

PLYMOUTH CITY COUNCIL

Subject: Digital Exclusion
Committee: Growth and Prosperity Overview and Scrutiny Panel
Date: 8 May 2013
Cabinet Member: Councillor Evans
CMT Member: **Anthony Payne, Director of Place**
Author: **Sheldon Ryan, Senior Economic Development Officer, Economy, Enterprise and Employment team.**
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Ref:
Key Decision: No
Part: I

Purpose of the report:

This report explains the wider impacts of broadband connectivity, in particular the problem of digital exclusion, defined as individuals who are unable or unwilling to engage with the web and (for the purposes of this report) also those who have ICT skills which put them at a social and/or economic disadvantage. The report explains the impacts of digital exclusion and the wider drivers that are currently adding urgency to this agenda. The report explains the geography of exclusion in the City and what Plymouth City Council, through the Economy Enterprise and Employment team are doing to address the problem in Plymouth.

A new project entitled Plymouth Get IT Together is being launched. Plymouth City Council is investing £45K over 3 years which has brought in co-funding of £300K. The project will coordinate and complement existing activities to create an increase in the number of regular internet users in the city and in doing so create positive impacts for employability, skills, education, equality and improve levels of engagement and transparency in public services. In conclusion the report recommends that digital inclusion is proactively dealt with on an ongoing basis in order for the City to tackle deprivation, mitigate against risks associated with welfare reform and achieve the objectives of the Local Economic Strategy.

Corporate Plan 2012-2015:

Delivering Growth – Broadband is a widely recognised driver for business growth, competitiveness and as an inward investment asset.

Raising Aspirations – The internet is causing a revolution in education and is a conduit to unlimited knowledge, communication and collaboration.

Providing Value for Communities – Increased broadband uptake will facilitate the shift from face to face to online public service provision thus increasing the democratisation, quantity and quality of service provision. The web also has the power to enable the step changes in cost efficiencies necessary to address the current budget challenges faced by the public sector.

Reduce Inequalities – Increasing web usage is a major opportunity to increase equality and fairness.

Implications for Medium Term Financial Plan and Resource Implications: Including finance, human, IT and land

The Digital Plymouth programme is coming to the end of its one off funding pot which was allocated 18 months ago and will require regular funding in order to continue to deliver against the digital objectives of the city, which include digital inclusion. At present there is staffing time provision of 0.25 FTE dedicated to this area which includes management of the Plymouth inclusion project.

Other Implications: e.g. Child Poverty, Community Safety, Health and Safety, Risk Management and Equality, Diversity and Community Cohesion:

The project impacts on the Child Poverty Agenda and there are links into this agenda within Plymouth City Council through the Chief Executive's Department.

The project helps to mitigate against the risks associated with the transition to the new welfare reform regime and links with Welfare Reform Group in the Plymouth City Council Social Inclusion Unit.

The project focusses on equality and diversity and community cohesion and is linked with the Plymouth City Council Neighbourhood Regeneration Team and the Social Inclusion Unit.

Recommendations & Reasons for recommended action:

It is recommended that the Panel records its strong support for this project and welcomes collaboration across the city. Also, that this project is not viewed as a panacea to the problem of digital exclusion but that digital literacy and web usage are recognised more widely as part of the remedial activity necessary to overcome deprivation, low skill levels and employability in the city.

Alternative options considered and reasons for recommended action:

Background papers:

Sign off:

Fin		Leg		HR		Corp Prop		IT		Strat Proc	
Originating SMT Member											
Have you consulted the Cabinet Member(s) named on the report? No											

1.0 Introduction

Digital connectivity has become another utility, similar to gas, water and electricity. According to a recent report by the Centre for Cities, Plymouth is in the top ten UK locations for the availability (or spread) of Superfast broadband (30 megabits per second and over) with 93% of the city's geography now being able to access it. This very high level of connectivity is clearly great news for the City, its businesses and its citizens and Plymouth City Council will continue to work hard through the Digital Plymouth programme to maintain this key competitive advantage through its campaign of events and marketing (an example of which is the leaflet attached to this report which explains the benefits and best practice for citizens looking to get online).

However according to BT and Ofcom there are still approximately 50,000 people or 38,000 households in the city who choose not to subscribe to a wired broadband connection. For clarity this figure describes the uptake of existing broadband connectivity, so the amount of people who subscribe to a broadband service and is therefore a measure of broadband take up, not availability. While this rate of take up is broadly equal to the national average it nonetheless constitutes a significant issue, (described as "digital exclusion"). This report will explain that digital exclusion is inextricably linked with the low productivity levels and deprivation which mire the City.

As the ubiquity and importance of the web in our working and personal lives accelerates yet further so will the social and economic penalties of not being able or willing to engage. Although new methods of connection such as smart phones, TVs and now even wearable gadgets will drive wider engagement and utilisation of the web this will not reach everyone and those who still find themselves excluded will become ever more disadvantaged and isolated as the gap increases.

The requirement to bridge this gap has recently become more acute. The requirement to improve quality and efficiency is driving more and more public service delivery online – this is now enshrined at national government level through the 'digital by default' public service policy (stating that all services should be delivered primarily online) which has most notably been enacted through the welfare reform agenda. As part

of these reforms benefits claimants will need an online account and email address to set up and access all benefits as will job seekers.

The risks associated with the welfare reform agenda, particularly to vulnerable groups and those who don't have internet access or don't have appropriate skills) are clear. Results that have emerged recently from the welfare reform pilot projects are particularly worrying. According to a recent BBC report, "Bron Afon community housing in South Wales said it had seen a 50% increase in arrears, while pilot projects in Edinburgh, Oxford and Southwark are showing around 30% increases in arrears. Southwark Council predicts it will incur £14m in arrears if direct payment is introduced to all their tenants".

Digital inclusion is therefore an urgent and imminent risk to delivery for many public organisations, not least Plymouth City Council that has over £3M invested in delivering improved services online. Organisations such as the NHS, Social Services, JobCentre Plus and social housing landlords and social enterprises all have vested interests in being able to reach their clients and communities online.

However, the major barrier to fulfilling this objective is that in many cases the target clients for such digital services are the very people who are most likely to not be regular internet users. It is therefore clear that a "build it and they will come" strategy alone will not deliver public digital services effectively.

Action is therefore clearly required to stimulate and accelerate long term behaviour change for groups who are unable or unwilling to use the web. As a result the City Council, led by the Economy, Enterprise and Employment team is taking action by developing a 3 year £330,000 project to ensure that more citizens can engage with the web, and in doing so create positive impacts, particularly for employability, skills and education and mitigate against the risks of welfare reform while enabling greater equality and participation.

2.0 What are the impacts of digital exclusion?

The internet started a wave of innovation and now impacts every area of our lives. Below I have listed some facts and research which point out the extent of our reliance on the web.

Superfast broadband is good for the economy. A study by Arthur D. Little in 2010 concluded that GDP increases by 1% for every 10% increase in broadband penetration.

Although it is often assumed that the benefits of the web mainly affect high tech industries the biggest positive impact is felt within the service and creative sectors. Increased connectivity also enables increased home working and thus empowers flexible working and therefore diversity.

The internet will play an increasing role in healthcare and will allow people to become better informed about their conditions and the services open to them.

Web usage can decrease isolation and increase community cohesion.

According to a 2009 PricewaterhouseCoopers report commissioned by Martha Lane Fox and Race Online:

The following benefits have been identified:

Consumer benefits:

- Households offline are missing out on savings of £560 per year from shopping and paying bills online.

Education benefits:

- Home access to a computer and the internet can improve children's educational performance.

Employment benefits:

- Unemployed people who get online could increase their chances of getting employment with an estimated lifetime benefit of over £12,000 for every person moved into employment.
- People with good ICT skills earn between 3% and 10% more than people without such skills.

Finding a job:

- Many organisations are deserting the local press “Sits Vac” section in favour of a purely online job advert.

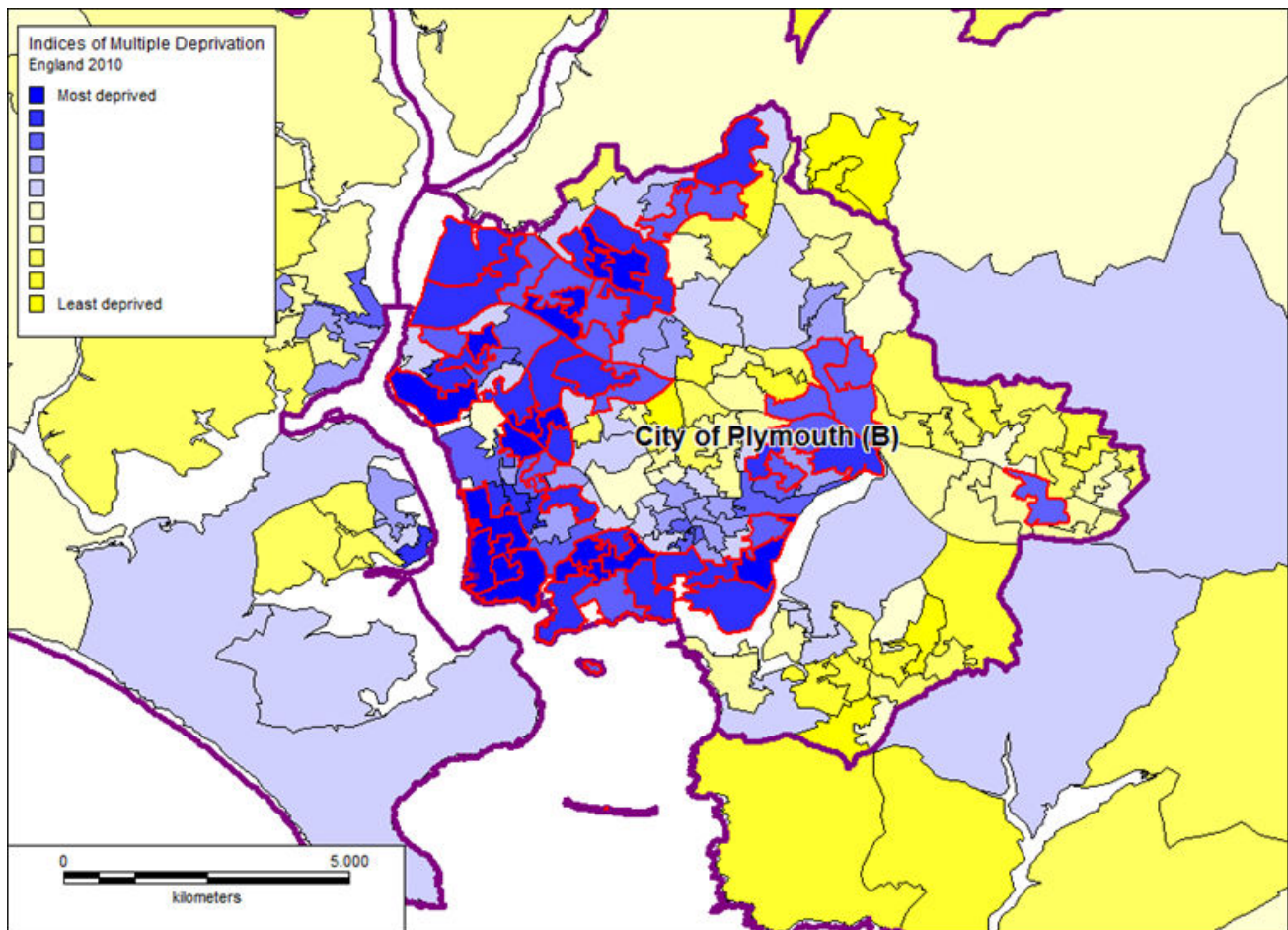
Improved government efficiency:

- Each contact and transaction with government switched online could generate savings of between £3.30 and £12.00
- If all digitally excluded adults got online and made just one digital contact each month instead of using another channel, this would save an estimated £900 million per annum.

3.0 Digital exclusion in Plymouth

Digital exclusion is both a cause and symptom of deprivation. The map below shows a clear geographic correlation between deprivation and low internet adoption.

Using the deprivation banding and Internet adoption levels it is possible to identify the excluded areas. The households in deprivation bands 1, 2 & 3 with Internet adoption less than 70% are in the areas highlighted in red on the map.



Off-line households:		Internet take-up level (in LSOA) - modelled					
Decile of IMD 2010	40 to 50%	50 to 60%	60 to 70%	70 to 80%	80 to 90%	Total	
1	3,267	2,436	254	-	-	5,956	
2	1,115	4,521	1,922	189	-	7,748	
3	1,439	3,287	2,210	372	-	7,308	
4	586	866	1,186	1,149	-	3,786	
5	-	479	2,477	1,205	-	4,162	
6	-	-	674	894	-	1,568	
7	-	-	1,155	1,762	116	3,033	
8	-	-	677	1,867	305	2,850	
9	-	-	1,119	356	203	1,677	
10	-	-	207	303	104	614	
Total	6,406	11,590	11,881	8,097	727	38,701	

4.0 What is Plymouth City Council doing to address digital exclusion?

Digital Plymouth, which is managed by the Plymouth City Council Economy Enterprise and Employment team, works to maximise digital connectivity in the city and the benefit that is derived from that connectivity.

Although there is already a significant amount of, mainly small scale, community level activity to tackle digital inclusion in the city it was felt that this was neither appropriately coordinated, expert or of sufficient scale.

The Economy, Enterprise and Employment team therefore championed the case for a project to address digital inclusion with partners. As a result of this work a 3 year, £330,000 project called 'Plymouth Get IT Together' is being formulated to help coordinate existing activity in the city to overcome digital inclusion.

Partners who contributed to the project and now form the project steering group include: Plymouth City Council (Economy Enterprise and Employment, Customer Services and HR), BT, Plymouth Community Homes, NHS, Job Centre Plus, and the education sector. Each partner has their own specific vested interest in ensuring that more people become regular internet users and improve their ICT skills. Crucially there is a strong shared understanding that the hooks that will drive people to make this change in behaviour are wider than their agenda alone and therefore a shared commitment is required to overcome the problem.

The project will be held to account by the Plymouth Growth Board and the project also has wide input from different directorates of the Council.

5.0 What will Plymouth Get IT Together do?

The project will be delivered through city partners and volunteers and will be managed through Citizens Online, a charity specialised in delivering such projects across the UK. The project will work with existing projects working in this area and inject extra resource, coordination and expertise.

Due to the specific profile of Plymouth it was thought that the project should focus on creating positive impacts for employability, skills and education. The project will work across age groups but the project will seek specifically not to replicate the existing Plymouth SeniorNet project which aims to address inclusion with the over 65s.

The project will not deliver ICT hardware itself: it will however help promote existing local hardware recycling organisations and promote publicly available ICT such as in community access points. Neither will the project seek to establish free or subsidised internet connections. At £3.50 per month for the cheapest commercially available home broadband connection this is not seen as priority.

The project will function by understanding and overcoming specific barriers and by providing bespoke interventions to create the skill sets necessary for the target groups to become regular users of the web. The project will provide a 5 stage learning journey (as described below):

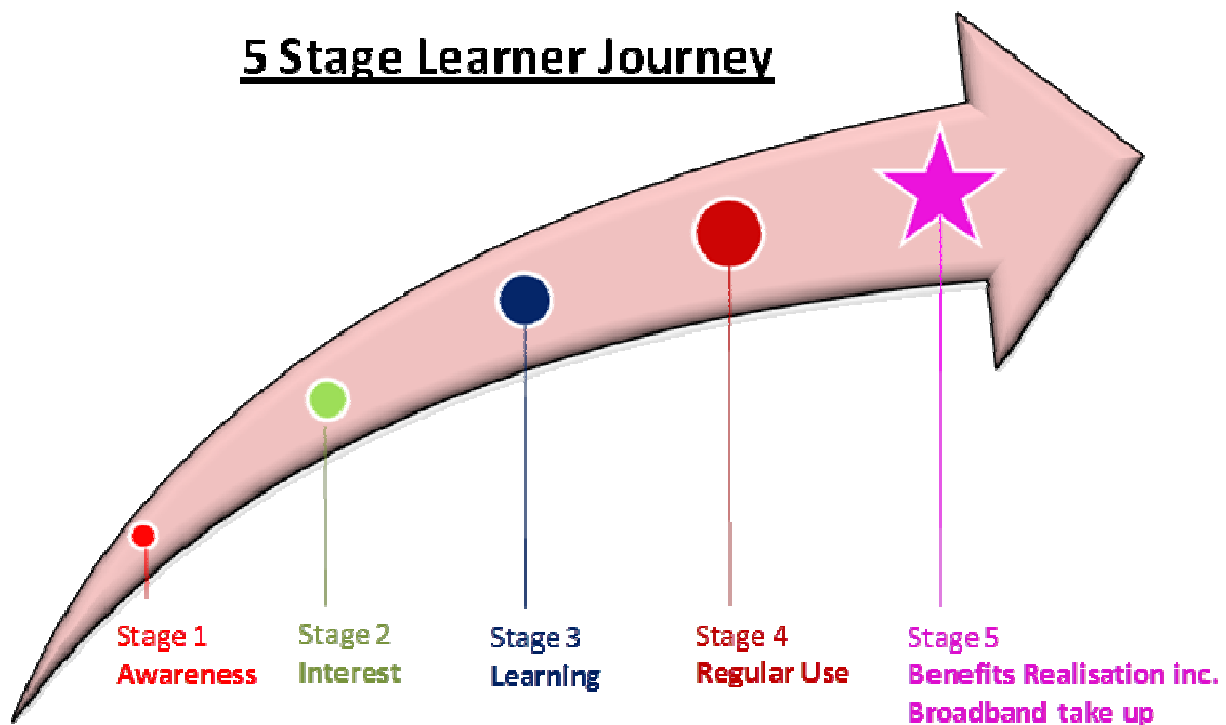


Fig.2 shows the 5 processes involved in the Plymouth Get IT Together project.

Awareness Raising/Taster Sessions/Skills Sessions

Comprising a series of events and marketing opportunities to create interest and knowledge amongst the target audience.

The events will vary from talks and presentations to specific interest groups (e.g. residents forums, sports clubs) as well as displays at local venues and also appearing on local radio, contributing to local press and newsletters.

Taster Sessions

Taster sessions comprise informal 'Come and Try IT' sessions in local venues with the emphasis on having fun and finding a "hook" to convince non-adopters to enroll for further sessions and will take place in easily accessible venues eg day centres, community halls, public libraries etc. Where possible new learners will then be signposted to existing training providers for additional support but where this is not available skills sessions will be introduced

Skills Sessions

Venues for training will be chosen carefully so that in themselves they are not barriers and will usually be locations that the target groups already visit on a regular basis. The project manager will work with the network of other training venues across the area and will ensure that sessions dovetail with and complement existing provision and also provide additional resource and capacity where needed.

In order to focus on employability the project will deliver skill sessions through local providers which focus on:

- applying for jobs online
- sessions with training providers
- accessing online training and education

- skills required for home working

In order to mitigate against the risks presented by welfare reform the project will deliver skill sessions which focus on:

- accessing information on housing and other benefits
- using IT to reduce isolation etc

Headline targets for the project include:

- 200 organisations engaged and supported through events, train the trainer courses
- 20 people into employment (although far more indirect jobs will be created that will not necessarily be directly monitored)
- 1500 new learners attending internet training sessions
- Create 1,275 regular users
- 100 local PR stories
- 20 case studies including photo & video material

Monitoring and reporting

The project will continuously record data to enable monitoring and ongoing evaluation. The project is already partnering with the Plymouth University to ensure that local research is optimised. Quarterly and annual reports will be produced as standard.

Timescale

A project manager will be employed in Summer 2013. The first three months of the project will focus on a local needs assessments and an audit of local activity with view to future partnering for the project.

6.0 Recommendation

Digital exclusion is a problem which the welfare reform agenda and the financial requirement to deliver public services online has made more acute for the City and therefore for Council. The Plymouth Get IT Together project will help to deliver coordination, expert guidance and resources to alleviate the problem. However the need for an increasing proportion of the workforce to have at least basic web/ICT skills will continue to grow as it will for a wide range of non-work related but essential life functions. As a result it is the recommendation of this report that digital inclusion is recognised as a key tool to enable the economic and social rebalancing called for in the Local Economic Strategy and that this will require ongoing leadership and resources following the three year period of this project.

On an operational level the Plymouth Get IT Together project will begin activity in Summer 2013 so it will be useful if members are aware of the project and help facilitate community level activity and marketing.