How can we support people to get online and tackle digital exclusion

techUK is the trade association for the technology sector in the UK. Our over-1000 members, the majority of which are UK-based SMEs, are based around the United Kingdom. They employ 1.1 million people across the UK, with a turnover of £329bn in 2023 and an estimated annual growth rate of 10%.

We have prepared this briefing to help Prospective Parliamentary Candidates understand key tech issues in the UK, what can be done to tackle these issues, and the benefits of doing so.

This briefing draws upon:

- Our *UK Tech Plan: How the next Government can use technology to build a better Britain*

- The *Seven Tech Priorities for the next Government and polling of 250 tech industry leaders in February 2023*.

More briefings, both from ourselves and techUK's members, can be found on our online briefing hub.

What is the problem?

If the UK is to truly establish itself as a leading tech economy and remain a front runner in the global race to leverage emerging technologies, including AI, the government must harness the strength of the UK telecoms sector and the advanced connectivity that it enables.

Over recent years, the telecoms sector has experienced shifting market dynamics alongside political and economic change. Ongoing stagnation in productivity and real wages, largescale and longstanding inequalities, and the need to adapt in face of new shocks and sources of change - the climate crisis and net zero transition and rapid technological progress – all call for a carefully considered approach.

The right policy and regulation are therefore paramount to deliver telecoms infrastructure and digital connectivity to all regions of the UK. Indeed, investing in costly next generation infrastructure is possible but policymakers and operators must strike a balance between increasing demand from all customers and helping vulnerable users.

Good connections are available to most people across the UK.[1] **Superfast broadband (with speeds of at least 30Mbit/s) is now available to 97% of UK homes and mobile operators provide a high level of 4G coverage outside of premises, with coverage from each individual mobile network in the vicinity of c.99% premises.**

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[1] Ofcom (2023) 'Connected Nations'

The average price UK consumers pay for broadband and mobile have fallen in real terms in the last five years, with the average monthly price of mobile phone services, excluding handset costs, falling by 33% in real terms the five years to 2023, despite average data use having increased by 249% over this period.[2] **That good connections are available, yet digital exclusion persists in the UK, points to several reasons for someone being or becoming digitally excluded**.

What are the solutions?

To increase digital inclusion, **Ofcom and Digital Connectivity Forum research shows that a circular lack of skills and will are the main causes of digital exclusion**.[3] The factors contributing to the reason why a UK citizen is digitally excluded is multitudinous and could include access, skills, motivation, or trust.

1. **Capability and skills:** techUK wants to work with the next Government to deliver a transformational package to ensure every individual can explore and build a digital skills portfolio that enables them to access the jobs of the future. Building on the success of the government's Skills Toolkit,[4] an end-to-end 'Digital Skills Toolkit 2.0' should be funded to make digital opportunities and pathways more transparent and accessible to more people.

2. **Leadership from Government:** We recommend a dedicated Cabinet Office minister for digital inclusion. A Digital Inclusion Minister would help to create a joined-up approach and strengthen the link not just between Government departments but also, shine a light on the barrier that digital exclusion is to further public service digitisation.

3. **Choice:** it is important that solutions are implemented in a way that does not prevent millions of adults from being locked out of basic free online services. Regulatory proposals (i.e., the Online Safety Act, DWP's new verification system for social tariffs) in this area should remain flexible, encouraging the use of a range of tools including varied age assurance and age verification technologies.

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[2] Ofcom 2023 ['Pricing trends for communications services in the UK'](#)
[3] DCF and Comres 'Digital Exclusion Research Feb 2019 'chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/http://www.connectivityuk.org/wp-content/uploads/2019/02/ComRes_Broadband-Stakeholder-Group_digital-exclusion-research_final-report_February-2019.pdf
[4] National Careers Service (n.d) 'The Skills Toolkit' https://nationalcareers.service.gov.uk/find-a-course/the-skills-toolkit

To improve connectivity ahead of a general election, all political parties should acknowledge and address the significant gaps preventing the UK from delivering rollout and uptake of digital infrastructure and advanced connectivity. Immediately, the UK government could boost the economy by driving future-facing telecoms uptake and investment by:

1. **Enabling digital infrastructure to be built more quickly with wide-reaching benefits for everyone across the UK. Do this by:**
   - Optimising the planning system to be fit for the delivery of telecoms infrastructure.
   - Ensuring the tax system incentivises further investment.
   - Ensure there is provision for future spectrum use and helping identify a future skills pipeline.

2. **Improving telecoms networks economics to deliver full fibre and 5G ambitions. Do this by:**
   - Initiating a Future Connectivity Strategy after the 2025 Spending Review to support industry on delivery and uptake of future facing digital infrastructure and connectivity.
   - Prioritising progressing policies held up at consultation stage by confirming them, such as the now two-year wait on introducing 'flexi-permits' to allow faster infrastructure repair and the delay outlining a strategy for connecting 'very hard to reach areas'.

3. **Maintaining healthy competition and economic security through the right regulation. Do this by:**
   - Providing longer term certainty and holding the regulator to account in delivering economic benefits for the UK to send the right signals to industry and drive forward investment.

What are the benefits?

The UK telecoms sector, and the digital connectivity it delivers, is vital to the prosperity of the country. **A key foundation of the economy, the sector contributes £32.7 billion to the UK economy and made up 1.5% of total GVA in 2022**.[5] Whether it's to drive forward a digitalised energy system for the UK's energy security, provide better connectivity services for the NHS or to ensure the safety of streets through CCTV upgrades, **the enabling role of telecoms demonstrates the pivotal role it plays in setting Britain on a secure future footing.**

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[5] GOV.UK (2024) 'National Statistics: Digital Sector Economic Estimates Gross Value Added 2022 (provisional)' https://www.gov.uk/government/statistics/dcms-and-digital-sector-gva-2022-provisional/digital-sector-economic-estimates-gross-value-added-2022-provisional

Robust digital infrastructure, including telecommunications infrastructure, is a vital pillar that enables a vibrant, resilient, and growing digital economy to be built. It marks a key foundation of all the digital services, internet tools, connectivity, and cloud computing applications essential for not just the digital economy, but the entire UK economy.

The rollout of full fibre broadband and wireless connectivity (including 4G, 5G and Wi-Fi), over recent years is a true UK success story. **Led by significant private investment, full fibre has been delivered throughout the nations and regions of the UK, including many of the most deprived areas.** Looking at full fibre broadband, Ofcom's recent analysis[6] shows that it is now available at more than half UK residential premises (57%), sharply up from 42% last year.

There is also a huge opportunity for the UK, with the UK Wireless Infrastructure Strategy suggesting widespread adoption of 5G could see £159bn in productivity benefits by 2035.[7] Providing consumer value for money, the UK also ranks 5th out of 179 countries for mobile data affordability according to Broadband Genie's 2024 Mobile Data Affordability Index.[8]

For digital inclusion, the Good Things Foundation hasfound that **for every £1 invested in interventions to enable digitally excluded people to build their basic digital skills, a return of £9.48 is gained throughout the economy, with a returned Net Present Value of £12.2 billion**. Savings to the public purse are strong, with estimated benefits to the government of £1.4 billion through efficiency savings alone, plus £483 million in increased tax revenue, with the NHS expected to save £899 million.[9]

How can I learn more?

If you would like to know more about the importance of getting our incentives for innovation right, you can read our UK Tech Plan and Seven Tech Priorities.

techUK can also arrange a call with yourself and our policy managers so we can brief you on this topic in more detail. If this would be of benefit to you, please contact archie.breare@techuk.org and alice.campbell@techuk.org.

techUK is also able to arrange a meeting between yourself and a member company of ours who has premises in your constituency if possible. This would provide you with a photo opportunity and allow you to discuss the importance of this issue further with a company operating in your constituency.

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[6] Ofcom (2023) 'Connected Nations 2023' https://www.ofcom.org.uk/research-and-data/multi-sector-research/infrastructure-research/connected-nations-2023
[7] GOV.UK (2024) 'UK Wireless Infrastructure Strategy' https://www.gov.uk/government/publications/uk-wireless-infrastructure-strategy
[8] ISP Review (2024) 'UK Ranks 5th out of 179 Countries for Mobile Data Affordability' https://www.ispreview.co.uk/index.php/2024/04/uk-ranks-5th-out-of-179-countries-for-mobile-data-affordability.html#google_vignette
[9] Good Things Foundation (2022) 'The economic impact of digital inclusion in the UK: Good Things Foundation' https://www.goodthingsfoundation.org/insights/the-economic-impact-of-digital-inclusion-in-the-uk/