

Digital connectivity and inclusion

Purpose of report

For discussion.

Summary

This paper provides an overview of recent policy and public affairs activity relating to digital connectivity and inclusion and proposes a digital work programme for the 2022/23 board cycle in this area, subject to approval from the Board.

Recommendations

Members are invited to:

- **Note** recent policy and public affairs activity in relation to digital connectivity and inclusion in the 2021/22 board cycle.
- **Discuss** the proposed 2022/23 work programme with Cllr Mark Hawthorne, the LGA's Digital Champion, including:
 - A joint digital champions event
 - Media and support work on the digital switchover
 - A future discussion about mobile and broadband affordability
 - Research and future activity on digital inclusion.

Action

- Following the discussion between Board Members and Cllr Hawthorne, officers will continue with the 2022/23 digital work programme as set out above.

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Digital connectivity and inclusion

Background

1. Through the 2021/22 board cycle officers took forward public affairs and policy work relating to digital connectivity and inclusion, working with the LGA's digital champion Cllr Mark Hawthorne.
2. In the 2021/22 board cycle the LGA [responded](#) to a Westminster Hall Debate on digital inclusion, responded to the National Infrastructure Commission's baseline report call for evidence, submitted evidence and subsequently [responded](#) to a Public Accounts Committee report into Project Gigabit which had [wide coverage from news outlets including the BBC](#), and met with the head of regional tech policy at DCMS. We also [responded](#) to the Levelling Up White Paper target for the UK to have nationwide gigabit-capable broadband and 4G coverage by 2030. We shared a [press response](#) to the Government's announcement of eight pilot areas to speed up 5G rollout and Cllr Hawthorne gave an interview at the end of February to the BBC about the gigabit capable broadband rollout. We also issued a [press release](#) in response to the Government's announcement of a change in the planning laws to increase the use of permitted development rights in relation to the size of mobile masts and responded to a Public Accounts Committee inquiry on the delayed broadband rollout and gambling reform. The LGA is well positioned to build on its media profile to be even more visible across the 2022/23 Board cycle.
3. On 7 September 2022 it was announced Julia Lopez would be appointed Minister of State at the Department for Digital, Culture, Media and Sport (DCMS). Julia was previously Minister of State at the department between September 2021 and July 2022.
4. A well-attended session was held at the LGA's annual conference on 29 June 2022 exploring 'Levelling Up: The Role for Digital'. The session was chaired by Cllr Hawthorne and speakers included Selaine Saxby MP, Phil Swan from Greater Manchester Combined Authority, Helen Milner from Good Things Foundation and Aruj Haider from Westminster City Council.
5. Speakers highlighted the scale of the challenge of digital exclusion. For example, in Greater Manchester 450,000 people are digitally excluded and 700,000 are digitally marginalised in some way. Supporting everyone in the UK to be digitally included would bring 21 billion pounds to the UK economy. Initiatives to tackle digital exclusion were discussed such as Good Things Foundation's [three year strategy](#) and Westminster's community digital ambassadors, voucher schemes and accelerator programmes. Speakers highlighted the need to reach a point where every community has a place where local people can go to access help to use the internet, everyone has access to free or affordable devices and connectivity, and every citizen feels able and safe in the digital world.

6. The next section of this paper draws on discussions with Cllr Hawthorne to set out four proposed areas the Board might like focus on as part of the LGA's 2022/23 digital work programme. These areas include continued policy work around digital connectivity, the implications of upgrading infrastructure, digital and the cost-of-living crisis, and a new piece of commissioned work on digital exclusion.

Board cycle 2022/23

Digital Connectivity

7. The Board has a good track record lobbying on digital connectivity as demonstrated in the success of the Superfast Broadband Programme, where councils were the centre of delivery having committed £740 million to extending connectivity to the hardest-to-reach areas.
8. Rural areas face specific challenges. According to [Ofcom Connected Nations 2021 report](#) 83 per cent of rural areas in the UK have access to superfast broadband connection compared with 98 per cent of urban areas. 12 per cent of micro and small businesses in rural areas are unable to receive decent broadband from a fixed line compared with only 1 per cent of micro urban businesses and 3 per cent of small urban businesses. The 4G coverage of operators outside rural premises ranges from between 93 and 97 per cent whereas each operator serves more than 99 per cent of urban premises. At the same time rural data usage continues to grow more rapidly, up 42 per cent on the previous year.
9. Officers continue to keep a watching brief on issues around digital connectivity. The proposed changes to the electronic communications code (ECC) are laid out within the Product Security and Telecommunications Infrastructure Bill which is currently at report stage going through the House of Commons. Government recently [published the outcome](#) of a consultation into street manager and permit schemes.
10. Officers regularly attend the Association of Directors of Environment, Economy, Planning and Transport (ADEPT) digital connectivity working group meetings to ensure the LGA is aware of any concerns from the sector, and the LGA representatives sit on the [Digital Connectivity Forum](#) – the Government's primary advisory group on the provision of seamless digital connectivity (formerly known as the Broadband Stakeholder Group). The LGA's place on the forum is an opportunity for Cllr Hawthorne and officers to engage with a range of organisations including Virgin, BT, Tech UK, TalkTalk, Vodafone, Ofcom and DCMS on a regular basis.
11. The Board has long called for further funding from Government for digital connectivity champions to help co-ordinate delivery locally. Mobile UK, the membership body of UK mobile operators, now echoes these calls having recently published research calling on

Government to [fund local authority digital champions](#). The LGA partnered with Mobile UK in July 2022 to hold a webinar 'Building Mobile Britain: The Case for Local Authority Digital Champions'. In addition to this Cllr Hawthorne has attended a meeting with the ADEPT Digital Connectivity Officers Group to discuss the role of digital champions and has met with County Councils Network and District Councils Network to gather further support for the proposal. LGA officers have since met with Openreach to gain support from a broadband perspective, too.

12. It is proposed the LGA holds a joint event with CCN, DCN, Mobile UK and Openreach in the autumn to highlight calls for fully funded digital champions in every local authority and the importance of the role. This will be a key ask of the new minister, Julia Lopez, and officers are in contact with DCMS to ensure a representative from the department will attend the event.

Implications of upgrading infrastructure

13. The planned integration of all analogue lines (also called public switched telephone network or PSTN) to digital internet-based infrastructure will see operating analogue-based products completely phased out by 2025 and replaced with an all-digital network. Telecare devices such as personal alarms and fall detectors are largely analogue products putting the 1.7 million people who rely on technology enabled care at the most risk.
14. This continues to be cause for concern impacting on both council infrastructure as well as services for residents. Officers have been working with teams across the LGA to support councils with the switchover and lobby DCMS on the issue. The LGA recently published a [digital switchover hub](#) on its website providing background to the switchover, answering FAQs and sharing useful resources for councils. A [local government digital switchover working group](#) was formed in March 2022 and has representatives from each region of England to discuss challenges, hear from invited speakers and share good practice.
15. While the PSTN switchover is an industry-led process, the LGA is asking DCMS to coordinate the multiple bodies involved with the switchover. Coordination and accountability will be vital to align communications messaging and ensure sectors and consumers, including people who access care and support, are protected, and prepared for the upgrade process. The four areas the LGA believe DCMS should be better coordinated are safe data sharing, funding, communications support, and the central testing platform.
16. In a similar vein, an agreement between government and mobile network operators saw Vodafone, EE, O2 and Three UK agree a national plan to phase out all existing 2G and 3G services by 2033. Vodafone have announced they will be switching off their UK 3G network by the end of 2023, and EE and Three by 2024. 2G is still widely used in Smart Meters and other internet-connected devices (also know as 'Internet of Things' or IoT

devices) and remains a fallback for predominantly voice-only calling in rural areas. Where a customer only has access to an older 3G-only device Three have said they 'will work with customers to ensure they stay connected'. However, it is not clear how this will work in practice. It is concerning that the switch-off will impact disproportionately on older people as well as low-income households who are unable to afford smartphone technology.

17. Officers have commissioned a digital switchover readiness survey to assess how prepared councils are for the switchover. Once results from the survey have been collated, it is proposed they are used in three ways: to accompany a press release highlighting the scale of the challenge; to enable the LGA to provide better targeted support to councils; and to inform a meeting with the new minister highlighting the LGA's key asks as outlined in paragraph 11. We will be writing to Julia Lopez highlighting our concerns about the switchover and asking for a meeting with Cllr Hawthorne. Officers will also use the meeting to highlight concerns about the 2G/3G switch-off and lack of plan to support those most in need.

Cost of living crisis

18. The rising costs of fuel, food and other essentials are combining with existing disadvantage and vulnerability within communities to put many households at greater risk of both immediate hardship and reduced opportunity and wellbeing. Almost six million households are struggling to afford essential communication services such as mobile phone, broadband and landline as the cost-of-living crisis worsens.
19. Tackling digital poverty will provide vulnerable groups across society with better access to key services including housing provision, employment services and healthcare information, with World Health Organisation figures showing being cut off from the digital landscape is linked to poorer health and lower life expectancy. This, in turn, will improve the economic and social prosperity of communities. There are two main routes to do this: reducing VAT and introducing social tariffs.
20. VAT rates on broadband currently sit at 20 per cent compared with 5 per cent for other utilities. Additionally, all utilities other than broadband are included on the benefits system, despite it being hard for people to find work without online access. Which? has recently [urged Government to reduce VAT](#) on household telecoms bills to 5 per cent in line with other essentials. Research shows if the rate of VAT on broadband was reduced to the same 5 per cent as charged on other essential services it would amount to a difference of around £2.1 billion per year. Cutting VAT would result in an untargeted saving which would have little benefit to the wider digital inclusion agenda. Instead, a reduction could be replaced with a social levy to support households with equitable access to broadband and provide digital skills training.
21. In August, Government committed to encourage social tariffs to help reduce broadband bills for millions of low-income households. They [announced](#) a new service going live in

August 2022 and run by the DWP to allow internet service providers to verify whether consumers are in receipt of a relevant benefit and therefore eligible for extra financial support. Government has also called on all broadband providers to offer and promote social tariffs – discounted broadband and mobile deals for people on Universal Credit and other benefits – as only 1.2 per cent of those eligible have taken advantage of such package to date. Officers have met with the Shadow Secretary of State for digital, Lucy Powell's team, to understand Labour's views on digital and the cost of living.

22. There is an opportunity for the LGA to shape the debate around mobile and broadband affordability and social-tariffs and cuts to broadband VAT might be areas the board wishes to explore further over the upcoming cycle.

Digital inclusion

23. At the Board meeting in March 2022, members agreed for the Board to expand its work to cover digital inclusion which will be crucial to addressing social and economic inequalities and levelling up every community.
24. Rural areas face specific challenges associated with being excluded from accessing digital services and products. In 2019 Ofcom figures showed only 18 per cent of over-75s used smartphones compared with 95 per cent of 16- to 24-year-olds. Rural areas, which have an older-than-average population, feel this challenge most acutely. Due to poorer transport networks in rural areas and longer distances to delivery venues it can be more difficult and expensive for people to access outreach venues such as libraries and community venues. Additional challenges associated with disability, older age and low income are compounded in rural areas. Tinder Foundation's Rural Action Research found under represented groups living in rural areas are more likely to suffer from increased social isolation.
25. Following a steer from members, officers have commissioned a piece of work to help inform the LGA's lobbying positions related to the scale of the challenge of digital exclusion, its link to digital infrastructure, and the role of local government in supporting the agenda. First, the provider will explore the intersection between digital infrastructure and digital inclusion and examine the extent to which the Government's mobile and broadband rollouts have failed to address digital exclusion. Second, the provider might quantify the impact of the disadvantage looking at a few chosen areas. A final report will draw on the provider's research and will evidence the intersection between digital infrastructure and inclusion, the scale of the challenge for different communities, and recommendations for Government about how councils can be the link to make infrastructure rollouts more equitable and inclusive.
26. The commissioned work will run from October 2022 to January 2023 and will help strengthen the board's future lobbying around digital exclusion. Officers will keep board members updated with progress and invite the provider to a future board meeting to discuss the work with members.

Next steps

27. Members are invited to:

- **Note** recent policy and public affairs activity in relation to digital connectivity and inclusion in the 2021/22 board cycle.
- **Consider** the proposed 2022/23 work programme as outlined by Cllr Mark Hawthorne, the LGA's Digital Champion.

28. Subject to feedback from Board Members, officers will continue with the 2022/23 work programme.

Implications for Wales

29. Digital infrastructure policy is a devolved responsibility.

Financial Implications

30. The Board's activities are supported by budgets for policy development and improvement. The research will be funded from the Board's budget for policy development.