckon that taxpayer-funded scheme costs will exceed those of the UWL's scheme. In addition, the UWL does not conduct market surveillance or prosecutions, which must add extra costs.

The BMF firmly believes that additional costs and administrative burdens have not been properly considered by government when formulating these proposals:

- **specification costs:** costs of adapting products & packaging and providing labels to merchants to meet the proposed new regulations for both home and export markets.
- **familiarisation costs:** one-off costs to firms to familiarise themselves with the proposed new regulations - notably staff training and redesigning websites, sales catalogues, marketing literature & point-of-sale promotional materials.
- **conformity costs:** costs incurred by firms to have products assessed & verified to meet the proposed new regulations by competent authorities. They can be onerous for manufacturers where adding value is a premium - notably accredited in-house test labs or sending a higher number of products for external third-party testing.

which lead us to conclude that estimated costs in the consultation paper are incorrect and too low.

IMPACTS ON SMALL BUSINESS AND EQUALITY

Smaller Businesses

The BMF regards the claims on page 14 as naïve and wholly incorrect. It is not true to say that short-term initial costs will be minimal.

Question 17. To what extent do you agree or disagree that there is limited impact on smaller companies ? [strongly agree, agree, neutral, disagree, strongly disagree, don't know-no answer] Please provide any information to support your view.

Disagree.

Smaller businesses face disproportionately higher specification, familiarisation & conformity costs to comply with the proposed new regulations than larger companies. SMEs are less likely to have a dedicated staff for regulatory compliance purposes.

Smaller manufacturers tend to concentrate on certain plumbing & heating products or distinctive bathroom suites or kitchen units - perhaps aimed at specific price points - for example, budget items or high-end luxury goods - whereas large manufacturers have a wider range of products.

As stated on page 1, BMF merchants are the established, most efficient route-to-market for products likely to be covered by these proposed new regulations. They face higher costs to comply than national or FTSE-listed high street retail chains (esp. some names listed in Annex B).

Equality Impacts

It is sensible and very welcome to not require the removal of any product from sale. The market is dynamic and (over time) products that use a lot of water will be superseded by others that use less - and consequently achieve a more favourable rating under these proposed new regulations.

Question 18: To what extent do you agree or disagree with our assessment of equality impacts ? [strongly agree, agree, neutral, disagree, strongly disagree, don't know-no answer] Please provide any information to support your view.

Agree.

Question 19: In addition to the previous questions, is there any other information you would like to share regarding the proposed UK mandatory water efficiency labelling ?

The BMF does not know enough about water supply infrastructure systems to comment in any depth on well-documented supply pipe leaks that have a bearing on these policy proposals.

The general public is not stupid: people see the disparity between failure by Thames Water and others to fix leaks and being encouraged or compelled to act more responsibly to conserve water.

Consumers can use highly-efficient products inefficiently. We see a good case to mount a public information campaign, led by government, to accompany these labelling proposals, to educate and inform the public. But raising awareness of precious and limited water supplies ought to be done by trusted figures who are wholly separate from government. Obvious candidates are Age Concern, Mums Net, the Scouts & Girl Guides, British Trust for Conservation Volunteers, etc - as well as sportsmen & women, film & pop stars and reputable business leaders.

In addition, other tried-and-tested ways to get over water scarcity are:

- demonstrations at popular consumer shows & exhibitions such as the Ideal Home Show, Grand Designs Live and at local agricultural shows during the summer.

- demonstrations in show homes on new developments for the benefit of adjacent residents. The correlation between water and the energy used in heating & hot water systems should be made - especially as the United Kingdom is set on the road to net zero carbon emissions by 2050.

A few years ago, there were efforts to introduce a toilet scrappage scheme. With the UK suffering longer, hotter & drier summers (esp. East Anglia, Central Southern & South-East England) there may be merit in taking a fresh look at this. Toilets are the second highest source of water use in bathrooms and older models flush a huge amount of water by today's lower-volume standards.

ANNEX B: ORGANISATIONS INVOLVED IN STEERING GROUP AND WORKSHOPS

As stated on page 1, we are not pleased to have been omitted - especially given our unique place in the supply chain - and the new obligations likely to be put upon our members.

CONCLUSION

The BMF welcomes this consultation. Water is our most precious commodity. Everybody should take seriously the need to use water wisely because:

- demand is increasing due to several factors including a rising UK population
- supply is threatened on several fronts including increasing temperatures & decreasing rainfall.

Public awareness of water they use and individual behaviour change they can make is low. Whether for baths & showers - or washing clothes & utensils - using water has implications. Metering, eliminating leaks, and labelling schemes all help to project a message to consumers to make better, more informed choices when buying bathrooms, kitchens & household appliances.

As stated throughout, BMF members earn a living from making and delivering the products that DEFRA and the Devolved Administrations seek to incorporate under mandatory water labelling. We are available to discuss with ministers and officials how BMF members can play their part in conserving water and reducing demand.

The Builders Merchants' Federation Ltd
1180 Elliott Court
Coventry Business Park
Herald Avenue
COVENTRY
CV5 6UB
(024) 7685 4980
www.bmf.org.uk