

Local Government Association briefing
Digital Economy Bill
House of Commons Public Bill Committee
Thursday 20 October 2016



Briefing

KEY MESSAGES

- **We support Amendment 84 to Clause 3** tabled by Louise Haigh MP and Kevin Brennan MP which would see this Bill include a specific obligation for providers to fix faults with connections within appropriate timescales. We expect the Government to lay this down in secondary legislation and as an example of an appropriate timescale, Ofcom compel Openreach as a minimum over the course of a given year to complete “around 80 per cent” of fault repairs within two working days of being notified.¹
- **We support Amendment 60 to Clause 3** tabled by Calum Kerr MP which would require a communications provider to allow an end-user to terminate a contract on repeatedly failing to meet a specific standard or obligation. At present, broadband providers can voluntarily agree to sign up to a Code of Practice that commits them to allowing customers to cancel a contract should their download speed fall consistently below a pre-agreed standard. We agree this protection for consumers should be in statute.
- **We support New Clause 10** tabled by Louise Haigh MP and Kevin Brennan MP which would ensure an open procurement process is held in respect of the allocation of the USO. We have called for the USO to be delivered by multiple providers, split across regions, to ensure competition at a local level. We agree that any procurement process should be as open and transparent as possible.
- The provisions set out in **New Clause 26** tabled by the Minister of State for Digital and Culture, Matt Hancock MP would ensure that courses of study for qualifications in information technology are free of charge for persons in England aged 19 or over. The Government’s commitment to upskill people with basic digital skills training is a step in the right direction. Any new training requirements should be matched by additional funding from central Government. The courses should also be locally routed and commissioned.

FURTHER INFORMATION ON KEY CLAUSES

We support Amendment 84 to Clause 3 tabled by Louise Haigh and Kevin Brennan MP

This would see this Bill include a specific obligation for providers to fix faults with connections within appropriate timescales.

Access to fast and reliable digital connectivity is a necessity for households and businesses in the UK, enabling them to utilise online services such as bill payments and online shopping, to access public services such as telehealth care and filing electronic tax returns. This amendment would go some way to preventing residents and businesses suffering from long term broadband outages.

¹ <https://www.ofcom.org.uk/about-ofcom/latest/media/media-releases/2014/famr-statement>

We expect the Government to lay this down in secondary legislation and as an example of an appropriate timescale, Ofcom compel Openreach as a minimum over the course of a given year to complete “around 80 per cent” of fault repairs within two working days of being notified.²

We support Amendment 60 to Clause 3 tabled by Calum Kerr MP

This would require a communications provider to allow an end-user to terminate a contract on repeatedly failing to meet a specific standard or obligation.

At present, broadband providers can voluntarily agree to sign up to a Code of Practice that commits them to allowing customers to cancel a contract should their download speed fall consistently below a pre-agreed standard. We agree that mobile providers should be held to a similar standard, ideally in statute.

We support New Clause 10 tabled by Louise Haigh MP and Kevin Brennan MP

This would ensure an open procurement process is held in respect of the allocation of the USO. We have called for the USO to be delivered by multiple providers, split across regions, to ensure competition at a local level. We agree that any procurement process should be as open and transparent as possible.

The provisions in New Clause 26, tabled by the Minister of State for Digital and Culture, Matt Hancock MP, should be matched by additional funding from central Government

We understand that this amendment relates to the Government’s recent announcement that publicly-funded basic digital skills training will be offered free of charge to adults in England who need it.³ Courses will be delivered by colleges and other adult education providers, and training will be funded from the existing Adult Education Budget (AEB).

The Government’s commitment to upskill people with basic digital skills training is a step in the right direction. It is right that everyone has the opportunity to play an active economic and social role in an increasingly digital society. However, it is crucial that the Government is clear on how it will be funded, as resources are limited. Councils are working hard to support adults with their skills needs and are working with colleges and other training and employment providers to create a more coherent employment and skills system to meet local economic needs. Given this, any new requirements should be matched by additional funding from central Government. The new training requirement should be also locally routed and commissioned.

The AEB is already the result of three reduced and consolidated funds and is being progressively devolved to combined authorities. With a funding envelope of £1.5bn a year across England, statutory entitlements already account for £0.5bn. Devolution suggests a greater role in determining how the AEB money will be spent locally, but areas need maximum freedom and flexibility to determine this.

For many local areas, the AEB is likely to be stretched, particularly in areas with high unemployment and low skills levels where a large proportion of the budget will be spent on statutory entitlements such as Maths and English and ESOL

² <https://www.ofcom.org.uk/about-ofcom/latest/media/media-releases/2014/famr-statement>

³ [DCMS Press release, 'Government plans to make the UK one of the most digitally-skilled nations', 1 October 2016](#)

programmes as part of the statutory entitlements to prepare people for life and work. Many areas are concerned how much will be left from AEB once entitlements are accounted for. Additional separate funding for the new digital inclusion requirement is essential and should be added to the AEB. It should not be funded through existing limited resources.

Local authorities are involved in trials to support their residents through DWP's 'Universal Support delivered Locally' to enable residents to become digitally included so they are in a position to access Universal Credit online. It will be important to learn lessons from these to understand the costs involved.