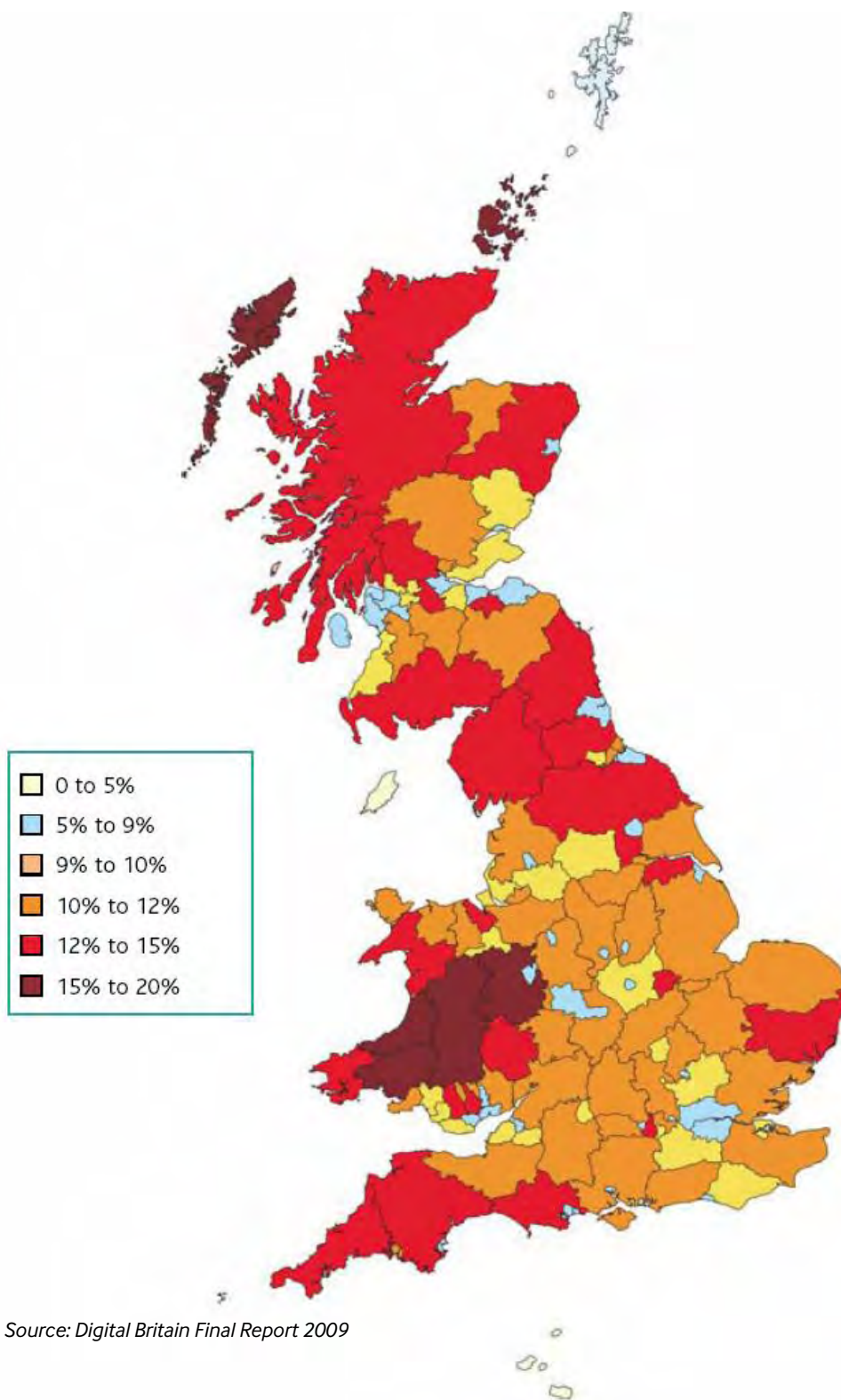# Closing the digital divide

Robin Wilkinson

The digital divide between Wales and the rest of the UK continues to narrow. However, significant disparities still exist between levels of broadband access both within Wales, and between Wales and the UK, challenging policy-makers to act now to prevent further exclusion.

Percentage of lines unable to support up to 2 Mbps connection speeds

Legend:
- 0 to 5%
- 5% to 9%
- 9% to 10%
- 10% to 12%
- 12% to 15%
- 15% to 20%

Source: Digital Britain Final Report 2009

Broadband internet is no longer a luxury, but an integral part of modern life. However, many people in Wales either have slow con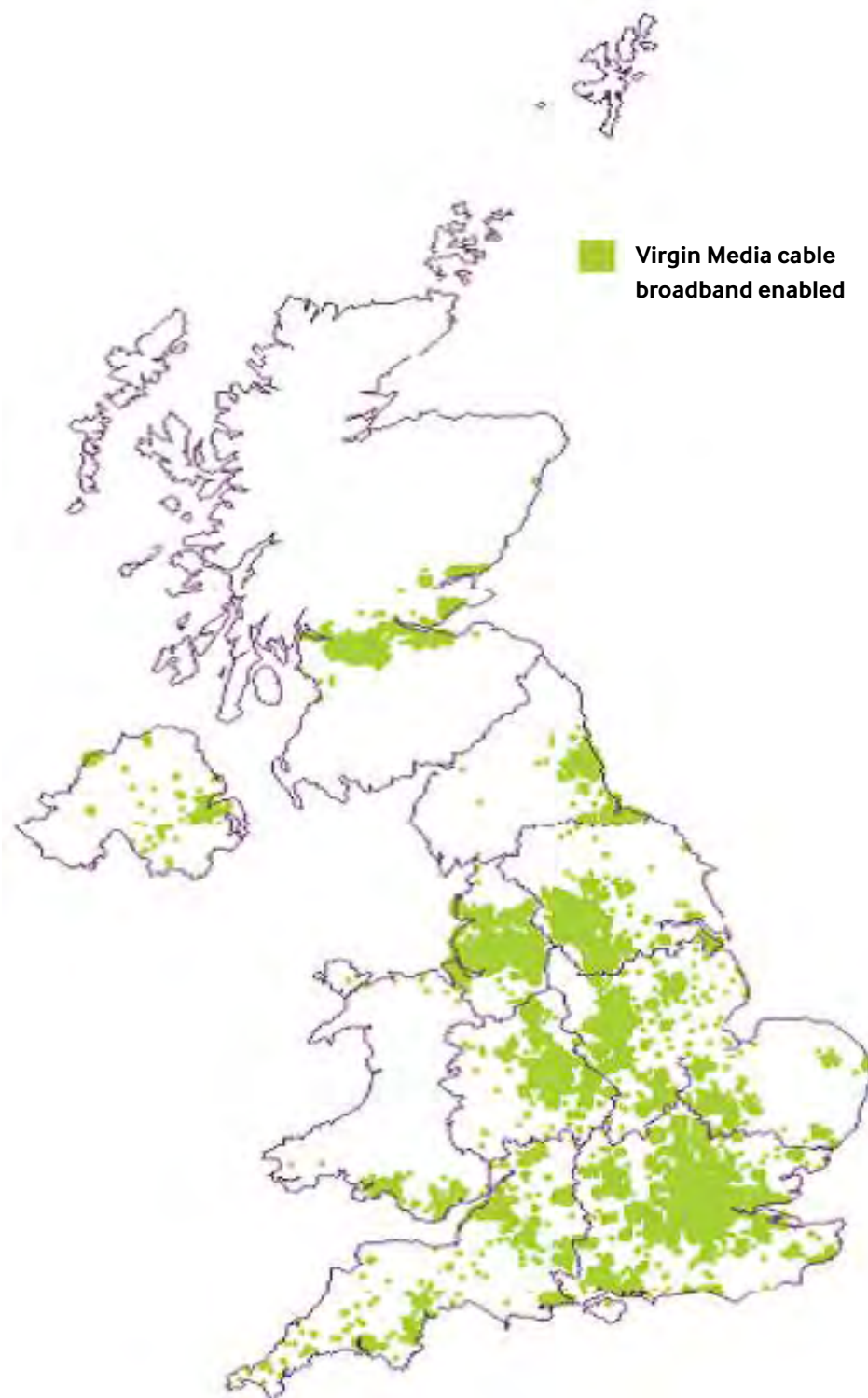nection speeds, or no access at all. Consequently, where broadband could be a powerful egalitarian tool which provides opportunities and services regardless of location, there is a risk it could magnify existing inequalities if its distribution remains uneven.

Broadband connection speeds

- 2 Mbps: the sort of speed needed to access the BBC iplayer;
- 30 Mbps: at this speed you can download an average music track in about 1.5 seconds;
- 50 Mbps: at this speed you can download an average music track in about a second.

A divided Wales

Broadband take-up in Wales has increased rapidly from 25 per cent in 2005 to 64 per cent in 2010. However, this positive headline figure hides a series of inequalities.

In Wales, there are two main ways to access fixed-line broadband: BT's copper telephone

Availability of Virgin Media's cable broadband

network and Virgin Media's cable network. With copper lines, the signal deteriorates the further you are from the local exchange.

However, whilst people living in 'not spots' struggle to achieve basic broadband provision, talk has turned to 'next generation broadband', where optical fibre provides customers with far greater connection speeds, currently up to 50 Mbps. As the map indicates, Wales is poorly provided by Virgin Media's cable broadband network. Furthermore, coverage of the 3G mobile phone network — an alternative means of accessing broadband — is also significantly lower in Wales than the UK average.

Left to the market it seems that the digital divide within Wales will perpetuate or even increase, as the cost of deploying broadband in remote rural areas creates an unattractive business case for the private sector.

Broadband benefits

The digital divide means Wales and Welsh businesses are potentially missing out on the well-documented benefits that fast internet connectivity brings.

Ironically, those with most to gain from online services — businesses in rural Wales that would benefit from increased access to

■ **Virgin Media cable broadband enabled**

Source: Ofcom/Virgin Media, September 2009

customers, farmers who could submit grant applications online and people in remote communities who find it hard to access public services – are those poorest served by the current infrastructure.

Furthermore, areas with poor broadband access are often areas with relatively low economic activity, presenting a further barrier to development of these areas.

Broadband benefits:

- in 2008 eCommerce comprised 21 per cent of total turnover of businesses in the UK (the second highest figure in the EU);
- in 2007 91 per cent of basic public services for citizens in the UK were fully available online;
- pupils who use the internet for educational purposes are more likely to out-perform those without web access by around a quarter of a GCSE grade in each subject.

Closing the gap

Policy-makers are taking steps to address this. The previous Welsh Government set itself the target of achieving basic broadband for all in 2011 (ahead of the EU target of 2013). It is aiming for 30 Mbps broadband for all businesses by 2016, and all households by 2020 (in line with the EU's aim for 30 Mbps broadband for all by 2020). The UK Government is yet to announce detailed connection targets, but has stated that Britain should have the best broadband network in Europe by 2015.
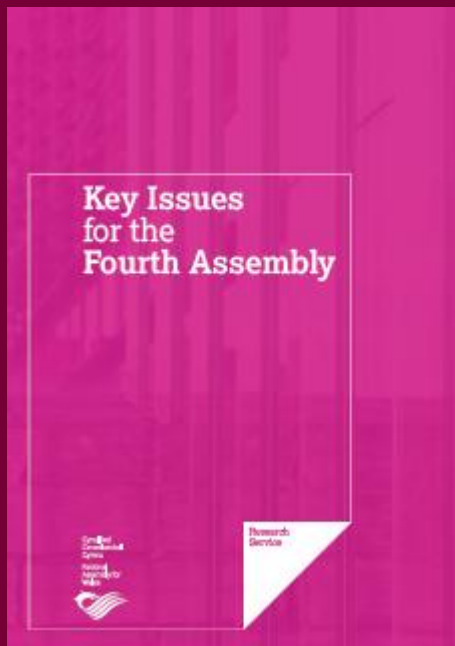
The Welsh Government is also currently undertaking a procurement exercise for next generation broadband provision, and intends to

provide less than 50 per cent of the total costs from a mixture of public, private and EU funds. Timing and targeting of public investment will be of crucial importance, to avoid chilling investment from the private sector, and therefore wasting public money.

Furthermore, the Welsh Government will want to maximise the funding available from the UK Government and the EU; the former Deputy First Minister stated in early 2011 that funds on the table from the UK Government were less than half of what he felt Wales deserved.

The challenge for the future Welsh Government is therefore to act promptly to address the digital divide without stifling private investment. This is only half the battle however, as the use of broadband currently mirrors other socio-economic inequalities. Digital inclusion must also be addressed if broadband in Wales is to deliver on its egalitarian promise.

Article taken from
Research Service publication

Key Issues
for the
Fourth Assembly

This document has been specially prepared for Assembly Members by the Research Service. It sets out some of the key issues likely to matter to Members during the Fourth Assembly.

Key Issues for the Fourth Assembly