



# Future Customer Research Portsmouth

21 March 2023



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# WELCOME & WHO IS IN THE ROOM?

2



You!

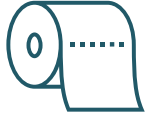


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Olivier Boelman  
Jane Brewis



Adrian Srodek  
Matthew Hamilton



Toilets



Fire exit / alarms



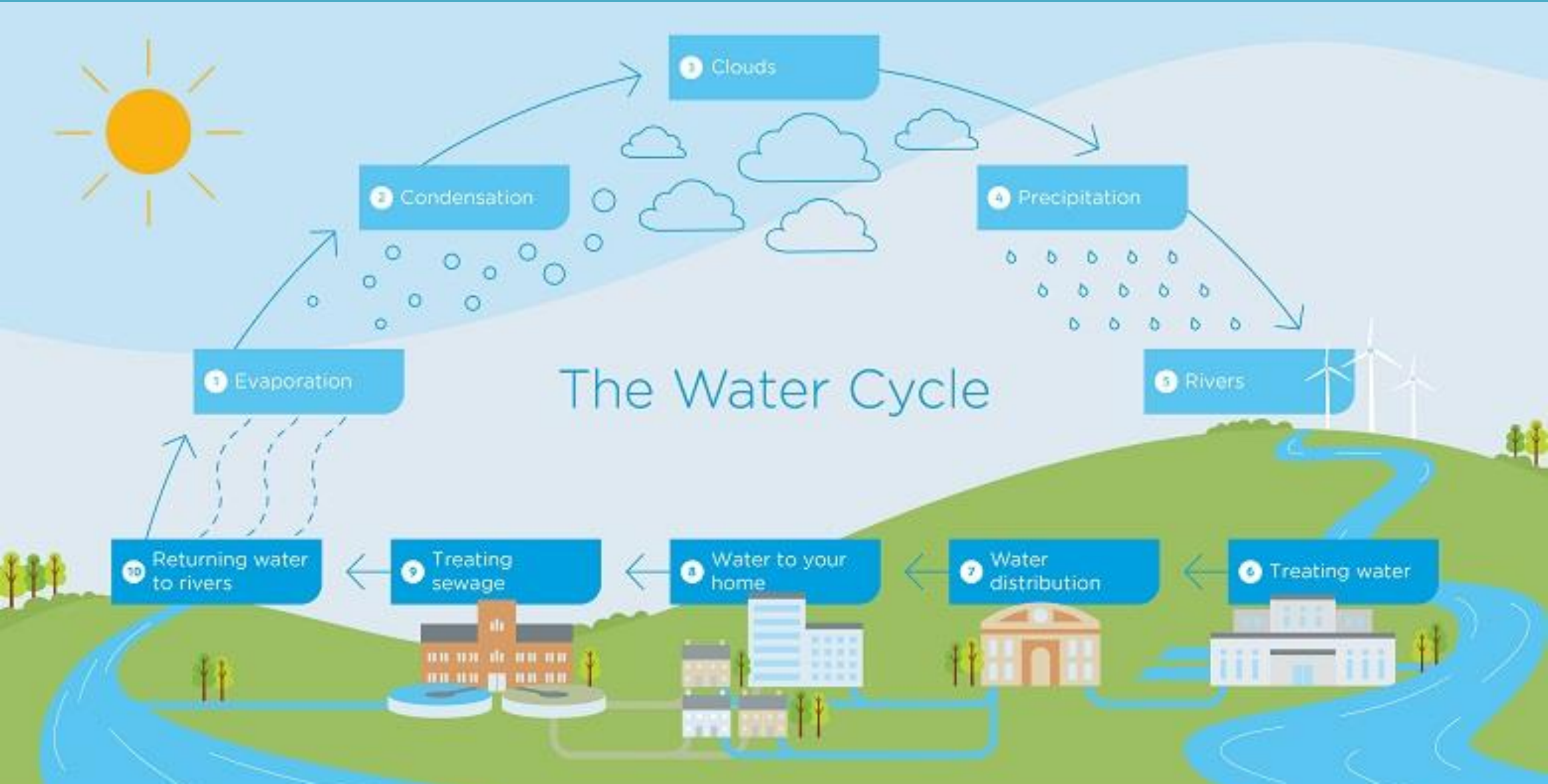
Phones off or on silent please



It's absolutely fine to disagree - but  
please respect other people's views



# SERVICES PROVIDED BY WATER COMPANIES



# CHALLENGES FACED BY WATER COMPANIES



**Protect & enhance environment**



**Reducing demand for water**



**Fast track to net zero**



**Rising sea levels**



**Climate change**



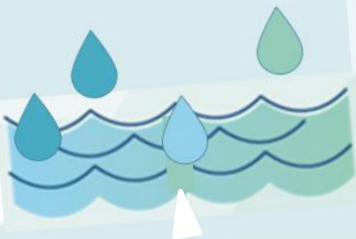
**Urban development**



**A growing population**



**Cost of bills**



**New water sources**



**Intensive agriculture**



**Ageing infrastructure**



**New government policies**



# WATER COMPANY BUSINESS PLANNING

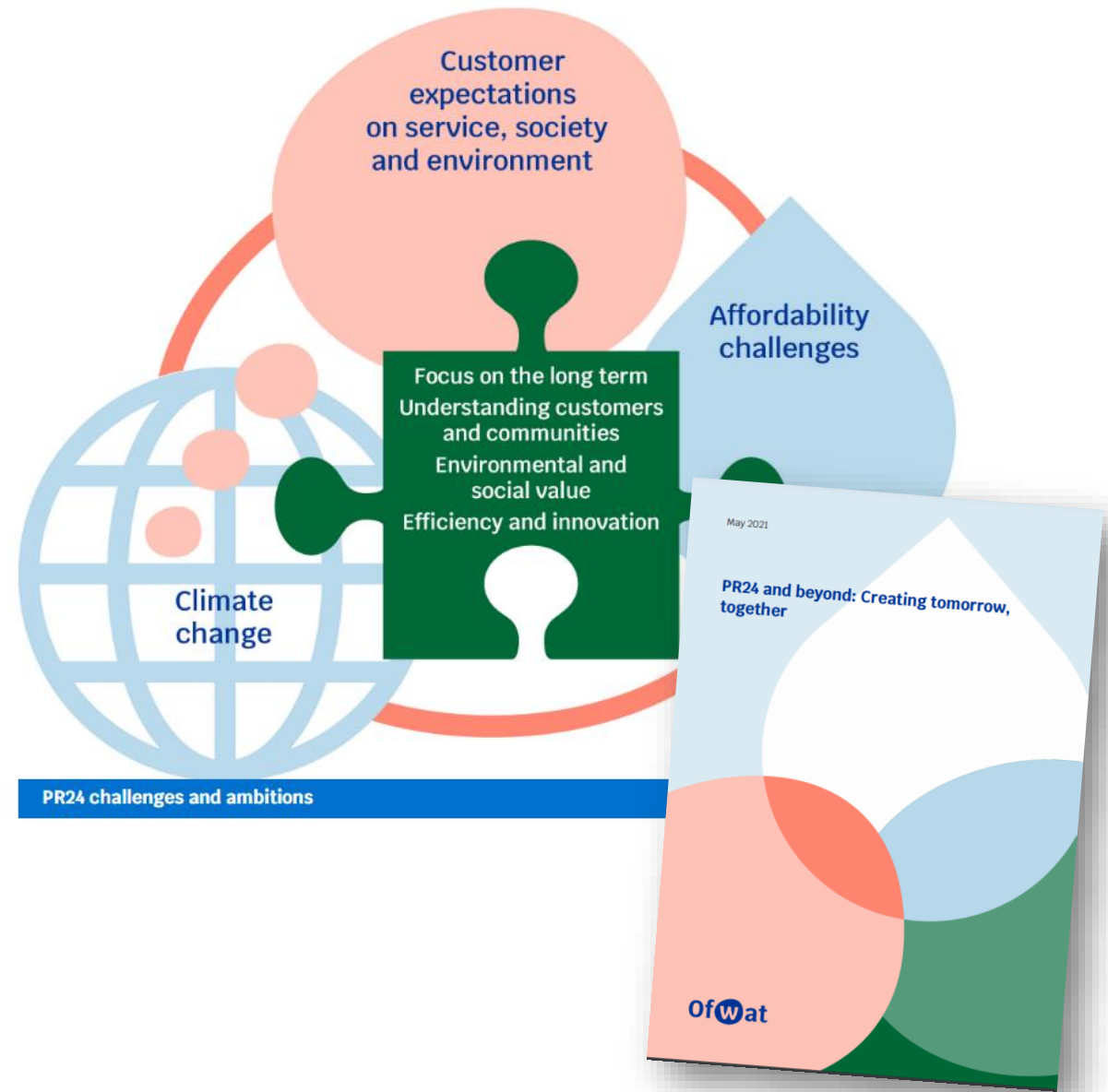
**Ofwat requires all water companies to submit their plans for the future**

- 5 year cycles
- Next submission date in October 2023

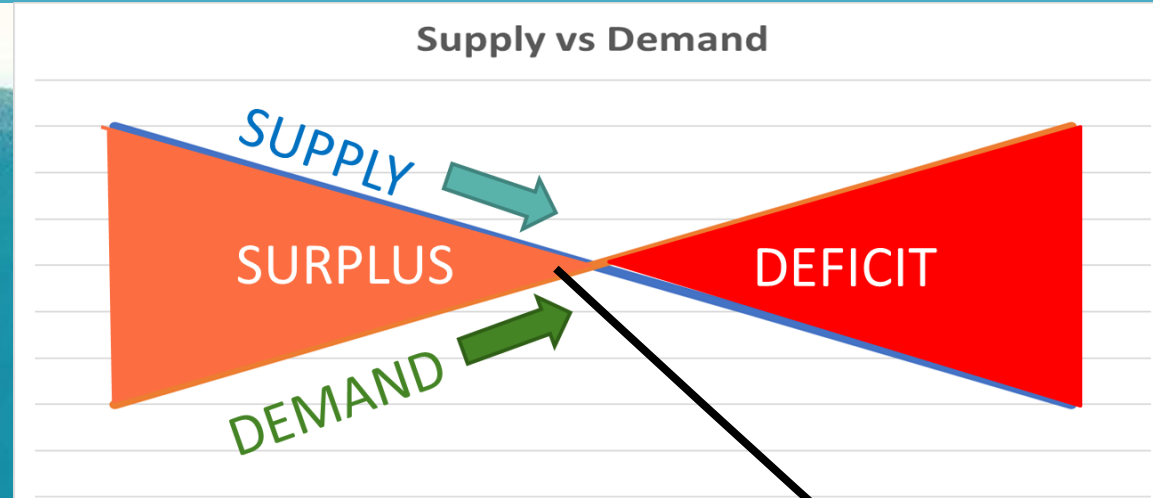
**Portsmouth Water is currently putting together its plan for 2025 - 2030. Key aims:**

- Support customers
- Ensure resilience
- Protect the environment

**Your feedback will help shape how Portsmouth Water supports its customers in future**



# WATER SUPPLY VS DEMAND



*"The point at which, unless we take action to change things, we will not have enough water to supply our needs"*  
(CEO of Environment Agency).

**WE ARE  
HERE**

# BENEFITS OF REDUCING LEAKAGE

## **Benefits of reducing leakage**

- More clean water available to meet demand
- Lower environmental impact on rivers as less water abstracted
- Smaller carbon footprint as less water abstracted, treated and pumped

## **Portsmouth Water is committed to halving leakage by 2050**

- Reduce water lost from 32M litres/day in 2017-18 to 16M litres/day by 2050
- 16M litres is enough water to supply Bognor Regis for a day

## **However, finding and fixing leaks is expensive**

- Portsmouth Water need your input to decide how quickly to halve leakage





# TIMESCALES FOR REDUCING LEAKAGE

## Low investment: Meeting our commitments



Reduce leakage by **50% by 2050.**

**PROS:** this is the cheapest option and is in line with government's expectations and our WRMP.

**CONS:** we won't meet our Vision and it means more water will be lost compared to other options.

The total cost over 25 years is **£157 million.**

This option doesn't increase total bills.

This option costs £0

## Medium investment: Maintaining or enhancing our services



Reduce leakage by **50% by 2045.**

**PROS:** this is less expensive than our Vision and saves more water than waiting until 2050.

**CONS:** we won't meet our Vision and it's more expensive than waiting until 2050.

The total cost over 25 years is **£167 million.**

The average increase on bills per year is **£0.40** which means bills will increase by **£2** over five years.

This option costs £0.40 each year

## High investment: Achieving our Vision



Reduce leakage by **50% by 2040.**

**PROS:** we achieve our Vision. You've told us reducing leakage is a big priority.

**CONS:** this is the most expensive option.

The total cost over 25 years is **£178 million.**

The average increase on bills is **£0.55** which means bills will increase by **£2.75** over five years.

This option costs £0.55 each year



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# WATER METERS

## Impacts of water meters:

- Encourages water saving by making customers more aware of usage through real-time monitoring
- Reduces wastage by making it easier to identify leaks
- Makes bills fairer, as all customers pay for what they use
- May cause short-lived installation disruption in streets

## Penetration of water meters is low in the Portsmouth region

- Just over 1/3 of Portsmouth Water customers have water meters – a lower proportion than most other areas in the South East
- Very few customers have smart water meters

## Portsmouth Water intends to increase the proportion of customers with water meters:

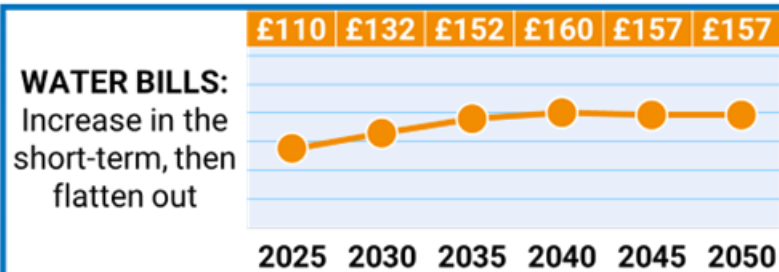
- By 2035, they will install 200k+ smart meters and by 2040, they will replace existing meters with smart ones, totalling 94% penetration
- Will help reduce water usage by 12%
- Will cost £2 million per year on average from 2025



# FUTURE BILL OPTIONS AND WHAT THEY MEAN

## Option 1

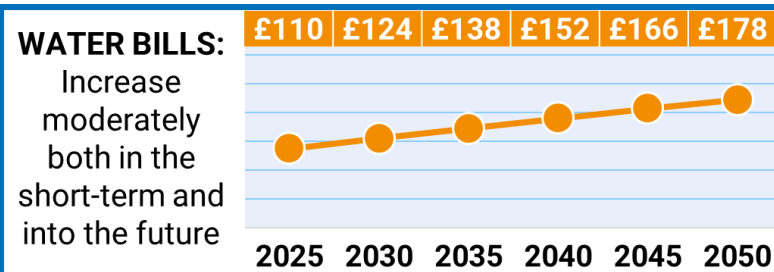
Bills increase in the short term then flatten out. Compared to the other options, more investment is paid for by current customers and less is paid for by future customers



**WHAT THIS MEANS?** Compared to the other options, more investment is paid for by current customers, and less is paid for by future customers.

## Option 2

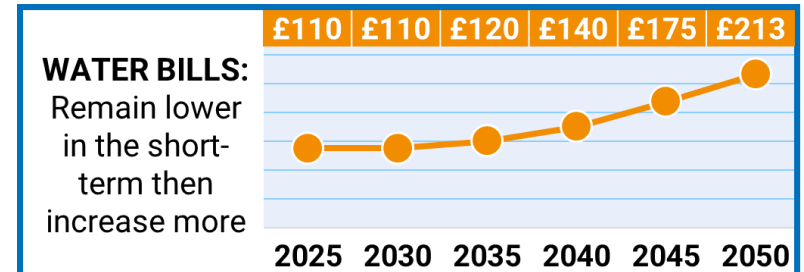
Bills increase moderately both in the short term and into the future. Compared to the other options, investment is paid for more evenly by both current and future customers.



**WHAT THIS MEANS?** Compared to the other options, investment is paid for more evenly by both current and future customers.

## Option 3

Bills remain lower in the short term, then increase more. Compared to the other options, less investment is paid for by current customers and more is paid for by future customers.



**WHAT THIS MEANS?** Compared to the other options, less investment is paid for by current customers, and more is paid for by future customers.



# WRAP UP

- Any questions?
- Please make sure you have left your payment details
- Thank you very much for all of your input today!







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