

Digital Technology and Inequality: Policy Brief

February 2023

This briefing draws upon the various activities and findings of a British Academy project on Technology and Inequality. Information on these can be found in the project evidence hub.

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The Problem of Digital Inequality

As the British Academy's report [Understanding Digital Poverty and Inequality](#) illustrated, digital inequality and social inequalities are closely related. Tackling one can have a positive impact on the other. Conversely, digital poverty reinforces wider inequalities, as it can render services and opportunities unavailable. Digital poverty across the UK has been exacerbated by the pandemic (when many services moved wholly to online channels) and in the context of the ongoing cost-of-living crisis. Support for the digitally disenfranchised is highly uneven and fragmented across the country. There is emerging evidence in our report that inequality may deepen with technological change, as the digitally poor become unable to access the benefits or services that might be provided via innovations such as large language models or health wearables, which in turn can offer new possibilities for personalised services such as education and healthcare. Our work revealed two key challenges at both local and central scales to tackling this issue:

The Informational Challenge

One issue with tackling digital inequality is that we lack connected and systematic data and evidence on the scale of the problem. There are sources of data available on digital inequality, such as those noted above, but these alone are not enough to address the issue in an effective way on an ongoing basis. At the central level, there is no comprehensive, coordinated collection of evidence and data on the key elements of digital access, including (at least) adequate internet access (broadband and mobile plans); appropriate devices (smartphones, laptops, tablets, and wearables); and digital literacy, skills, and support. Various central government bodies such as Ofcom and Office for National Statistics (ONS) do run large-scale nationally representative surveys and produce some useful longitudinal data. Some data collection could be built into regular ONS surveys and data analysis initiatives. Individual government departments have usage data on their own digital channels, but these are not brought together anywhere centrally. Similarly, some data collection and analysis is undertaken by private bodies such as Lloyds Bank, who draw from transactional datasets and telephone surveys in their [Consumer Digital Index](#).

At local level, the extent of the challenge of digital inequality for local authorities differs according to social context, the physical environment and availability of resources. Some authorities have highly effective systems for addressing digital inclusion in place, while others are less effective. There are [council-led initiatives](#) to create toolkits for digital inclusion work but there is no obvious place where examples of best practice or sources of support are formally aggregated, connected to and supported by a central body.

There is therefore no connected overall picture of the scale of the problem of digital inequality in the UK, including spatial inequalities, digital service usage across departments, change over time, and potential solutions. This will hamper any initiative to tackle the issue, as well as capabilities to evaluate the impact of expenditure on digital inclusion for the Treasury and to understand the impact of specific initiatives.

The landscape of digital inequality in the UK

- Digital inequality leads to [lower productivity](#), and [inequitable health outcomes](#), [educational attainment](#) and [housing circumstances](#).
- Our evidence suggests there are [three 'levels'](#) to the digital divide: poor access, poor digital literacy and skills, and a reduced ability to exploit digital resources and transform them into social benefits.
- Intersecting inequalities compound to create [intensified impacts on certain groups](#), e.g. lack of qualifications is more strongly associated with digital poverty for rural rather than urban residents, and low literacy is a major predictor of digital poverty among those aged 16-24.
- 21% of UK internet users are only [online via smartphone](#); [6.3% of UK adults had never used the internet in 2020](#); [6% of households have no internet access](#).
- [14 million people \(27%\)](#) have "very low" digital engagement scores. The [most likely not to have internet access at home](#) are those aged 75+ (26%), and the most financially vulnerable (10%).
- Digital inequality varies by regional context; in urban areas it is often tied to housing circumstances and affordability, in rural areas it is often due to variability in the distribution of technological infrastructure, and barriers relating to physical landscape (up to [9% of rural properties](#) in England are without a 10Mbps connection).
- Not everyone will be motivated or able to get online, so alternate ways to access good quality services remain vital. [Ofcom research](#) found 69% without home internet said nothing would prompt them to go online, and 49% of non-internet users rely solely on proxy users.
- Recent work published by the Good Things Foundation found that interventions that address digital exclusion are estimated to return [£9.48 for every £1 invested](#).

Recommendation 1

Central government should collect data and evidence centrally on digital access issues, including usage of digital services, the costs of not pursuing digital inclusion, and research on successful initiatives and best practice (at local and departmental level). Contributors would include Ofcom, ONS and government departments.

The Organisational Challenge

The government's ability to tackle issues of inequality would benefit from one or more central units that 'own' the issue of digital inequality. For a period (2013-2020) there was a concerted effort to tackle issues of digital inclusion by the Department for Digital, Culture, Media and Sport, with a [Digital Inclusion Research Working Group](#) that included representatives from key departments such as the Department for Education and Department for Work and Pensions (DWP) and some academics. However, during the pandemic, this work was deprioritised as staff were diverted to work on key pandemic issues, just as the need for attention to digital needs across sectors rose, particularly during periods of lockdown and social distancing.

Some public bodies do have related responsibilities. Ofcom has the responsibility to ensure that every home and business in the UK has the [legal right](#) to "request a decent, affordable broadband connection" from BT or KCOM. Departments are expected to follow the government [Standards Manual](#), which defines a set of standards for service provision and includes digital access (Standard 5): 'Make sure everyone can use this service, including people who do not have access to the internet or lack the skills or confidence to use it'. This standard is maintained by the Central Digital and Data Office (CDDO) but there is little pressure on departments to uphold this standard or for the National Audit Office (NAO) to audit it. The Government Digital Service (GDS) has the aim 'to make digital government simpler, clearer and faster', which includes responsibility for the government portal and tackling issues of user design and accessibility. However, their remit does not involve looking at the needs of those citizens without access (although GDS and the Department for Levelling Up, Housing and Communities have a '[Local Digital Declaration](#)'). Specific departments have initiatives relating to specific services, such as [DWP](#) (on social tariffs). The NAO produces value for money studies on specific digital issues (see [NAO 2017](#); [NAO 2021](#) for example) and did a series of studies of government's use of the Internet in the 2000s ([NAO 1999](#); [2002](#); [2007](#); [2009](#)) but have not focused on digital inequality.

Recommendation 2

Create a 'Digital Inclusion Unit' in the Department for Science, Innovation and Technology that takes ownership of the government's response and strategy on the issue of digital inequality. The Unit should:

- support Recommendation 1, by bringing together the data and expertise of local authorities, government departments, agencies and regulators;
- coordinate on policy and best practice in tackling digital inequality;
- work with departments and the NAO to develop ways of monitoring [Government Service Standard 5](#) on access to services.

Recommendation 3

Central government should create mechanisms to support networks of local authorities and community partners who are addressing digital inequality. This could be undertaken by the Digital Inclusion Unit or through existing structures, drawing on insights from existing networks, such as the [Community Champions](#) scheme.

Digital access as a critical public service

Our [roundtables](#) and subsequent discussions explored growing policy interest in the possibility of introducing basic minimum levels of access, through the introduction of some kind of universal right or standards for digital access, including appropriate digital literacy and skills. The Academy's [Shaping the COVID Decade](#) report highlighted as a crucial policy goal: 'Prioritising investment in digital infrastructure as a critical public service to eliminate the digital divide, improve communication and joint problem solving, and create a more equitable basis for education and employment.'

The charity [Good Things Foundation](#) has developed an initiative in this vein with the '[Minimum Digital Living Standard](#)', as part of a Nuffield Foundation funded project led by teams at Liverpool University and Loughborough University, and have also commissioned work estimating the [economic impact of digital inclusion in the UK](#). The Standard is being built into a 'proof of concept', based on the well-known Minimum Income Standard methodology, including accessible internet, adequate equipment, and the skills, knowledge and support people need to 'communicate, connect and engage with opportunities safely and with confidence'. The team has also led an initiative to build the idea into the [Welsh government's](#) digital strategy (this reported 27th February 2023), as a 'minimum basket of digital goods, skills and services households need to have an adequate quality of life and participate in society'.

Recommendation 4

Digital access should be considered a critical public service, with government building on existing research and practice around a 'minimal digital living standard', such as the current project in Wales. The Digital Inclusion Unit should ensure that provision of support to use the most important government services is included in the 'basket'.