Digital Exclusion in the North East LEP Area: Executive Summary

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North East
Local Enterprise Partnership

Introduction

In today's world digital skills are becoming increasingly important. They can connect people to education and training, better jobs, social interaction, and public services, as well as providing access to cheaper products and services online.

Digital exclusion, where people lack digital skills, connectivity and accessibility, has been recognised as a problem for several years. However, the problem has been exacerbated by Covid-19, where access to the internet and digital devices has been vital for accessing goods and services and maintaining social contact.

With increasing aspects of life taking place online, a strategic regional approach to tackling digital exclusion is required to reverse the increasing digital divide.

About the research

In March 2021 the North East LEP and its Skills Advisory Panel (SAP) commissioned New Skills Consulting (NSC) to undertake research into the nature and extent of digital exclusion in the North East, focusing primarily on the economic and skills-related impacts of digital exclusion.

The following key research tasks have been undertaken to inform the report:

- **Comprehensive review of current data, reports and policy documents**
- **Mapping and gapping of current solutions and interventions**
- **Consultations with 45 colleagues from education, training and employment support**
- **Online survey with 30 schools and colleges from the North East LEP area**

Defining digital exclusion

There is no single, agreed definition of digital exclusion and, rather than being an absolute term, it is a spectrum on which people experience different facets of exclusion to a greater or lesser extent. There is, however, broad recognition that the main ways in which people experience digital exclusion are:

Devices

Lack of access to adequate or appropriate digital devices.

Connectivity

Lack of internet access due to poverty or unreliable service.

Skills

Lack of appropriate digital skills to enable engagement in learning or employment.

Confidence

Lack of confidence in using digital devices and engaging with online services.

Resistance

Some people don't want to develop digital skills or don't understand the benefits of digital engagement.

Who is digitally excluded?

Different aspects of digital exclusion can affect a broad range of people. However, research[1] shows that people from disadvantaged and socially excluded groups are more likely to experience digital exclusion than others, including:

- **Older people**
- **Without a job**
- **Lower income groups**
- **Living in social housing**
- **People with disabilities**
- **Low educational qualifications**
- **Living in rural areas**
- **Homeless**
- **First language is not English**

Digital exclusion in the North East

It is difficult to quantify the extent of digital exclusion in the North East because there is limited data available at a regional and sub-regional level. Nevertheless, available data[2] indicates that the region is one of the worst affected in the UK.

Indicator	North East	England Av.
Proportion of people offline	8%	5%
Proportion with low levels of digital engagement	32%	28%
Confidence in using the internet	83%	86%
Digital skills improvement during Covid	23%	29%
Passive and uncommitted internet users	32%	20%

Office of National Statistics data for 2020 indicates that in the North East there are approximately 61,000 lapsed users (those who last used the internet more than three months ago) and 176,000 adults who have never used the internet.

Feedback gathered during the research also indicates that digital exclusion impacts learners across the North East, particularly in settings with a higher proportion of learners from disadvantaged backgrounds. The key barriers they face are lack of access to devices, broadband connectivity and parental support.

1 https://digital.nhs.uk/about-nhs-digital/our-work/digital-inclusion/what-digital-inclusion-is

2 Source: UK Consumer Digital Index 2021, Lloyds Bank; and Consumer Data Research Centre (CDRC) Internet User Classification (IUC; Alexiou & Singleton 2018)

Attitudes towards digital exclusion

Research undertaken prior to the Covid-19 pandemic[3] showed that, generally speaking, adults who don't use the internet don't feel that they are missing out by not being online. Of those who are non-users of the internet 75% did not feel that they are missing out and 79% believed they were unlikely to use the internet in the future.

Reasons for not using the internet are multifaceted, and include:

76%	**Concerns about internet safety, security or privacy**
70%	**Not knowing how to use the internet, or not having the skills to do so**
54%	**Concerns about accidentally accessing harmful or illegal content**
48%	**Cost/value for money**
46%	**It being too late to learn**

Source: ComRes, Digital Exclusion Research, 2019

Impact of digital exclusion during Covid

- Lack of access to devices and connectivity has been exacerbated by the closure of libraries and IT suites.
- The loss of learning during the pandemic has increased the gap between disadvantaged and non-disadvantaged learners.
- While most employment support clients have a smart phone, many had no access to an appropriate device for online training, job search and interviews.
- For those who were engaging reluctantly in education or employment support, remote provision has made it easier to withdraw altogether.
- Conversion rates from employment support into work have fallen and lack of digital skills means clients are increasingly excluded from the labour market.
- The pandemic has exposed discrepancies between education settings in the quality of digital infrastructure and the digital skills and knowledge of staff.

3 ComRes, Digital Exclusion Research, 2019 (Survey of 1,000 recent users and non-users of the internet)

Positive opportunities from Covid

- It has focused attention on digital exclusion, creating greater awareness and momentum to tackle the problem.
- It has created impetus to accelerate digital adoption, which has improved the quality, efficiency and flexibility of services.
- It has accelerated the improvement of staff digital skills and the upgrade of IT equipment and infrastructure.
- It has led to the creation of valuable online resources that can be accessed multiple times at any time.
- Digital provision has made it easier for some people to access services, opening them up to new audiences.
- Many learners and employment support clients have improved their digital skills and increased their confidence in using digital technology.
- Across education, training and employment support settings it has raised awareness of the importance of digital skills for work.

Wider impacts of digital exclusion

Digital exclusion is having an impact on educational attainment and employment outcomes that is far wider than the more immediate impacts of the pandemic.

- It is creating challenges and widening the achievement gap in education, particularly for learners from more disadvantaged backgrounds.
- As well as impacting on academic performance and results, it impacts on progression into employment and access to good quality jobs.
- It increases the gap for those who are already furthest from the job market.
- Many employment support clients lack the devices, skills and confidence to search and apply for jobs online and complete online interviews.
- Lack of digital skills presents a major barrier to clients being able to secure work, even in low skilled and entry level jobs.
- The move up the career ladder from low-skill to high-skill jobs comes with increased demand for specific digital skills

92%	**Businesses who say digital skills are important for their employees**
82%	**Current online vacancies that require digital skills**
28%	**North East employers with skills gaps who say basic digital skills need improving**
23%	**Businesses who say their employees lack basic digital skills**

Source: WorldSkills UK, Learning and Work Institute and Enginuity; DCMS, No Longer Optional: Employer Demand for Digital Skills; and DfE, Employer Skills Survey

Digital skills gaps

According to the 2019 Employer Skills Survey[4], 20% of North East employers with a skills shortage vacancy said they found computer literacy or basic IT skills difficult to obtain from applicants. 26% said they found advanced or specialist IT skills difficult to obtain.

Top 4 IT skills that need to be improved (North East employers with an IT skills gap)

33%	Basic Microsoft Office skills
18%	Specialist software or hardware / internal systems
18%	Foundation digital skills
17%	Advanced Microsoft Office skills

Source: Department for Education, Employer skills survey 2019

Despite the importance of digital skills in the workplace, research indicates that employer investment in training in the UK is low compared to other advanced economies and has declined in recent years. Data from Make it Click (2020) shows:

- Fewer than 40% of UK business leaders think employers bear most responsibility for keeping employees' digital skills up to date.
- 38% say employees are responsible and 5% say Government is responsible.
- 20% say they do not have funds to train employees on the job.

Research shows that many individuals recognise the need to improve their IT and digital skills in order to improve their employability and job prospects.

88%	Young people who say digital skills will be essential for their future career
62%	Young people confident they have the basic digital skills employers require
18%	Young people confident they have the advanced digital skills employers require
59%	UK employers who say improving digital skills is important to employability post-pandemic
57%	Furloughed workers who want to improve their digital and IT skills

Source: WorldSkills UK, Learning and Work Institute and Enginuity; Microsoft research; Make it Click

4 Department for Education, "Employer skills survey 2019: England results", October 2020, https://www.gov.uk/government/publications/employer-skills-survey-2019-england-results

Current solutions and interventions

There are numerous initiatives aimed at developing digital skills and providing access to digital equipment and infrastructure. However, the current approach to tackling digital exclusion is fragmented, with initiatives at national, regional and local level, targeting different groups or challenges. It includes UK Government interventions as well as those delivered by the private sector, the education sector and VCSE organisations. Key characteristics of the current support landscape are:

- It is complex and there is little co-ordination, with some initiatives overlapping and some gaps in provision.
- There is a lack of evidence or data to inform and shape the range of initiatives.
- There is a broad range of fully-funded digital skills provision ranging from short basic courses to full-time accredited courses.
- Much of the current provision is not fit for purpose as it is quickly out of date and people want short, practical courses delivered in an informal setting.
- Research suggests a lack of awareness about the provision available and a lack of understanding about individual digital skills needs.
- Some initiatives are short-term in response to the pandemic, but there is a longer-term need for a more co-ordinated and systematic approach.

Summary of key research themes

- People from disadvantaged backgrounds are disproportionately affected by the digital divide.
- There is a lack of co-ordinated activity and no structured approach at a regional or national level and tackling the problem requires ownership.
- There has been a loss of learning for students during the pandemic, particularly for disadvantaged and less able pupils, which has further widened the disadvantage gap.
- More widely, digital exclusion has negative impacts on engagement with learning, access to resources, quality of work, educational outcomes and progress into employment.
- Early intervention and consistent approaches to digital skills development are needed to close the digital divide.
- Digital skills are increasingly essential for most jobs, even at entry level. However, there is a lack of clarity about basic digital skills and no common framework to assess and develop these skills.
- There is a need for more short, focused interventions to develop practical digital skills for work or life, delivered in informal community settings.

Recommendations

Digital exclusion is a large and complex issue that requires interventions across many groups and communities, and a co-ordinated response from education, business, VCSE and the public sector. Nevertheless, the recent momentum achieved towards improving digital inclusion during the pandemic offers a real opportunity to roll out successful approaches more widely across the region in a way that would have a meaningful impact on reducing the digital divide.

The research highlighted priority actions for tackling the economic and skills impacts of digital inclusion, some directly actionable regionally, and others which will require lobbying and influencing with Government and other stakeholders.

- **High profile education and awareness raising activities**
- **Address the problem of access to digital devices**
- **Address the two key connectivity challenges – affordability and rural access**
- **Develop a common framework for essential basic digital skills**
- **Short, practical courses and advice delivered in informal, community- based settings**
- **Prioritise early intervention to develop functional digital skills from a young age**
- **Embed digital skills into the FE and HE curriculum**
- **Map provision to employer needs and incentivise investment in the workforce**