

Amendment to the Furniture and Furnishings (Fire) (Safety) Regulations 1988

Department for Business, Innovation and Skills

RPC rating: fit for purpose

Description of proposal

The proposals would update existing regulations to include a new match test that reflects current manufacturing practice. This would reduce the cost of meeting the safety requirements in relation to the fire resistance of fabric covers. Additionally, the proposals would remove the requirement for a cigarette test in addition to the match test, possibly remove baby products from the scope of the regulations and improve traceability requirements to simplify enforcement.

Impacts of proposal

The proposals would affect UK furniture manufacturers, importers, retailers and test houses. Furniture repairers would also be affected. The impact assessment (IA) estimates that the proposed removal of the requirement for a cigarette test, in addition to a match test, would save business £7.5 million per year based on figures provided by UK furniture test houses.

The IA states that the proposed new match test would have the effect of reducing the amount of flame retardant chemicals required in cover fabrics, which would benefit manufacturers in the furniture industry. Based on sales figures, the IA estimates that 50-130 million metres of fabric are treated annually by the furniture industry.

Following discussions with industry stakeholders, the IA forecasts a 10-12.5 per cent reduction in fire retardant usage, saving businesses 12-16 pence per metre. The IA assumes that this would apply to only 40-60 per cent of furniture tested, leading to an additional saving to business of £7.5 million per year (best estimate).

The IA states that the exclusion of baby products from the scope of the regulations would reduce testing costs and flame retardant usage for manufacturers further. Based on evidence submitted by the Baby Products Association, the IA estimates further savings to business of £2.7 million per year from this.

The IA states that the new testing regime would improve consumer safety, by closely reflecting the practice today of furniture manufacturing (e.g. including a fibre wrap, which increases the likelihood of ignition and addresses weaknesses in the current regime). In addition, it states that there would be public health benefits from the reduction in the use of flame retardants.

The IA identifies a range of one-off costs. The proposals are expected to generate familiarisation costs for 9,300 furniture manufacturers, retailers, importers and repairers. The IA estimates that this would entail eight hours of a manufacturer/importer, or retailer, employee's time at an hourly wage (uprated for non-labour costs) of £11.62 and £12.99 respectively, giving a total cost of £1 million.

The IA states that the proposals would require additional administrative costs for manufacturers and importers who would have to keep more information on products that they manufacture or import. The IA estimates that this would require an additional 16 hours of administrative time for changing systems to collect and retain this information, which would involve a further one-off cost of £1 million. There may be costs during the proposed transition period of 24 months for manufacturers who would not normally test fabrics. The IA estimates a one-off cost of £0.6 million for such re-testing of fabrics outside the normal testing cycle.

The IA states that there would be ongoing costs for 5,300 manufactures and importers who would be required to retain more product and supplier information for a longer period of time (ten years instead of five) than at present. The IA estimates these additional administrative costs would be equivalent to 48 hours of administrative time per year, costing business £3 million.

Quality of submission

In 2015, the Department consulted stakeholders on a version of the new testing regime. Due to lack of consensus and industry concerns, a number of changes have been made to the original proposals.

The IA provides a good analysis of the impacts of the proposals and provides monetised estimates and sensitivity analysis where appropriate. The Department should test these estimates further through consultation in order to strengthen, at the final stage, the robustness of the estimates of the likely impact on business. The IA would benefit from further discussion of how the estimated £7.5 million saving to business from eliminating the cigarette test is calculated, and further explanation of the 40-60 per cent assumption for the number of businesses that would benefit from the reduction in usage of flame retardants, including whether this assumption includes businesses that manufacture baby products, and an assessment of the risks of excluding baby products from the scope of the regulations.

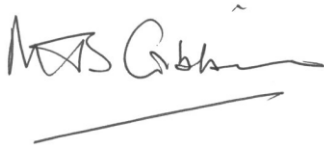
The IA would, at the final stage, benefit from an assessment of possible impacts on small and micro businesses that provide specialised services, such as reproduction or bespoke furniture, and furniture repair including refurbishment work in catering venues, cinemas, hotels etc.

Departmental assessment

Classification	Qualifying regulatory provision (OUT)
Equivalent annual net cost to business (EANCB)	-£14.17 million
Business net present value	£123.93 million
Societal net present value	£123.93 million

RPC assessment

Classification	Qualifying regulatory provision (OUT)
Small and micro business assessment	Not required (deregulatory)



Michael Gibbons CBE, Chairman