Local Government Association (LGA) Briefing
Westminster Hall debate
Superfast broadband roll-out
Wednesday 24 June 2015

Key messages

- Access to fast and reliable broadband is vital infrastructure for supporting growth, particularly in rural areas. It also makes communication between people, businesses and public agencies easier and is essential to achieving the Government’s public service reform agenda.

- Communities which are already lagging behind in the publicly funded broadband and Wi-Fi rollout need access to fast and reliable digital connectivity, both internet and mobile, as soon as possible.

- The Government should commit to 100 per cent broadband coverage and, with OFCOM, stimulate the competition that will secure value for money from the considerable existing and future public investment in broadband, and work to ensure that procurement timeframes encourage competition.

- Local government has a strong record of using new technology to improve efficiency and deliver services better. Councils have digitised key transactions and are using digital technology and data to transform public services and help address costly social and economic challenges.

- Devolution provides further opportunities for the use of digital in creating new partnerships and ways of working and councils should be free to pursue a digital strategy that supports local resident and business needs.

Background

Broadband as a critical enabler for places
The need to take advantage of digital innovation has never been greater. Over the current spending review period, local government has suffered 40 per cent cuts to its budgets. At the same time, pressure on local services has been increasing as a result of funding reductions, the ageing population and increasing numbers of 0-5 year-olds. People’s expectations are also changing rapidly, with users increasingly demanding 24/7 access to public services by a range of digital means.

Councils strongly support the extension of access to superfast broadband through the commercial roll-out, and are also leading the rural and urban publicly funded programmes. They are encouraging people and businesses to get online and leading wider public service transformation including online applications for Universal Credit and health and social care integration.

Nearly every council and LEP plan for local growth emphasises the importance of superfast broadband and other digital infrastructure to attracting and retaining businesses of all sizes, helping to create jobs and improve competitiveness.

Local growth and productivity is being significantly hindered in some communities,
particularly rural ones, which still do not have a reliable superfast broadband service, let alone the ultra-fast service that the most advanced businesses require. Farmers in the most remote parts of the country sometimes have to drive for miles to be able to get the internet access they need to complete online forms. Some Enterprise Zones have even been unable to secure decent broadband access for their businesses.

People living in these communities are unable to access vital services online or benefit from cheaper prices online. Households are missing out on estimated savings of £560 per year from shopping and paying bills online. Given the pace of technological change, there is a real risk that the rural digital divide will become too great and closing it should be an urgent priority.

While the publicly funded superfast broadband programme and the 4G rollout will go some way to closing the gap, by the end of the programme in 2017, around 5 per cent of the country will still be without superfast broadband. A priority must be to bring affordable digital connectivity to those places as soon as possible. It is therefore encouraging that the Government is running a £10 million competitive fund to develop innovative fixed, wireless and mobile broadband solutions that will reach the final 5 per cent of premises. It is essential, however, that the solution developed is replicable, cost effective for councils and that there is proper competition.

**Transforming services**

To deliver effective services and save money, local government is embracing new technology to improve its own efficiency and support business and residents. Councils therefore strongly support the extension of access to superfast broadband through the commercial rollout, and are also leading the rural publicly funded programmes. They are encouraging people and businesses to get online and leading wider public service transformation, including online applications for Universal Credit and health and social care integration.

It is crucial that the infrastructure is in place to enable developers to meet the EU requirement for all new buildings and significantly renovated buildings to be high speed ready from 2017. People looking to buy a home or business should also be able to easily find out about the broadband service for that property.

It is vital for this country's future economic prospects that our digital communications infrastructure keeps pace with technological advancement and that access is equitable, reliable and affordable across the country. As we consider future digital infrastructure needs, we need a regulatory framework that encourages competition and value for money for residents and businesses. The Government should recognise that, without equitable access to digital technology, it will not achieve wider public service reform.

Meanwhile, English governance is fundamentally changing. Devolution is an opportunity for groupings of councils to look afresh at their digital presence and to use digital as a catalyst for new partnerships and more efficient and transparent ways of working.

Digital infrastructure, the use of data and digital skills funding should be devolved as part of a devolution deal for places that want it, so that councils can pursue a digital strategy that supports local resident and business needs. If it makes sense for national procurement frameworks and similar arrangements, the process should be a co-commissioning partnership between local and central government, with councils involved from the outset.
We also need to support citizens and business to develop the digital skills that will enable them to take advantage of the internet. According to Go On UK, a digital skills charity, 10.5 million people and 1.5 million small and medium sized businesses lack basic digital skills and councils are working with partners to offer training and help overcome the barriers.