

Study shows 16.5% reduction in water consumption after introduction of metering

By Julie Cantalou | Published September 22, 2015



Kindly hosted by Royston Smith MP this well attended event publically launched the findings of Professor Mirco Tonin and Professor Carmine Ornaghi's study into "The Impact of Price and Information on Water Consumption" produced in partnership with [Southern Water PLC](#) and funded by the ESRC (grant: ES/K01210x/1)

Professor Ornaghi presented the key findings of the study outlining the substantial drop in water usage in properties within the Universal Metering Programme (UMP) area beginning with demonstrating that the average household usage had decreased by 16.5% since the meters installation. Professor Ornaghi went on to explain that the behavioural response of consumers during roll out of the UMP was influenced by Southern Water's programme of raising ecological awareness of consumers, suggesting simple ways to cut water usage through household visits as well as promotional information and through the introduction of colour coded bills on a more frequent basis. For further information and data refer to our [policy brief](#).



A panel of experts including former DEFRA Under Secretary of State, [Richard Benyon MP](#), Simon Oates, Head of Strategy for [Southern Water](#), Jacob Tompkins, MD of [Waterwise](#), Trevor Bishop, Deputy Director of Water, Land and Biodiversity at the [Environment Agency](#) and Professor [Michael Price](#), Associate Professor in Economics at Georgia State University responded to the presentation by [Professor Ornaghi](#).

Richard Benyon MP made clear his support for the leadership and pioneering spirit of Southern Water in implementing the UMP. He underlined the challenge of current and future water scarcity in the South of England. He noted that average water usage in London is 165 litres per person per day whereas in Berlin it is 105 Lpppd.



In order to make the most of the resources available behavioural change will be needed through measures such as the Green Doctors scheme and the increased levels of information being provided to the consumer.

Trevor Bishop, Deputy Director of Water, Land and Biodiversity at the Environment Agency noted with pleasure that Southern Water was at the vanguard in 2010 by demonstrating the leadership needed in the sector to deliver reduced usage, on an affordable basis with the consequential environmental benefits that follow. He noted that 6% of the UK's carbon footprint is associated with water and a very large proportion of that 6% is due to water usage in households. By successfully managing down water demand there are significant benefits to the environment as well as to individual consumers' costs.

Jacob Tompkins, MD of Waterwise, spoke passionately about the benefits of the social and environmental engagement programme implemented by Southern Water throughout the UMP which led to very high customer acceptance of water meters. He praised the work of the University of Southampton in producing the first new dataset and comprehensive study on water consumption in the UK in 30 years that would allow further analysis of usage to take place.



Looking to the future Jacob threw down the challenge to Southern Water of integrating real time usage data from the next generation of water meters directly to consumer by putting consumers in control of their usage. Through gamifying water consumption between consumers and moving away from the current infrequent billing he felt that further significant reductions in usage were achievable.

Professor Michael Price spoke about the complexities of the challenge of managing water demand including the infrequency and aggregate nature of billing. The introduction of smart meters now provide consumers with more frequent information on total use allowing consumers to make more informed decisions on their usage. Prof Price drew comparisons between water sector and the energy sector where technological innovation has created breakdowns on individual items energy usage giving consumers further information about how best to reduce their

usage. He called upon policy makers to rethink the nature of the good itself. Not conceiving water as a right or entitlement would in his view make it easier to regulate the market for water and potentially improve the way it is managed.

Simon Oates discussed the importance of succeeding in the market leadership role which Southern Water took on in 2010 both in the interest of its customers and shareholders. Southern Water did this by successfully making the ecological case through promotional literature, by providing its customers with increased information about their usage and by making the link between water usage and energy consumption. In highlighting to its customers that 30% of energy costs in the home were directly linked to heating water, Southern Water successfully built the case that a reduction in water usage would result in the reduction in overall energy costs. In addition to making the case for reduced demand Southern Water then used their Green Doctors programme to retro fit various devices to their customer's properties to help reducing their water usage which further contributed to the reduction in water demand.

Gareth Giles

- See more at: <http://publicpolicy.southampton.ac.uk/study-shows-16-5-reduction-in-water-consumption-after-introduction-of-metering/#sthash.2qLsBRQY.dpuf>