New labelling to protect water supplies and cut energy bills

Taps, showers, dishwashers and washing machines could all have new water efficiency labels, in a move which will help save consumers over £270 million on bills over 10 years.

The plans, subject to a 12-week consultation launched today (2 September) by the UK Government and Devolved Administrations, will encourage the purchase of more water-efficient products and help customers manage their water and energy bills.

Based on 2019 prices, the label could save £125 million on water bills and £147 million on energy bills over 10 years, as well as 1,200 million litres of water a day — the equivalent of 480 Olympic swimming pools.

Water Minister Steve Double said:

Water is a precious resource. We want to support consumers so they can make savings without having to make significant changes to their daily lives.

These plans will help people to make the right choices to save water and reduce their energy bills.

The proposals aim to introduce a separate water label from the existing energy label for display on toilets, urinals, kitchen sink taps, bathroom basin taps, non-electric shower outlet devices and shower assembly solutions, dishwashers, washing machines and combination washer/dryers.

Hot water use is the second largest use of energy in a home after space heating. Installing a water-efficient showerhead could save an average household (2.3 occupants) 3,762 litres of water, and £17.44 off their combined utility bills per year. A family of four could save 6,468 litres and about £30 off their combined energy and water bill each year.

In 2021 alone, energy efficiency labelling and minimum performance standards led to energy bill savings of £75 for the average dual-fuel household.

David Black, Ofwat CEO, said:

This summer has highlighted the importance of water. Water labelling is a key tool, helping everybody make informed choices that can reduce their water use and bills.

Managing water demand plays a role in tackling the pressures on our water system, alongside pushing water companies to reduce leakage

and looking at new sources and water transfers to increase our future water supply. We support the proposals and look forward to seeing the outcome of this consultation.

Christine McGourty, Water UK Chief Executive, said:

The Government's proposals on water efficiency labelling are a vital step forward in reducing the amount of water we all use, and will allow customers to make informed decisions as well as save money and energy.

Alongside the work that water companies are already doing to tackle leakage from pipes, and invest in infrastructure, cutting water use will help make our water supply more resilient to the existential challenges of climate change.

The consultation launch follows a commitment from the Environment Secretary last year to introduce a mandatory efficiency label as part of <u>wider plans to safeguard water supplies</u>.

The package includes asking water companies to develop a consistent approach on fixing customer supply pipe leakage and developing a roadmap towards greater water efficiency in new developments and through retrofits.

These measures, along with the work from water companies to reduce leakage by 50%, will help meet the ambitions set out in the <u>National Framework for Water</u> <u>Resources</u> to reduce personal water consumption to 110 litres per person per day by 2050, compared with the current average of 145 litres.

This year we have witnessed the driest July across England since 1935, and since records began for the East and South East.

We have been clear water companies must take urgent action to fix leaks, and Ofwat has put in place clear financial consequences for companies that underperform on leakage. We also expect water companies to make use of smarter technology to help manage water demand and reduce leaks.

This comes alongside ongoing action to hold companies to account on sewage spills. On Friday 26 August we announced that <u>water companies will face the strictest targets on pollution from sewage</u> ever under a new plan to tackle sewage discharges in our waters.

You can respond to the consultation here.