DIGITAL TRANSFORMATION SCRUTINY PANEL

This meeting will be recorded and the sound recording subsequently made available via the Council's website: charnwood.gov.uk/pages/committees

Please also note that under the Openness of Local Government Bodies Regulations 2014 that other people may film, record, tweet or blog from this meeting. The use of any images or sound recordings is not under the Council's control.

To: Councillors Brookes (Chair), Charles, Gerrard, Hamilton, Needham and Seaton (For attention)

All other members of the Council
(For information)

You are requested to attend the meeting of the Digital Transformation Scrutiny Panel to be held in Virtual Meeting - Zoom on Tuesday, 29th March 2022 at 6.00 pm for the following business.

Chief Executive

Southfields
Loughborough

21st March 2022

AGENDA

1. APOLOGIES

2. MINUTES OF PREVIOUS MEETING 3 - 8

   To approve the minutes of the previous meeting.

3. DISCLOSURES OF PECUNIARY AND PERSONAL INTEREST

4. DECLARATIONS - PARTY WHIP

5. QUESTIONS UNDER SCRUTINY COMMITTEE PROCEDURE 11.16

6. SCRUTINY SCOPING DOCUMENT 9 - 11

To note the updated scrutiny scoping document for the panel, as discussed at the previous meeting of the panel.

7. PROJECTS UPDATE 12 - 196

A report of the Head of Customer Experience to provide the panel with information related to projects, requested at the previous meeting of the panel.

8. FEEDBACK ON TASKS

To enable panel members to feed back on the work allocated at the previous meeting.

9. DIGITAL COVENTRY 197 - 226

In accordance with the scrutiny scoping document, to review other Local Authority digitalisation and transformation strategies and processes to learn best practice.

The Head of IT and Digital at Coventry City Council will attend to discuss 'Digital Coventry' (attached).

10. PLANNING APPLICATIONS

To enable the panel to discuss concerns with the planning applications process with the Head of Planning and Regeneration and the Head of Customer Experience.

11. IDENTIFYING KEY STAKEHOLDERS

To enable the panel to identify key stakeholders.

12. WORK PROGRAMME AND KEY TASK PLANNING 227 - 228

To schedule the key tasks in the scrutiny scoping document to be considered at the next meeting of the panel and to consider any work to be allocated to members of the panel in advance of the next meeting. Further scheduled meetings of the panel are:

27th April 2022
30th May 2022
27th June 2022 (to be rescheduled)
25th July 2022 (provisional)

DIGITAL TRANSFORMATION SCRUTINY PANEL
28TH FEBRUARY 2022

PRESENT: The Chair (Councillor Brookes)
Councillors Charles, Gerrard, Hamilton, Needham and Seaton

Councillor Rollings (Cabinet Lead Member for Transformation)

Head of Customer Experience
Information Technology Delivery Manager
Democratic Services Officer (SW)

The Chair stated that the meeting would be recorded and the sound recording subsequently made available via the Council's website. He also advised that, under the Openness of Local Government Bodies Regulations 2014, other people may film, record, tweet or blog from this meeting, and the use of any such images or sound recordings was not under the Council's control.

1. APOLOGIES

No apologies were received.

2. DISCLOSURES OF PECUNIARY AND PERSONAL INTEREST

No disclosures were made.

3. DECLARATIONS - PARTY WHIP

No declarations were made.

4. QUESTIONS UNDER SCRUTINY COMMITTEE PROCEDURE 11.16

No questions were submitted.

5. SCRUTINY SCOPING DOCUMENT

Councillor Seaton arrived at the meeting at 6:05pm.

Considered and discussed, the scrutiny scope document for the Panel, agreed by Scrutiny Commission at its meeting on 10th January 2022 and updated to list Panel membership and meeting dates.

It was suggested that there may be a need to update the scoping document in accordance with discussions at this meeting, particularly following the discussion of item 8 on the agenda (Work Programme and Key Task Planning).

AGREED that the scrutiny scope document be noted.

6. CHARNWOOD BOROUGH COUNCIL CORPORATE STRATEGY 2020-24

The panel reviewed the Charnwood Borough Council Corporate Strategy 2020-24.

It was highlighted that the council was customer-focussed and committed to constantly improving customer experience. This should be considered throughout the course of the panel.

AGREED that the Charnwood Borough Council Corporate Strategy 2020-24 be noted.

7. CURRENT AND FUTURE PROJECTS

In accordance with the scrutiny scope document (key tasks), considered and discussed, a report of the Head of Customer Experience to inform the panel of current and future projects demonstrating the approach to delivering services as outlined in the ICT Strategy and the Customer Services Strategy an how technology will support this

Key points of discussion:

i. The Head of Customer Experience stated that the following should be considered during the course of the panel:

- Awareness of the impact of new technology in terms of customer and officer capability.
- The council's aim of reducing the total number of systems in order to increase efficiency and reduce costs.
- Any additional services recommended would need to be rational and valid. No assumptions should be made and suggestions would need to be backed by evidence.
- The costs associated with the implementation of any new systems.
- Any considerations regarding discrimination of customers.
- The timescales associated with the implementation of new systems or ways of working.
- The future support required for any new systems.

ii. It was estimated that 80-90% of customers made contact with the council once a year. Therefore it was difficult to encourage customers to engage with an online system for which sign up/sign in was required as this required effort for little benefit to the customer. It was important that any portals contained a hook to attract customers, or they may not consider the investment to be necessary.

iii. The online portal of a neighbouring council was accessed regularly by only 5% of those that had signed up. It was not clear what services this small proportion of residents were accessing via the portal.

iv. It was acknowledged that many customers may prefer to use mobile smart devices to access council services. It was confirmed that all services offered by the council were smart device accessible. The Head of Customer Experience

stated that she would provide information on the percentage of enquiries that had been made via a smart device at the next meeting.

v. The systems used by the council were all capable of customisations to reflect the requirements of Charnwood residents.

vi. The timescales associated with the Transformation Service Reviews had been delayed due to the Covid-19 pandemic but the process was ongoing. Progress with this was fed into the council's SWaP Board (Services, Workplace and People Board). The Head of Customer Experience agreed to summarise the work that had already been undertaken as part of the Transformation Service Review and to provide this at the next meeting of the panel.

vii. The website contract was due to end in 2023 and a procurement process would be completed to ensure good value for money for a new contract.

viii. The methods available for residents to contact the council were managed equally and were logged and responded to via the same stream.

ix. The Customer Experience service within the council conducted regular skills and resource audits to ensure that the required experience and skill levels were contained within teams. The service invested in existing staff and ensured teams were trained appropriately for upcoming projects and to meet the aims of the Corporate Strategy 2020-24.

x. There had been concerns regarding the capacity of teams in other areas of the council to train sufficiently for new systems being implemented.

xi. It was possible for the council to develop an app although this would incur significant costs. An app would work separately from the online portal on the website and it would not be possible to link both systems. It would be necessary to establish a hook for customers to encourage them to download and continuously use the app in order for its production to be cost efficient. There would be a requirement of strong evidence to suggest an app would be beneficial for residents.

xii. It was highlighted that information on the needs and preferences of residents would be available following the completion of the survey which would be undertaken by the panel in the coming weeks.

xiii. A number of other councils had implemented an app, including:

- East Riding of Yorkshire Council
- East Devonshire District Council
- West Oxfordshire District Council
- Dudley Metropolitan Borough Council
- East Goscote Parish Council
- Syston Town Council

- Gloucester City Council

xiv. Virtual meetings between officers at the council and residents were not yet possible, although it was recognised that this could be beneficial.

xv. The council had a duty to ensure all customers were able to access all services and that no customer would be discriminated as a result of using a specific contact method. Equality Impact Assessments were provided for new projects where relevant.

xvi. The Head of Customer Experience agreed to provide the McKinsey report, referred to in the Customer Services Strategy 2022-2025, to members of the panel in advance of the next meeting of the panel.

AGREED

1. The report and discussion be noted.

2. That the Head of Customer Experience provide information on the percentage of enquiries that had been made via a smart device at the next meeting of the panel.

3. That the Head of Customer Experience summarises the work that has already been undertaken as part of the Transformation Service Review and provides this at the next meeting of the panel.

4. That the Head of Customer Experience provides the McKinsey report, referred to in the Customer Services Strategy 2022-2025, to members of the panel in advance of the next meeting of the panel.

8. WORK PROGRAMME AND KEY TASK PLANNING

Considered and discussed, the key tasks in the scrutiny scope document to be considered at the next meeting of the Panel and any work members of the Panel would undertake in advance of that meeting.

The following summarises the discussion:

i. It was highlighted that there was a marketing element associated with the engagement of residents in new technologies. The panel was scheduled to interview a witness with marketing experience at a later meeting.

ii. It was suggested that the panel explored the 5% of residents regularly using the online portal at a neighbouring council, as outlined in the discussion in the ‘Current and Future Projects’ item on the agenda.

iii. It was suggested that the Head of Customer Experience provided information to the panel on the most used online forms over the past two years. The Lead

Member for Transformation stated that data on abandoned forms was available. It was suggested that the Head of Customer Experience provided this data to members of the panel at their next meeting.

iv. It was highlighted that an update of the scoping document would be required following the outcomes of the meeting. It was suggested that the Chair meet with the Democratic Services Officer in order to discuss this, and that the updated scoping document would be reviewed by the panel again at the next meeting.

v. It was suggested that the website contract procurement should be scrutinised at the appropriate time.

Work allocated to members before the next meeting of the panel was as follows;

Task	**Responsibility**
The front end/website experience of other councils, including successes	Councillor Seaton
Exploring apps available at other councils, including successes	Councillor Charles
Front end/website/apps experience in the Private sector, including successes	Councillors Hamilton and Needham
Services offered by Charnwood Borough Council that could be incorporated into an app/ experience for older people	Councillor Gerrard

AGREED

1. that the Head of Customer Experience provided information to the panel on the most used online forms over the past two years. The Lead Member for Transformation stated that data on abandoned forms was available. It was suggested that the Head of Customer Experience provided this data to members of the panel at their next meeting.

2. That the Chair meet with the Democratic Services Officer in order to discuss the scrutiny scoping docuemnt, and that the updated scoping document would be reviewed by the panel again at the next meeting.

3. That panel members undertake the work outlined and feedback at the next meeting of the panel.

NOTES:

1. No reference may be made to these minutes at the Council meeting on 25th April 2022 unless notice to that effect is given to the Democratic Services Manager by five members of the Council by noon on the fifth working day following publication

of these minutes.

2. These minutes are subject to confirmation as a correct record at the next meeting of the Digital Transformation Scrutiny Panel.

3. The following attendees listed as present attended the meeting virtually; Lead Member for Transformation, Head of Customer Experience and Information Technology Delivery Manager. The remaining attendees listed were physically present in the meeting.

Charnwood

SCRUTINY REVIEW: SCOPE

REVIEW TITLE: Digital Transformation Panel

SCOPE OF ITEM / TERMS OF REFERENCE

This panel will:

- Identify which forms were most used throughout lockdown and whether more forms should be created to support our customers
- Identify whether there is a need to create a personalised front-end login portal
- If there is a need, would this be for:
  - All customers
  - Council tenants only
  - Another key customer group
- If a front end portal is required, what information should be displayed and how will this integrate with existing software.
- Identify economies of scale and potential savings for the Council and/ or service.

REASON FOR SCRUTINY

The panel will also ensure that any current projects connected to the IT Strategy and Customer Services Strategy are progressing in a timely and effective manner as well as providing further ideas for how to transform services.

Increase accessibility to the council services helping to raise customer satisfaction levels.

MEMBERSHIP OF THE GROUP

Councillor Brookes (Chair)
Councillor Seaton
Councillor Gerrard
Councillor Charles
Councillor Needham
Councillor Hamilton

WHAT WILL BE INCLUDED

Comparison research gained from other Council's.
Officer statements on current projects.
Private sector examples

WHAT WILL BE EXCLUDED

KEY TASKS * * including consideration of efficiency savings

- Evaluate existing Council transformation projects
- Make recommendations on future strategy or processes
- Review other Local Authority digitalisation and transformation strategies and processes to learn best practice
- Review other Private Sector digitalisation and transformation strategies and processes to learn best practice
- Provide input into the Council's Transformation Strategy
- Interviewing witnesses and Council officers
- Identify services that are most challenging to integrate or quite simple to integrate
- Send out a survey to our customers for ideas/feedback and to help identify key areas for integration.
- To research the use of apps for services in other Local Authorities and in the private sector.

STAKEHOLDERS, OUTSIDE AGENCIES, OTHER ORGANISATIONS *

- Outside bodies/ agencies who already have this facility.
- Other councils who have this facility.
- IT and CRM (Customer Relationship Management) companies.
- Individuals with skills in this area.
- Our current key partners such as Capita and Serco to understand how they will integrate their services.
- Relevant Borough Council departments.

EQUALITY IMPLICATIONS

Is an impact needs assessment required? – to be considered at the Panel's penultimate meeting

LINKS/OVERLAPS TO OTHER REVIEWS

The Council is already working on improving online forms and there are projects underway

Commercialisation Scrutiny Panel
RESOURCE REQUIREMENTS
Lead Officer: Karey Barnshaw, Head of Customer Experience Support from Democratic Services (Sally Watson)
REPORT REQUIREMENTS (Officer information)
Current Projects (meeting 1) Survey Results (meeting 4)

REVIEW COMMENCEMENT DATE	COMPLETION DATE FOR DRAFT REPORT
28 February 2022	June/July 2022

* Key tasks and stakeholders may be subject to change as the review progresses.

PROGRESS OF PANEL WORK

MEETING DATE	PROGRESS TO DATE
NOTES: To facilitate witness attendance it is anticipated that times of the meetings will be a mix of daytime and early evening. Panel meetings can be run online apart from the final meeting where recommendations are agreed upon.	

REPORT SUBMITTED TO SCRUTINY MANAGEMENT BOARD
The Panel should aim to complete its work and submit its report to the Scrutiny Commission meeting on 8th August 2022.

DIGITAL TRANSFORMATION SCRUTINY PANEL – 29TH MARCH 2022

Report of the Head of Customer Experience

ITEM 7 PROJECTS UPDATE

Purpose of the Report

To provide the panel with information related to projects, requested at the previous meeting of the panel.

Action Requested

That the panel notes the contents of the report.

Reasons

1. To ensure the panel received the information requested at the prvious meeting of the panel.

2. To assist the panel to make recommendations.

Background

At the meeting of the Digital Transformation Scrutiny Panel on 28th February 2022, a report was provided by tehe Head of Customer Experience outlining the current and future projects to be undertaken by the council in relation to digital transformation. To assist with the consideration of this information, the panel were provided with the ICT Strategy and Customer Service Strategy.

The panel raised a number of queries relating to the information provided. A detailed summary of the discussions at the meeting of the Digital Transformation Scrutiy panel on 28th February 2022 can be found in the minutes of the meeting. Responses to the queries are set out in the report.

Responses

1. Percentage of enquiries made via a smart device

	Mobile	Desktop	Tablet
Sep	57%	38%	5%
Oct	58%	36%	6%
Nov	62%	33%	5%
Dec	62%	33%	5%

Jan	59%	37%	5%
Feb	58%	36%	5%

2. A summary of the work already undertaken as part of the Transformation Services Review

Due to the pandemic, the vast majority of planned transformation activity has been placed on hold to enabled resources to be reallocated to support other initiatives such as business grants. However a small amount of work has taken place in recent months, the following reviews have been either undertaken or are currently in progress as part of the Transformation Review programme:

Garden Waste

Review of the Direct debit and sticker process – outputs currently being implemented or on hold due to resources issues.

Development Control

Transformation review undertaken, recommendation to complete a strategic review with support form external organisation, currently planned to commence late 2022.

Corporate Post

Review of current postal requirements of the organisation as a result of the pandemic and increased digital communication, report currently in draft stage.

Corporate Emails

Review of the corporate email boxes and electronic communications to reduce waste demand and increase efficiency and customer experience – scoping of project just commenced.

Recruitment

Review of the current recruitment process, review is currently in progress, findings and recommendations have not yet been completed.

Pools cars

In line with the review of the Essential Car User Policy, options around the provision of pool cars is currently under investigation, findings and recommendations have not yet been completed.

3. Provision of the McKinsey report, referred to in the Customer Services Strategy 2022-25

   The McKinsey report is attached as an annex. In addition, the following annexes are attached for the panel's information; Lloyds Bank Consumer Digital Index 2021, Lloyds Bank Essential Digital Skills Report 2021.

4. Most used online forms over the past two years

   The Council has nearly 100 online forms available, the most used forms (forms with over 1,000 submissions) in the last 2 years are:

Form	**Number**
Bulky Waste	15834
Missed Bin	10924
Damaged/Repair Bin	11522
Garden Waste new sign up	7756
Medical Waste collection request	3378
Self-isolation grant	2718
Garden Waste Replacement Sticker	2947
Report Noise	1965
Business Rate Relief	3276
Fly Tipping	1761
Garden Waste Renewal	1599
Business Grant Discretionary Scheme	1030
Garden Waste Amendment	1274
Business Restart Grant	1179
Bin Exchange/Surplus	1199

5. The provision of data on abandoned online forms

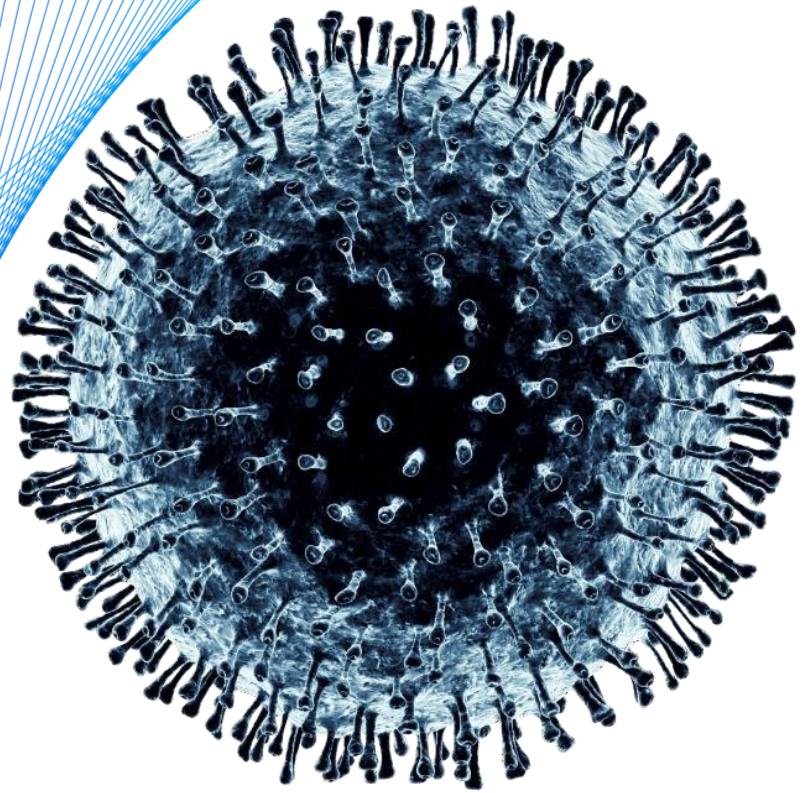
   This data is currently unavailable.

Appendices:	Annex 1 – McKinsey and Company – A global view of how consumer behaviour is changing amid COVID-19 Annex 2 – Lloyds Bank – UK Consumer Ditigal Index 2021 Annex 3 – Lloyds Bank – Essential Digital Skills Report 2021
Background Papers:	None
Officer to Contact:	Karey Barnshaw Head of Customer Experience 01509 634923 karey.barnshaw@charnwood.gov.uk

McKinsey & Company

ANNEX 1

A global view of how consumer behavior is changing amid COVID-19



Discussion document

July 7, 2020

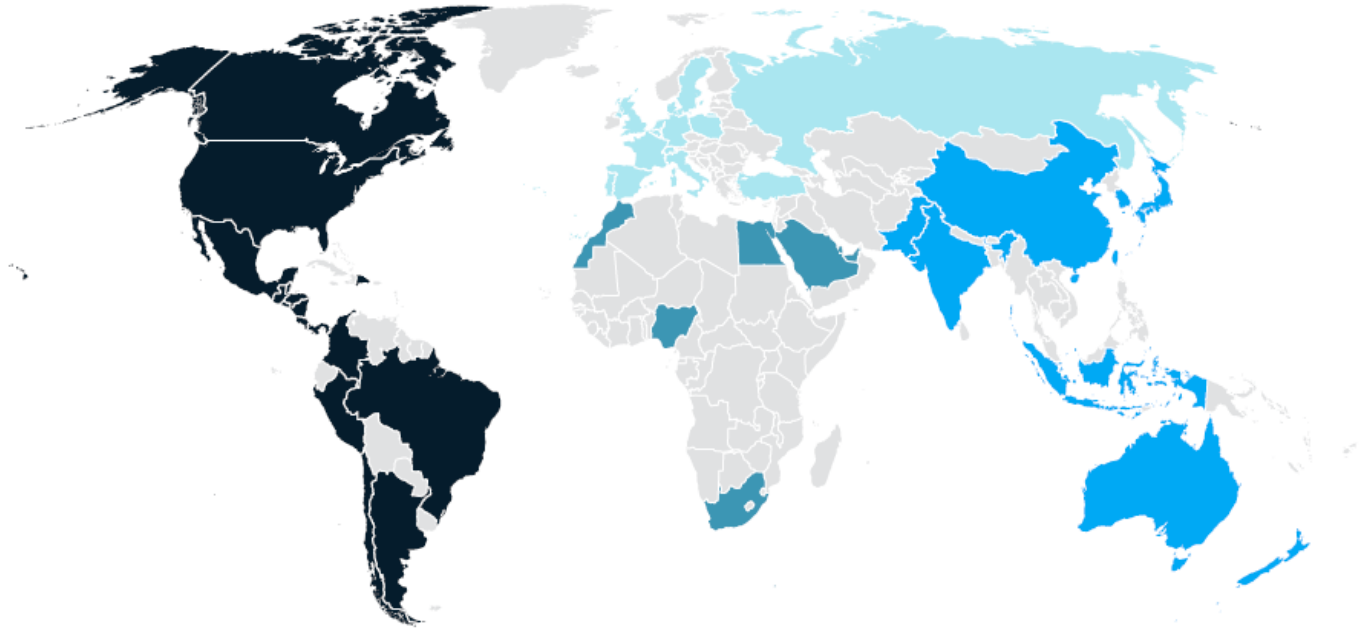
Nidhi Arora, Tamara Charm, Anne Grimmelt, Mianne Ortega, Kelsey Robinson, Christina Sexauer, Yvonne Staack, Scott Whitehead, Naomi Yamakawa

COVID-19 is first and foremost a global humanitarian challenge. Thousands of health professionals are heroically battling the virus, putting their own lives at risk. Governments and industry are working together to understand and address the challenge, support victims and their families and communities, and search for treatments and a vaccine.

Solving the humanitarian challenge is, of course, priority #1. Much remains to be done globally to respond and recover, from counting the humanitarian costs of the virus, to supporting the victims and families, to finding a vaccine.

This document is meant to help with a narrower goal: provide facts and insights during the current COVID-19 situation. In addition to the humanitarian challenge, there are implications for the wider economy, businesses, and employment. This document includes consumer insights from surveys conducted globally between June 16 and June 21, 2020.

We are tracking consumer sentiment across 45 countries



AMERICAS

- Argentina
- Brazil
- Dominican Republic
- Guatemala
- Belize
- Honduras
- El Salvador
- Nicaragua
- Costa Rica
- Panama
- Canada
- Chile
- Colombia
- Mexico
- Peru
- USA

APAC

- Australia
- China
- India
- Indonesia
- Japan
- New Zealand
- Pakistan
- South Korea

EUROPE

- Belgium
- Denmark
- France
- Germany
- Italy
- Netherlands
- Poland
- Portugal
- Russia
- Spain
- Sweden
- Switzerland
- Turkey
- UK

AFRICA AND MIDDLE EAST

- Egypt
- Morocco
- Nigeria
- Saudi Arabia
- South Africa
- Qatar
- United Arab Emirates

The boundaries and names shown on this map do not imply official endorsement or acceptance by McKinsey & Company

COVID-19 has affected consumer behavior in five key ways, some of which will have a lasting impact

Shift to value and essentials

- Many consumers globally are continuing to see their incomes fall and optimism in an economic recovery hasn't seen a resurgence
- Consumers are more mindful of their spending and trading down, as they expect COVID-19's impact to last four-plus months
- Consumers intend to shift their spending largely to essentials, such as grocery and household supplies, and cut back on discretionary categories

Flight to digital and omnichannel

- Most categories have seen more than 10 percent growth in their online customer base during the pandemic—and many consumers say they plan to continue shopping online even when brick-and-mortar stores reopen
- In markets that had high online conversion rates before the pandemic (e.g., UK and the US), e-commerce continues to grow across all categories

Shock to loyalty

- For certain products and brands, COVID-19 caused supply-chain disruptions, leading consumers who couldn't find their preferred product at their preferred retailer to change their shopping behavior, including trying different brands and stores
- Across the globe, value was the main driver for consumers trying a new brand or place to shop

Health and "caring" economy

- Across countries, survey respondents say they buy more from companies that have healthy and hygienic packaging and care for their employees
- The actions that businesses take during this pandemic are likely to be remembered for the long-term

Homebody economy

- In most countries, more than 70 percent of consumers don't yet feel comfortable resuming their "normal" out-of-home activities
- While many consumers plan to go out for grocery shopping and socializing with friends, they are staying away from travel and crowded spaces

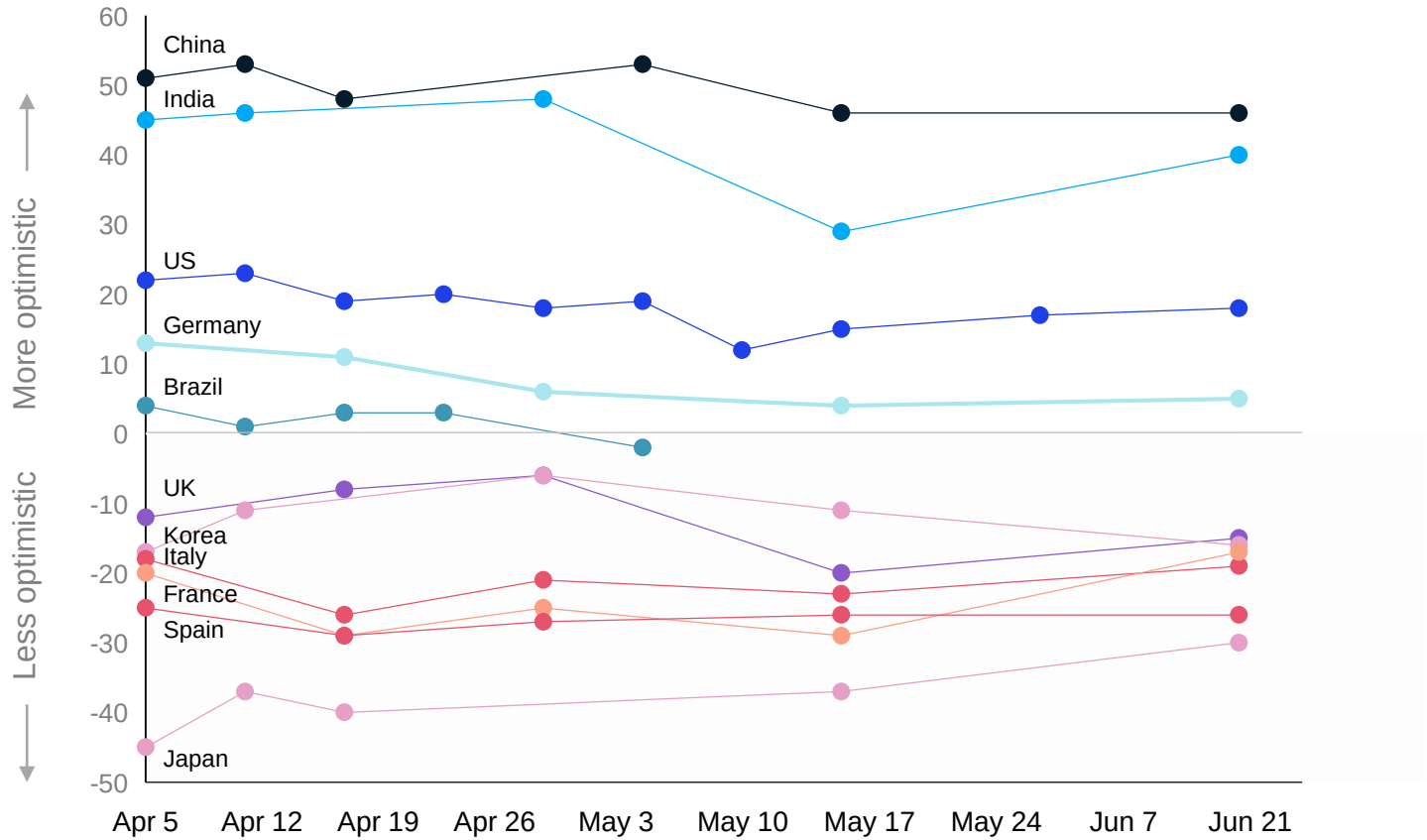
While these changes in consumer behavior hold overall, there are variations in every country.

Source: McKinsey & Company, COVID-19 Consumer Pulse surveys, conducted globally between May 15 and June 21, 2020

While optimism varies by country, it has not seen a resurgence

Optimism about own country's economic recovery after COVID-19[1]

Net optimism %[2]



[1] Q: *How is your overall confidence level on economic conditions after the COVID-19 situation?* Rated from 1 "very optimistic" to 6 "very pessimistic."
[2] Net optimism is calculated by subtracting the percent of respondents who answered 5 "pessimistic" and 6 "very pessimistic" from the percent of respondents who answered 1 "very optimistic" and 2 "optimistic."

Source: McKinsey & Company, COVID-19 Consumer Pulse surveys, conducted globally between March 15 and June 21, 2020

China, India, and the US remain the most optimistic countries even as their optimism fluctuates across weeks

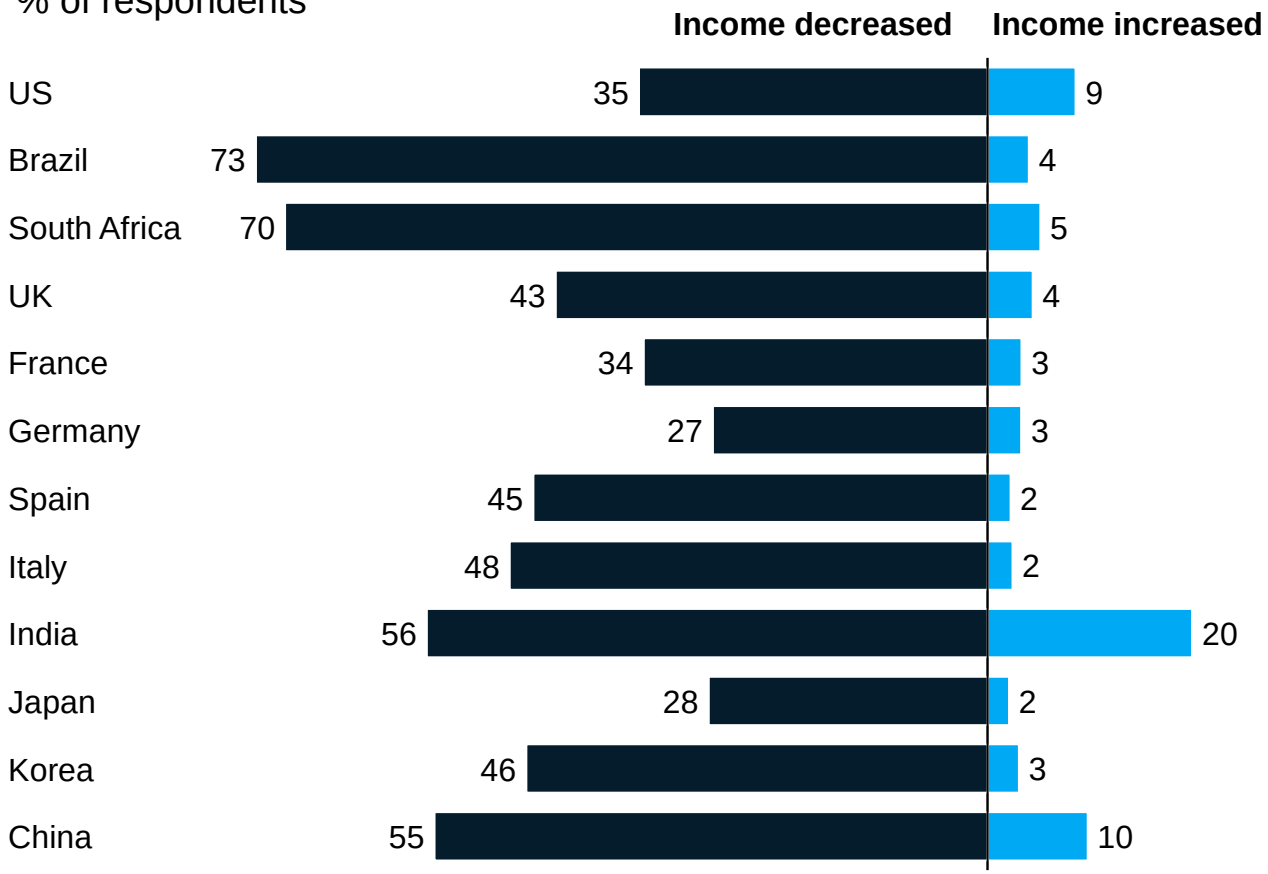
Most European countries, as well as Korea and Japan, have more consumers who are pessimistic about an economic recovery

India, France, and the UK experienced sharp upticks in June, following recent declines in May

Consumers globally have experienced a decrease in income in the past two weeks

Respondents who experienced a decrease vs increase in income over the past two weeks[1]

% of respondents



[1] Q: *How has the coronavirus (COVID-19) situation affected your (household) income over the past two weeks?*

Source: McKinsey & Company, COVID-19 Consumer Pulse surveys, conducted globally between June 15 and June 21, 2020; source of data for South Africa and Brazil was from McKinsey & Company, COVID-19 Consumer Pulse surveys, conducted between May 15 and May 25, 2020

Although global consumers are experiencing a decrease in income, the depth of income loss varies significantly across countries

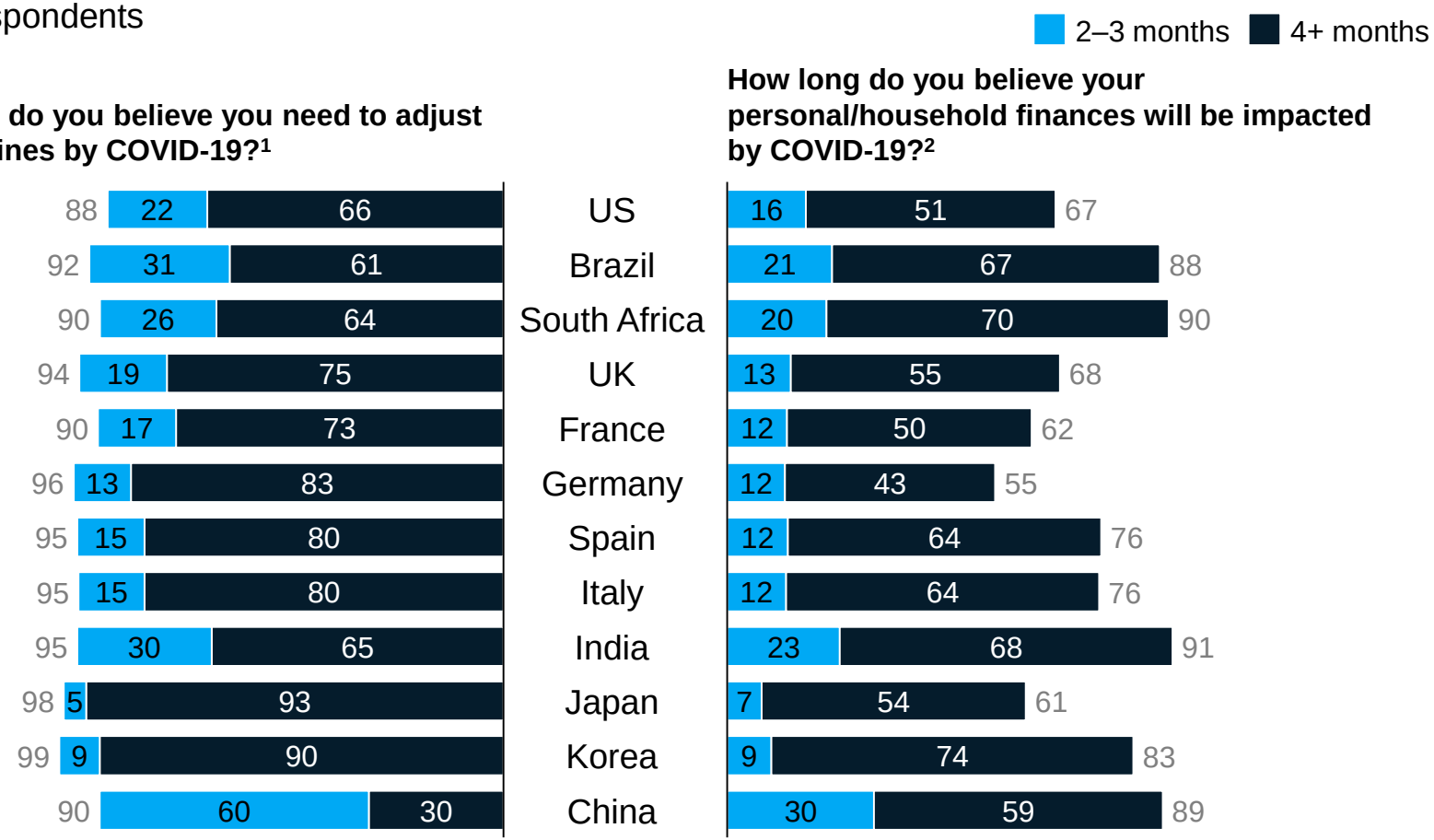
Consumers' income has been impacted most in Brazil, South Africa, and India

Even in China, where many consumers are back at work, 55 percent still report a decrease in income

Most consumers outside China believe a return to normal will take more than four months

Respondents' belief about the time it will take to return to normal

% of respondents



[1] Q: *How long do you believe you need to adjust your routines, given the current coronavirus (COVID-19) situation, before things return back to normal in your country (e.g., government lifts restrictions on events/travel)?*

[2] Q: *How long do you believe your personal/household finances will be impacted by the coronavirus (COVID-19) situation?*

Source: McKinsey & Company, COVID-19 Consumer Pulse surveys, conducted globally between June 15 and June 21, 2020; source of data for South Africa and Brazil was from McKinsey & Company, COVID-19 Consumer Pulse surveys, conducted between May 15 and May 25, 2020

The majority of global consumers, excluding those in China, expect COVID-19 to impact their routines for 4+ months

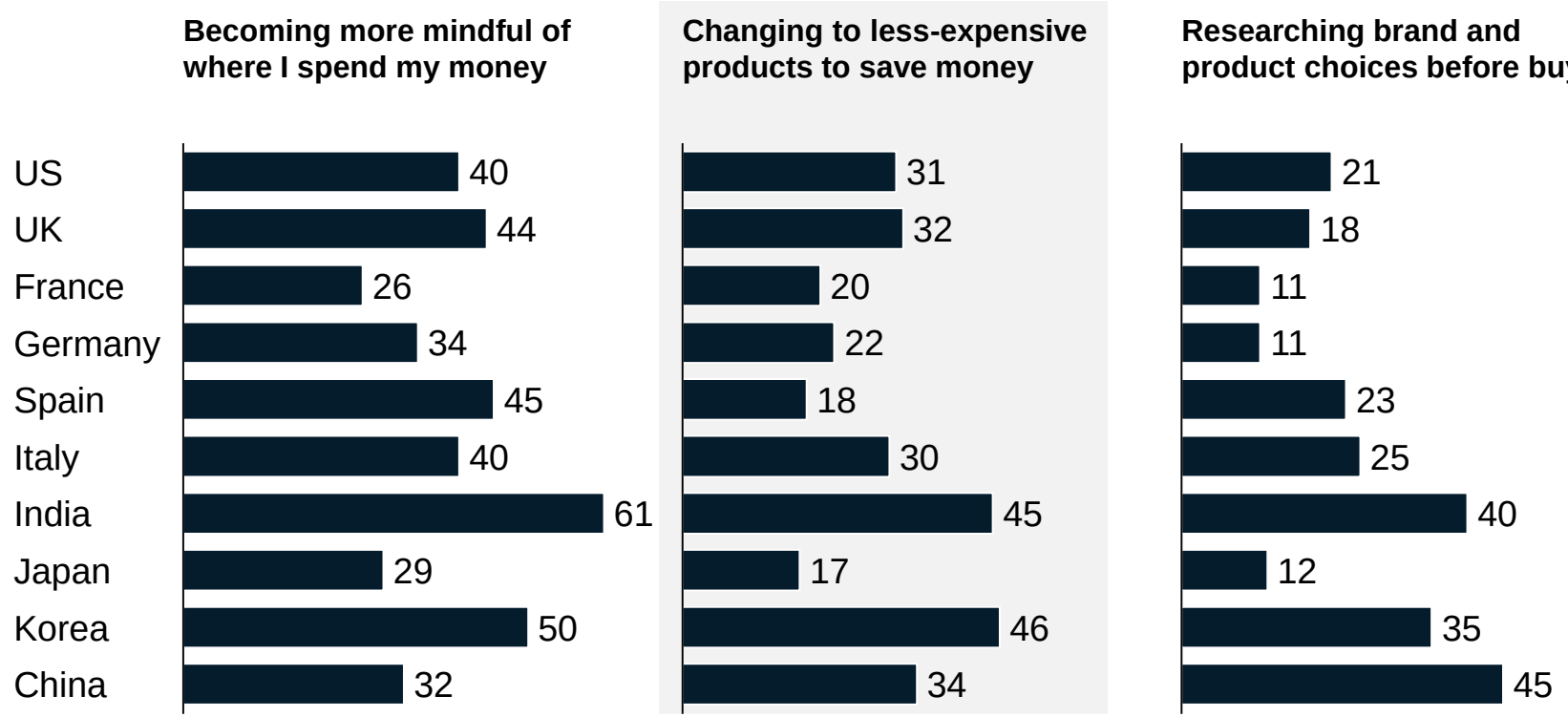
While most Chinese consumers expect impact to their routines to last for 2-3 months more, they expect their finances to be impacted for longer

Many consumers, particularly in Germany, France, Japan, and the US, expect their finances to recover more quickly than their routines

Consumers have shifted to more mindful shopping, with some trading down for value

Change in shopping mindset since COVID-19[1]

% of respondents who are doing more of stated activity[2]



- Many consumers agree that they are being more mindful of where they are spending their money, especially those in India and Korea

The mindset shift can be seen in habits such as trading down and researching brands before making purchases in India, Korea, and China

[1] Q: "*Which best describes how often you are doing each of the following items?"* Possible answers: "doing less since coronavirus started"; "doing about the same since coronavirus started"; "doing more since coronavirus started."

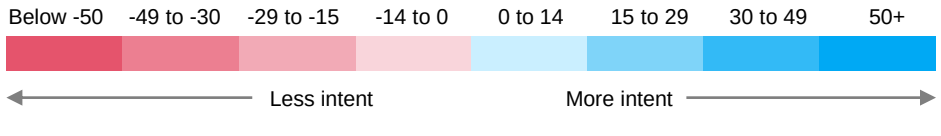
[2] Percent of respondents who answered that they are doing more of stated activity since COVID-19 started.

Source: McKinsey & Company COVID-19 Consumer Pulse surveys, conducted globally between June 15 and June 21, 2020

Consumers continue to concentrate their spending on essentials, though Asia is seeing some categories move to a positive intent

Expected spending per category over the next 2 weeks compared to usual[1]

Net intent[2]



		US	Brazil	South Africa	UK	France	Germany	Spain	Italy	India	Japan	Korea	China
Food and grocery	Groceries												
	Snacks												
	Tobacco products												
	Takeout/delivery												
	Alcohol												
	Quick-service restaurants												
	Restaurant												
Apparel	Footwear												
	Apparel												
	Jewelry												
	Accessories												
Household	Non-food child products												
	Household supplies												
	Personal-care products												
	Skin care & makeup												
	Furnishing & appliances												
Entertainment	Home entertainment												
	Outside entertainment												
	Books & prints												
	Consumer electronics												
Services	Pet-care services												
	Fitness & wellness												
	Personal-care services												
Travel & transportation	Gasoline												
	Vehicle purchases												
	Short-term home rentals												
	Travel by car												
	Cruises												
	Adventures & tours												
	International flights												
	Hotel/resort stays												
	Domestic flights												

[1] Q: *Over the next two weeks do you expect that you will spend more, about the same or less money on the following categories than usual?*

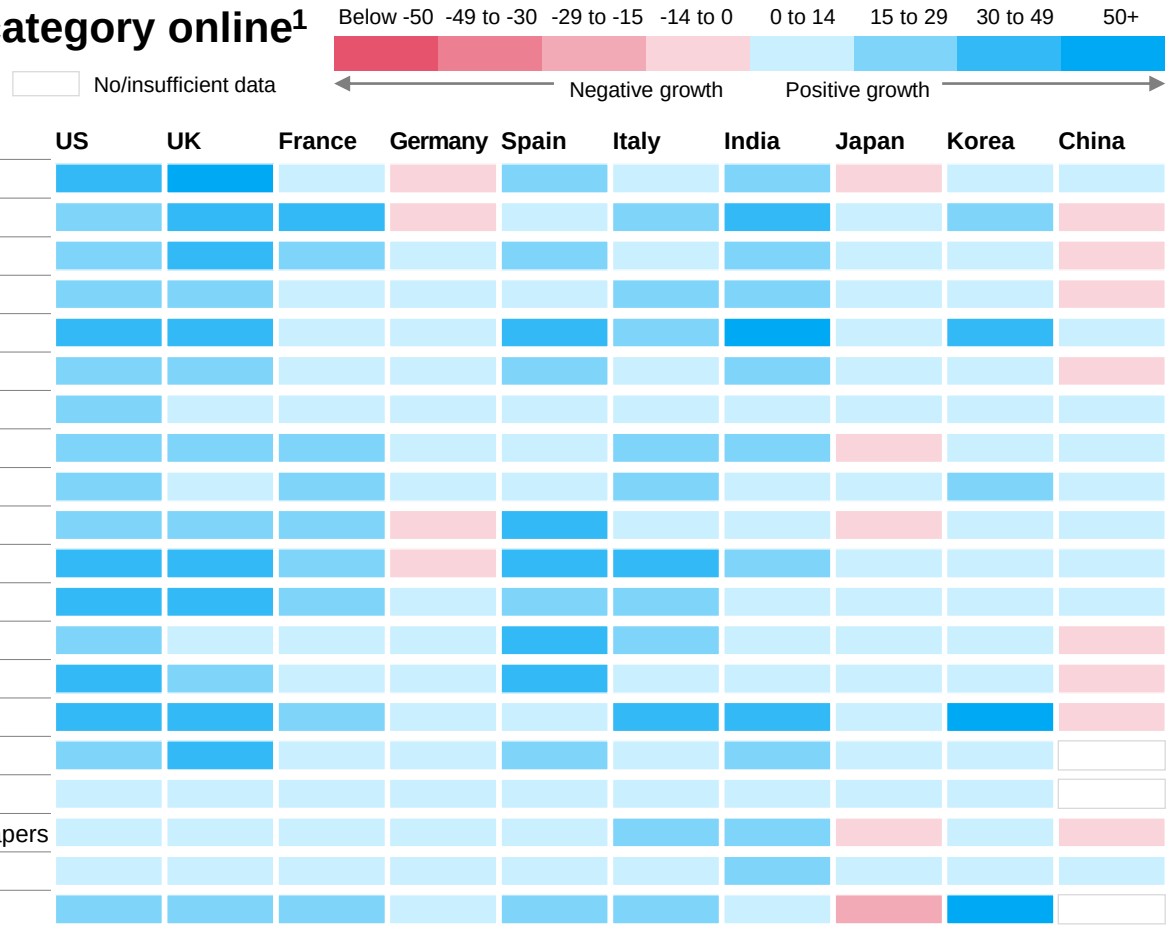
[2] Net intent is calculated by subtracting the percent of respondents who indicate they will decrease spending from the percent of respondents who indicate they will increase spending.

Source: McKinsey & Company, COVID-19 Consumer Pulse surveys, conducted globally between June 15 and June 21, 2020; source for South Africa and Brazil is McKinsey & Company, COVID-19 Consumer Pulse surveys, conducted between May 15 and May 25, 2020

More people expect to make a portion of their purchases online post-COVID-19 than before

Customers purchasing category online[1]

% growth[2]



[1] Q: *Before the coronavirus (COVID-19) situation started, what proportion of your purchases in this category were online vs from a physical store/in person?* Q: *Once the coronavirus (COVID-19) situation has subsided, tell us what proportion of your purchases in this category you think will be online vs from a physical store/in person?* Possible answers: "didn't purchase online"; "some online"; "most online"; and "all online."

[2] Percent growth is calculated by subtracting the pre-COVID-19 percentages from post-COVID-19 percentages and dividing by pre-COVID-19 percentages of respondents selecting "some online"; "most online"; and "all online."

Source: McKinsey & Company, COVID-19 Consumer Pulse surveys, conducted globally between June 15 and June 21, 2020

The US and most European countries see the maximum growth in consumers who intend to continue using online channels even after the crisis ends

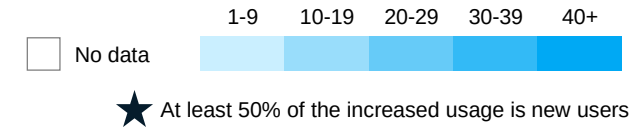
A similar proportion of consumers in China expect to buy online after COVID-19, however they say they will increase share of wallet spent online

Alcohol and Over-the-counter medicine are categories where consumer intent to switch to online purchasing is highest across countries

Consumers are also increasing adoption of digital and low-contact services

New users and increased users[1]

% of respondents[2]



		US	Brazil	South Africa	UK	France	Ger-many	Spain	Italy	India	Japan	Korea	China
Entertainment	Online streaming												
	Watching e-sports												
	Playing online games												
	TikTok		★	★	★	★		★					
Delivery	Restaurant delivery												
	Grocery delivery		★	★									
Food & shopping	Quick-service restaurant drive through			★					★				
	Restaurant curbside pickup	★		★	★	★	★		★				
	Store curbside pickup	★		★	★				★				
	Buy online for in-store pickup			★									
Communications	Videoconferencing: professional		★				★		★			★	
	Video chat: personal												
	Remote learning: self								★			★	
	Remote learning: my children	★		★		★	★	★	★			★	★
Wellness	Spending time outdoors												★
	Online fitness				★			★	★				
	Wellness app		★					★				★	
	Digital exercise machine												
	Telemedicine: physical	★	★	★	★	★	★	★	★				
	Telemedicine: mental	★		★	★	★	★	★					

[1] Q: *Have you used or done any of the following since the COVID-19 situation started? If yes, Q: Which best describes when you have done or used each of these items?* Possible answers: "just started using since COVID-19 started"; "using more since COVID-19 started"; "using about the same since COVID-19 started"; "using less since COVID-19 started."

[2] % of respondents is calculated by adding percent of all respondents who are new to the activity and percent of respondents who have increased their use since COVID-19 started.

[3] For Brazil, the data for "Remote learning: self" and "Remote learning: my children" were combined and asked as one question in the survey; combined result is shown in the former.

Source: McKinsey & Company, COVID-19 Consumer Pulse surveys, conducted globally between June 15 and June 21, 2020; source of data for South Africa and Brazil was from McKinsey & Company, COVID-19 Consumer Pulse surveys, conducted between May 15 and May 25, 2020

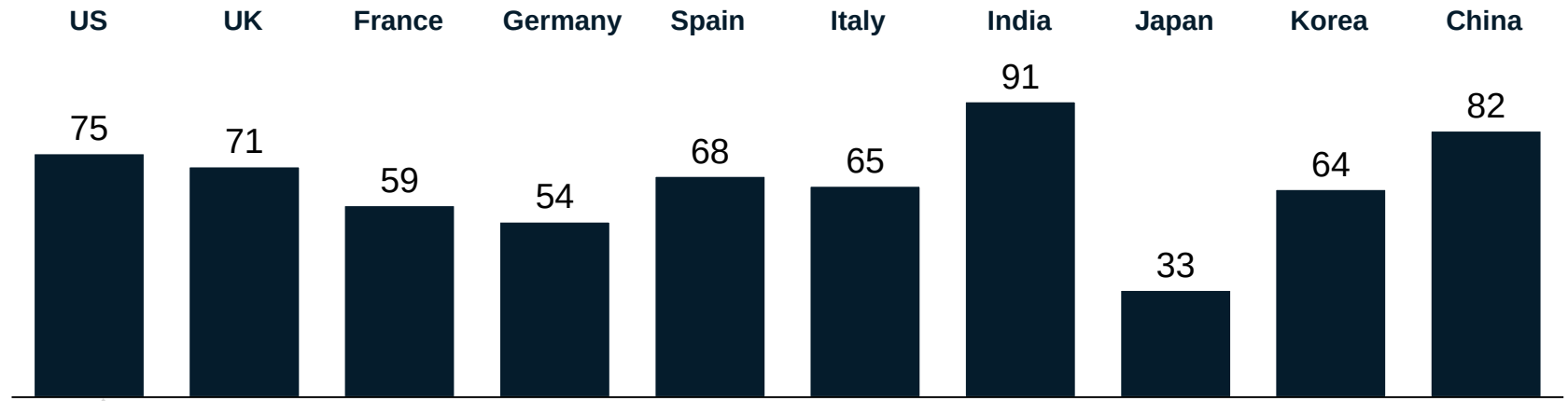
As consumers adapt to the restrictions, many have picked up and intensified digital and low-touch habits such as online streaming, curbside pickup, online fitness and video chats

Global consumers have replaced some of the in-person aspects of their work and healthcare with solutions such as professional videoconferencing and telemedicine

More than 60 percent of global consumers have changed their shopping behavior

Customers who have tried new shopping behaviors since COVID-19[1]

% of respondents



73%–80% intend to continue their adopted behavior

65%–85% intend to continue their adopted behavior

When consumers couldn't find their preferred product at their preferred retailer, they changed their shopping behavior: many consumers have tried a different brand or shopped at a different retailer during the crisis

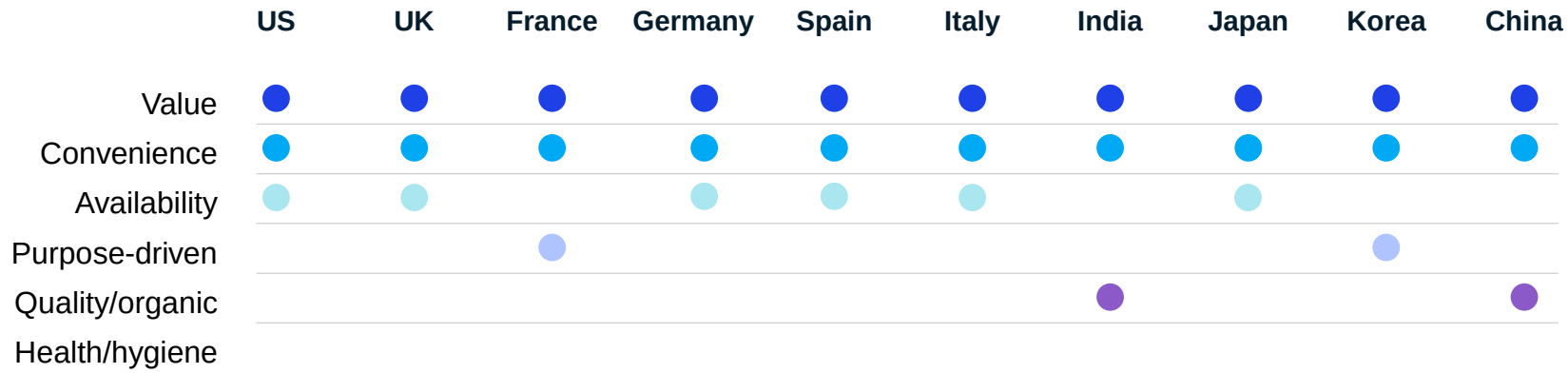
In the US and China, more than 75 percent of consumers have tried a new shopping method, while in Japan, where lockdowns were less strict, the comparative number is 33 percent

[1] Q: *Since the coronavirus (COVID-19) situation started (i.e., in the past ~3 months), which of the following have you done?* Options: "new shopping method"; "different brand" ; "different retailer/store/website"; "private label/store brand"; and "new digital shopping method."

Source: McKinsey & Company, COVID-19 Consumer Pulse surveys, conducted globally between June 15 and June 21, 2020

Value is a key driver of consumers trying a different brand or place to shop

Top 3 reasons for choosing a new place to shop[1]



Top 3 reasons for choosing a new brand[2]

[1] Q: *You mentioned you shopped from a new retailer/store/website since the coronavirus (COVID-19) situation started. What was the main reason you decided to try this new retailer/store/website? Select up to 3.*

[2] Q: *You mentioned you tried a new/different brand than what you normally buy. What was the main reason that drove this decision? Select up to 3*. "Brand" includes different brand, new private label/ store brand.

Source: McKinsey & Company, COVID-19 Consumer Pulse surveys, conducted globally between June 15 and June 21, 2020

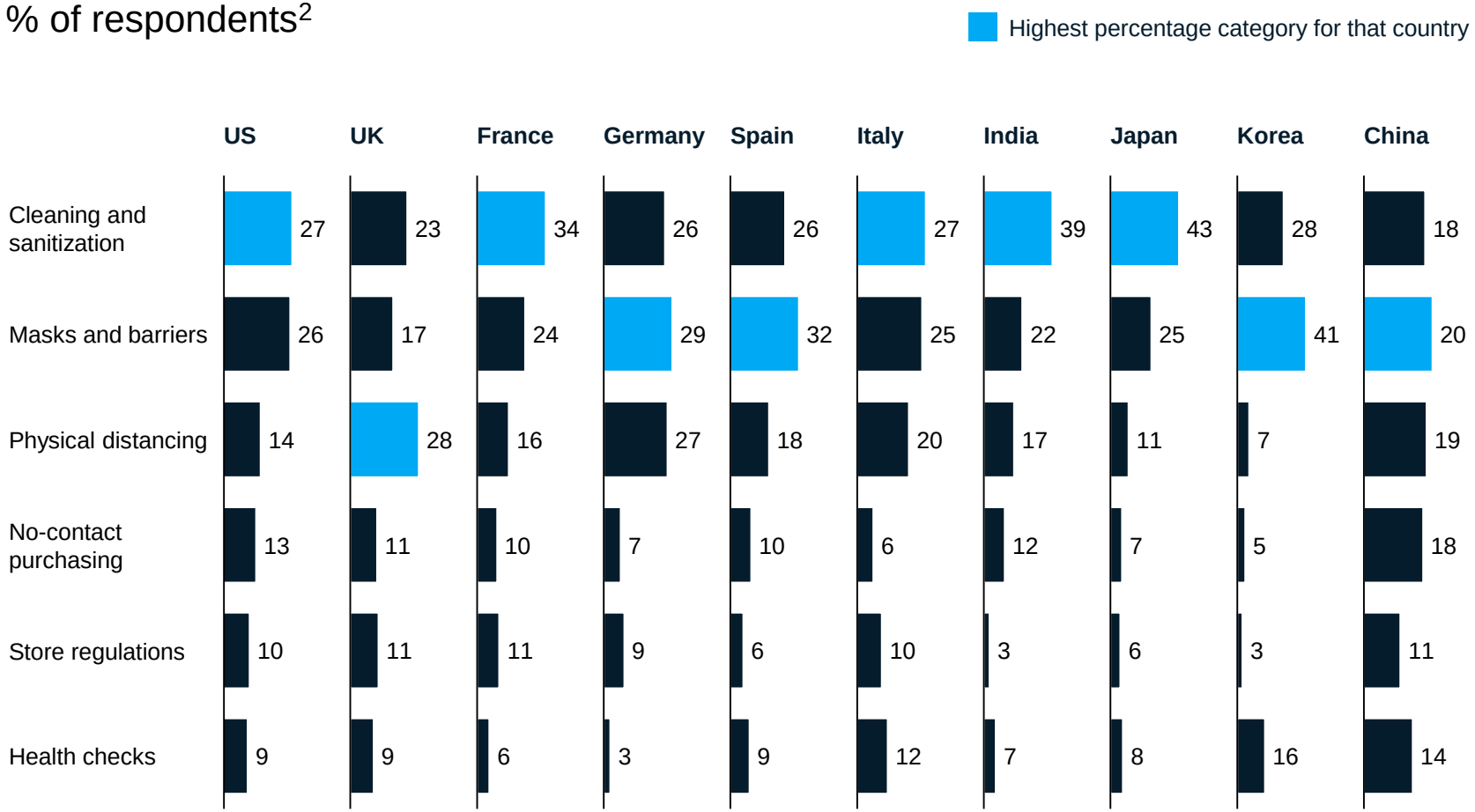
Value and convenience were the top three reasons for choosing a different place to shop for consumers across all countries, with availability being important in many countries as well

Value was the key reason for trying a new brand across the globe, with Europe and Asia also choosing brands based on quality/organic factors

Consumers want to see visible signs of cleaning, barriers when shopping in store

The most important criteria for consumers as they chose where to shop in-store[1]

% of respondents[2]



[1] Q: *Once restrictions lift, which of the following factors will be most important to you as you decide which of these places to visit in person?*
[2] Respondents who selected as most important.

Source: McKinsey & Company, COVID-19 Consumer Pulse surveys, conducted globally between June 15 and June 21, 2020

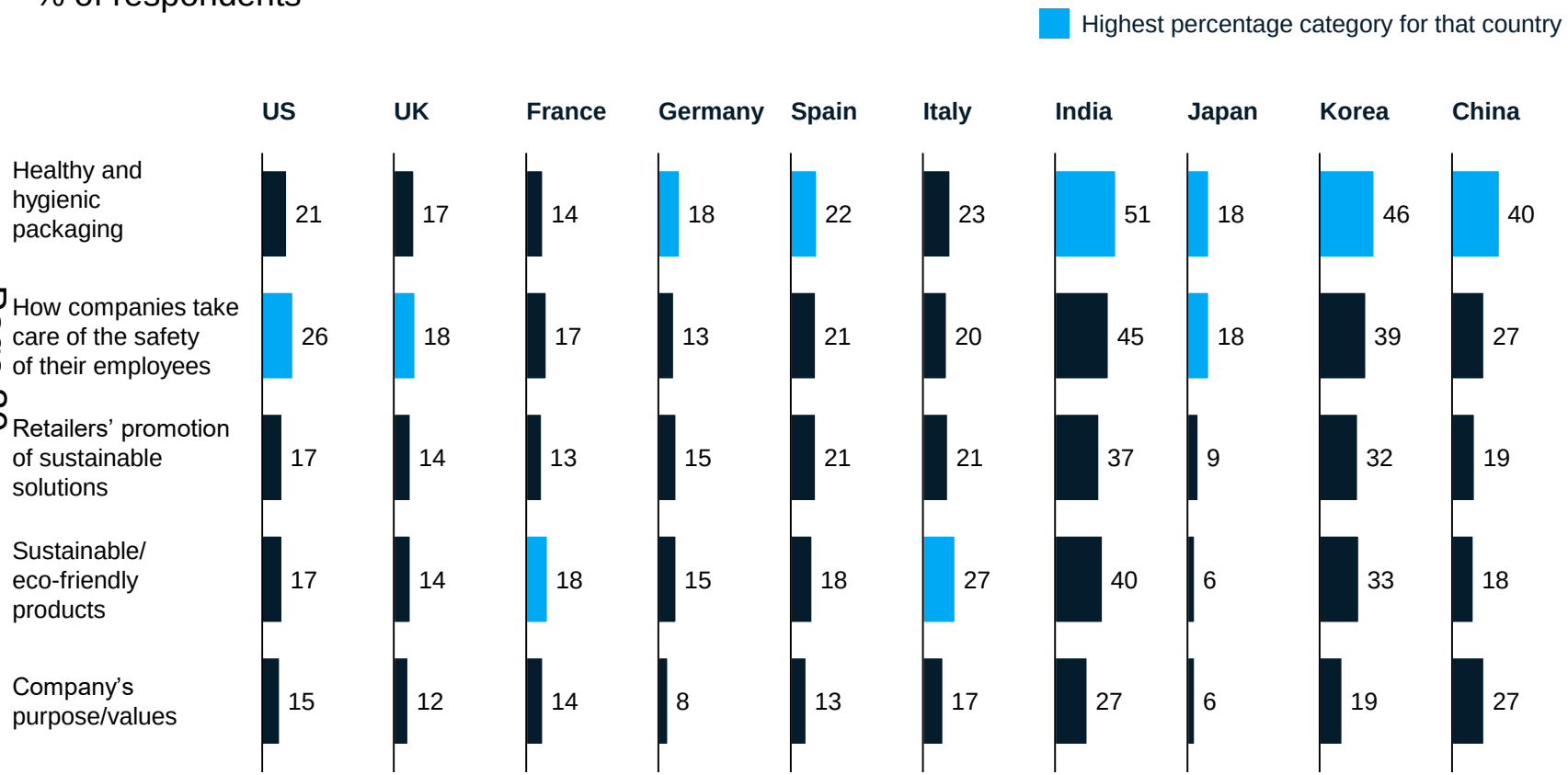
Global consumers are looking for health indicators such as enhanced cleaning and the usage of masks and barriers when deciding where to shop in-store

Store regulations and health checks, although still valued, are less important to consumers than other safety measures

Consumers say that hygienic packaging and care for employees have become more important

Consumers are buying based on company behavior[1]

% of respondents[2]



[1] Q: *“Which best describes how often you are doing each of the following items?”* Possible answers: “doing less since coronavirus started”; “doing about the same since coronavirus started”; “doing more since coronavirus started.”
[2] Percent of respondents who responded “doing more since coronavirus started.”

Source: McKinsey & Company, COVID-19 Consumer Pulse surveys, conducted globally between June 15 and June 21, 2020

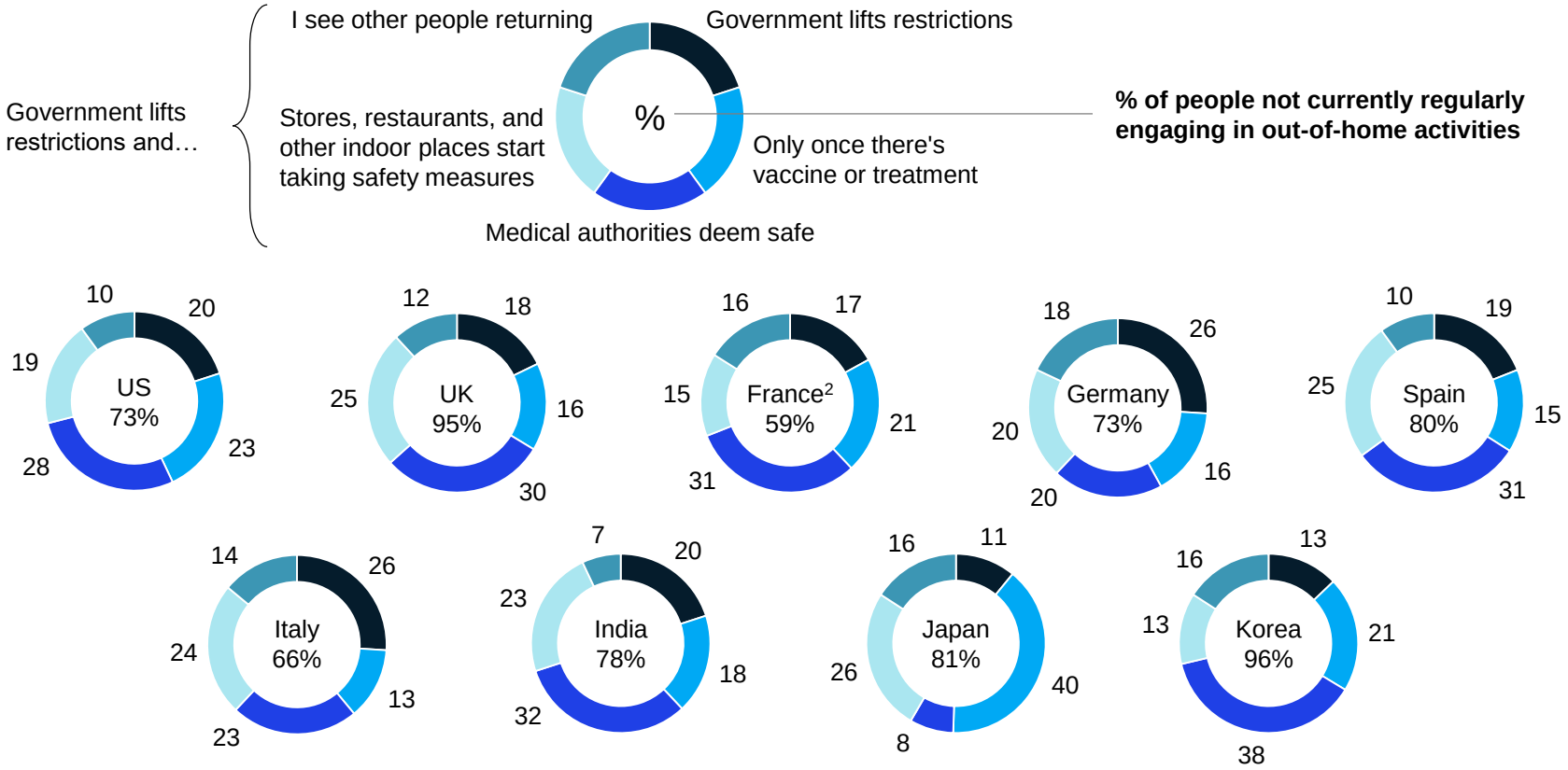
Healthy and hygienic packaging and how companies take care of the safety of their employees have increased in importance as buying factors

Retailers’ promotion of sustainable solutions, sustainable/eco-friendly products, and companies’ purpose/values are lower on the priority list, but important for Italy, India, and Korea

Most consumers are still not engaging in 'normal' out-of-home activities

Milestones consumers are waiting for before regularly engaging in out-of-home activities[1]

% of respondents



[1] Q: W*hich best describes when you will regularly return to stores, restaurants, and other out-of-home activities?* Chart rebased to exclude those already participating in these activities and those who do not deem any of these items important; figures may not sum to 100% because of rounding.

[2] France: 4% of respondents selected "Government lifts restrictions and others," which is not shown in the chart.

Source: McKinsey & Company, COVID-19 Consumer Pulse surveys, conducted globally between June 15 and June 21, 2020

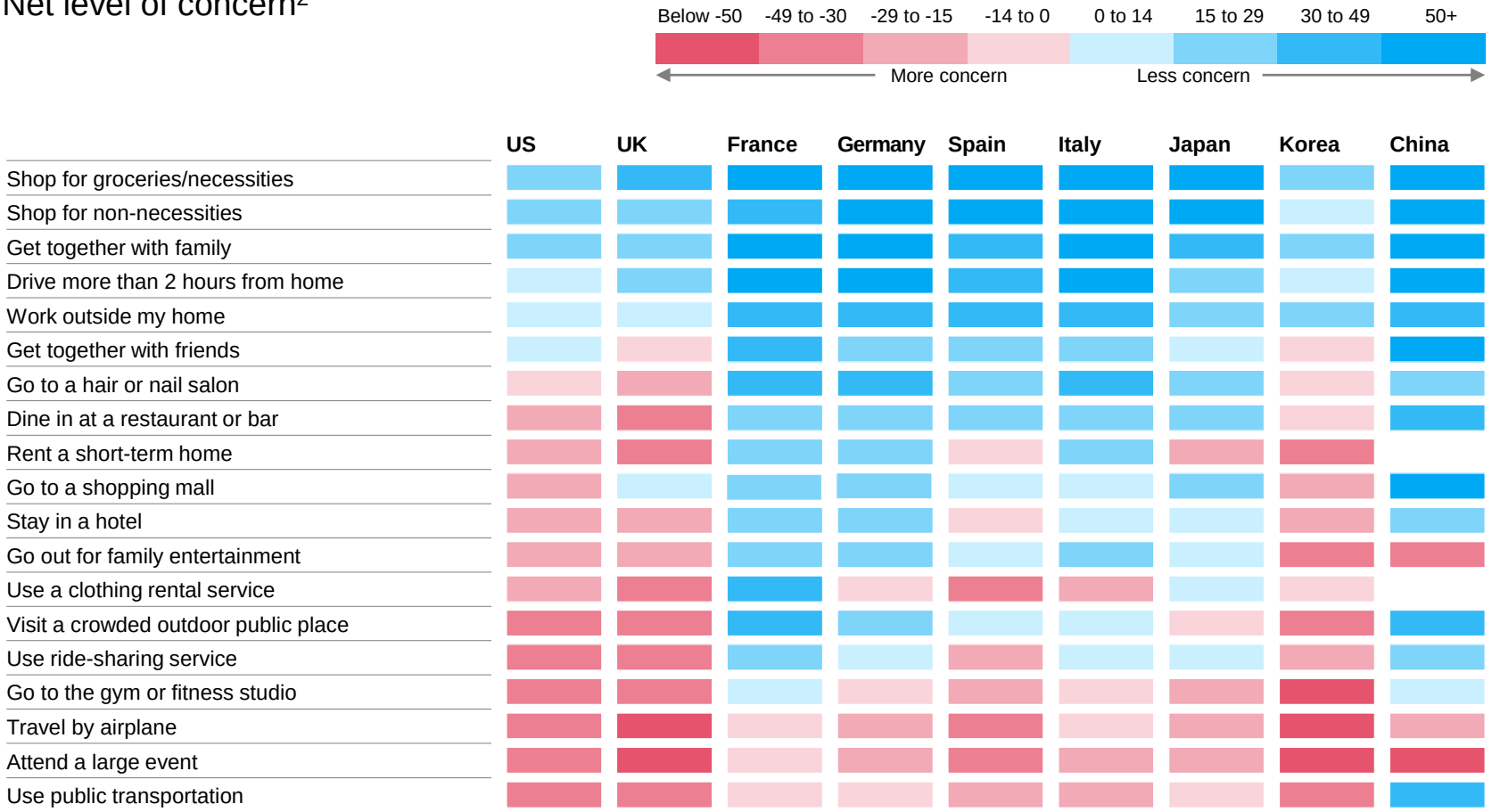
More than 70% of consumers in most countries have not yet engaged regularly with out-of-home activities

Of those not yet regularly leaving home, more than three-quarters want to see milestones met beyond the lifting of restrictions, such as medical authorities deeming it safe, before fully engaging

Consumers in the US, UK, and Korea remain most concerned about a range of out-of-home activities

Consumers' level of concern undertaking various activities[1]

Net level of concern[2]



[1] Q: *How worried would you be if you were to do the following activities in the next two weeks?* Possible answers: "not worried at all"; "not very worried"; "somewhat worried"; "very worried"; "extremely worried."

[2] Net level of concern is calculated by subtracting the % of respondents stating they are "very worried" and "extremely worried" from "not worried at all" and "not very worried."

Source: McKinsey & Company, COVID-19 Consumer Pulse surveys, conducted globally between June 15 and June 21, 2020

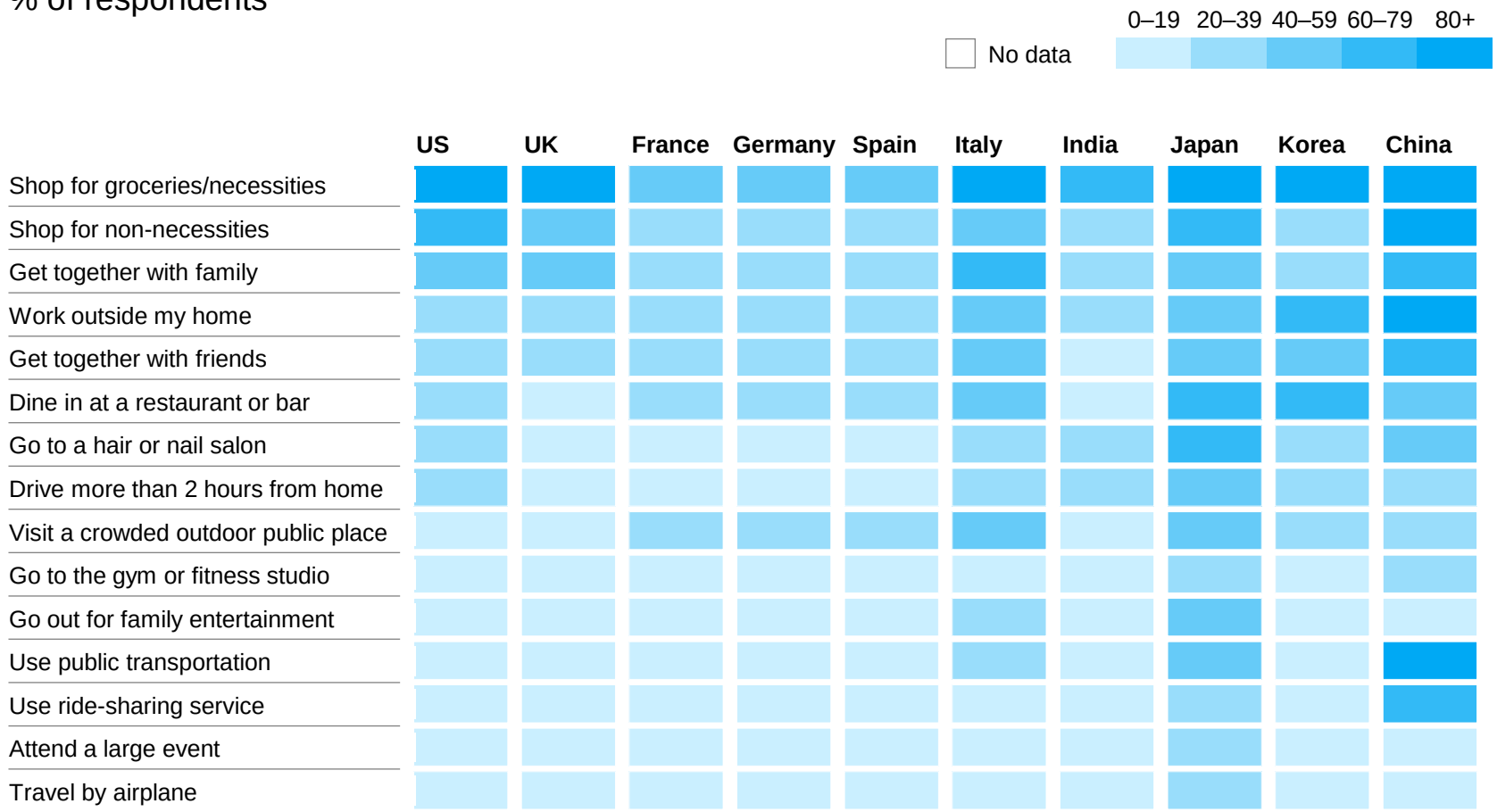
Consumers are least concerned about activities that they likely have become accustomed to over the course of COVID-19, such as shopping for groceries/necessities and non-necessities

By contrast, global consumers are most concerned about resuming participation in travel and attending large gatherings

Intent to pursue out-of-home activities varies by category and country

Intended engagement with activities outside the home for the next two weeks[1]

% of respondents



[1] Q: *For which of the following activities do you intend to leave your home to do in the next two weeks?* Chart represents % of respondents who intend to leave their home to do this activity during the next two weeks.

Source: McKinsey & Company, COVID-19 Consumer Pulse surveys, conducted globally between June 15 and June 21, 2020

Global consumers plan to leave their homes in the next two weeks mainly to shop for essentials (e.g., groceries)

Consumers in Italy, Japan, and China plan to engage in more activities in the next two weeks

Consumers in France, Germany, Spain, and India are the most conservative in their expectations of participating in out-of-home activities in the next two weeks

Disclaimer

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ANNEX 2

UK Consumer Digital Index 2021

The UK's largest study of digital and financial lives

LLOYDS BANK

The 2021 UK Consumer Digital Index is the sixth in the series. It uses the behavioural and transactional data of one million consumers to build a view of digital engagement in Britain.

Join the conversation:
#ConsumerDigitalIndex
@LloydsBankNews

DigitalSkillsInclusion@lloydsbanking.com

Contents

About us

Over the last six years, the Lloyds Bank team have used a unique dataset, analytical and research capability to understand how digital the UK really is. Sharing this knowledge has led to a collaborative approach, working with industry partners, think tanks and Government. The insight has shaped a number of policy outcomes, community interventions and broader awareness of the impact that digital confidence and capability can have on people's lives, work and UK plc.

It has also shaped our own work. Our Lloyds Bank Academy programme was launched as a pilot in Manchester with Greater Manchester Combined Authority, libraries and charities as key partners. Since then, we have expanded to Bristol, London, Leeds, the North East, Yorkshire and the South West. Small business owners and jobseekers alike, have benefitted from free financial, digital resilience and skills support and with partners, our breadth of content and scale has increased.

Our colleague network is key to all of this. Aside from providing support in branches, as a response to lockdown, the team partnered with We Are Digital to launch a brand-new free helpline to support people with over the phone expert training, devices and data. With almost 13,000 digitally excluded people supported, we've been able to connect loved ones with their relatives and provide a digital lifeline to the outside world. Our Digital Champion programme is also active, with almost 20,000 colleagues donating their time and skills to support people, charities and businesses. Over lockdown our charity partners in particular, have helped us stay connected to people that need technical skills and engagement the most.

Through our initiatives, we're able to see and understand the value and impact that digital skills and tech adoption can have. From helping people learn new skills and find employment, to small businesses being more productive, digital is an enabler – helping people get to where they want to go.

This report is designed for and with partners. We hope it will encourage readers to understand that as we digitise our societies and economies, it is crucial that no one is left behind. We must work together to create the structures, services and systems that can help their users thrive.

Thank you to everyone who has used this report to drive the necessary action to close the digital divide.

If you have any questions on the Consumer Digital Index, our propositions or partnership work, please contact us at DigitalSkillsInclusion@lloydsbanking.com and @LloydsBankNews via Twitter.

The Lloyds Banking Group Digital Skills and Inclusion team work across the Lloyds Bank, Halifax, Bank of Scotland and other LBG brands.

Consumer Digital Index

Executive summary

Stephen Noakes

Retail Transformation Managing Director,
Lloyds Banking Group

LLOYDS BANK

"In terms of digital engagement, the UK has made five years' worth of progress in just one year"

In previous editions of the Consumer Digital Index, it has been well evidenced that the people using digital tools and services have a real advantage. They are more likely to build their saving reserves, find new ways to save money and can more easily find and access new information, plus manage their wellbeing, keeping connected to loved ones.

In the last year this moved from an advantage to a necessity. Shielding in our homes, without the lifeline of the Internet, 5% of the population remain digitally excluded; locked out during lockdown. For some, fears of the unknown or the threat of Internet scammers prevail, but for others a lack of interest is a key barrier.

For those online, however, much has changed. In the last 12 months, 1.5 million more people have started using the Internet, resulting in 95% of people now being online. In 2020, predictive modelling indicated that it would take to 2025 for 58% of the UK to have high digital capability. In 2021, 60% of the UK now have this level of digital capability; we have made five years' worth of progress in one.

72% of online consumers have bought from an e-retailer they haven't bought from before; 67% have used a news site for the first time and 65% experienced their first video call. Nine-in-ten (91%) plan to continue habits like these in the future. Between 2016-2020, around one-third of consumers used digital tools and websites to manage their physical and mental health; in the last 12 months that has increased by 15 percentage points to 49%, presumably as the population focuses more on their wellbeing.

Consumers are not just doing more online, they are doing it more often. More than half (55%) of the online population have increased their Internet usage throughout the pandemic – on average people are spending an extra 13 hours online a week.

A top trigger for improving digital skills in 2021 has been the need to work from home. The difference in lockdown working styles and requirements has meant parts of the UK workforce have digitised more rapidly than others – now job type doesn't just impact current income, but rather the level of digitisation and resulting broader lifestyle benefits. 93% of office workers are now confident Internet users versus 85% of manual workers, and they are 11 percentage points more likely (73% vs. 62%) to use the Internet to develop professionally and improve future work prospects. The data also shows increased personal use of the Internet, indicating a halo effect from the working day.

People who are out of work are even less likely to be digitally capable and confident. 31% of unemployed people have Low or Very Low digital capability versus 19% who are in the workforce. There is an opportunity to prioritise the estimated 1.7 million unemployed* who will need digital access, proficiency and engagement to find work in an increasingly online career marketplace.

At least one-quarter (28%) of people say they have upskilled themselves for work related reasons; 11% wanted to improve their job performance and productivity and 10% wanted to learn new skills to boost employment prospects. When asked what the easiest way would be to receive digital skills support, over half (57%) said through their employer.

*Office for National Statistics, 2021, ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/bulletins/employmentintheuk/march2021#unemployment

The survey indicates clear motives to incentivise people in the future too – 77% would improve their digital skills if they thought it would directly help them with a day-to-day task or piece of work. 64% would prioritise digital skills if they knew it would help them progress in their job or secure a better role.

This is likely to be amplified by the socio-economic climate. As the Consumer Digital Index shows, people have shared their changing money mindsets. The pandemic has impacted people's financial priorities; 59% are now focusing on becoming debt free and 58% are reprioritising day-to-day spend.

Different populations have had different financial outcomes from the last 12 months. 12% of people, as in 2020, still would 'struggle immediately' if their income were to stop. On the other hand, 56% now have financial reserves that would support them for three months or more. Digital capability or enablement has not impacted this macro trend – age is generally a more determining factor as younger people are less likely to have been able to grow their savings pot, and more likely to have been furloughed**. It is also the most vulnerable populations who are most likely to struggle immediately; carers, people suffering long-term sickness and the unemployed. This is cause for concern.

When comparing people of similar age groups, income levels or job types however, the impact of digital enablement is a greater use of saving accounts, greater savings on spend and a likelihood to earn more money. Access to digital platforms and payments is also changing behaviours – the usage of 'Buy Now Pay Later' services has increased rapidly, altering the way that people spend and manage their money. Broader Fintech services are used by 2.8 times more people than in 2020. It is important that as new services are adopted that consumers are supported in using them to their benefit.

One of the key questions for the Consumer Digital Index report is always – *'So, what can we all do differently?'* 2021 data indicates that, now more than ever, it is crucial that help and support is findable and focused on outcomes. 67% of people have said they would improve their digital skills if they knew there was support available when needed. As outlined above, understanding how improving their digital confidence and capability could impact their future careers and financial freedom, will incentivise action.

The 2021 report demonstrates that digital and financial exclusion places individuals at a significant disadvantage. The report intends to provide evidence to shape and create a more inclusive and sustainable economy, underpinned by digital equality for all.

- The UK has made five years' worth of progress in one in terms of its digital engagement
- 1.5 million more people have started using the Internet
- On average people are spending an extra 13 hours online a week
- At least one-quarter (28%) of people say they have digitally upskilled themselves for work related reasons
- 67% of people said they would improve their digital skills if they knew there was support available

**BBC, 2020, bbc.co.uk/news/business-53416673

Partner quotes

Good Things Foundation
Improving lives through digital

Helen Milner OBE
Group Chief Executive
Good Things Foundation

COVID-19 has changed everything and it's changed nothing. The social and economic impact of being digitally excluded is now well understood, while online activity has increased across society.

But for all the progress, we still see debilitating digital exclusion and data poverty. It is holding millions back and threatens our economic recovery; more so in some regions than others.

The financial, social and employability benefits of having a device, connectivity and digital skills come through clearly in this new report. We must work together to ensure everyone benefits from digital – and that the people hit hardest by the pandemic aren't further disadvantaged, as everyday life moves more online.

This year's data gives us vital insight into digital exclusion in a society slowly emerging from a global pandemic. It shows us the size of the task ahead – but makes us more determined than ever to seize the moment for change, working with partners like Lloyds Bank to fix the digital divide.

BT

Andy Wales
Chief Digital Impact and Sustainability Officer
BT

Our reliance on connectivity has sharpened dramatically over the last year, as people found themselves needing to work, rest and play, all within the confines of their own homes.

As the Lloyds Banking Group Consumer Digital Index 2021 shows, the way we interact with tech, and find ourselves needing it, has in many ways been a positive force for good – more people are feeling more confident doing things they never had to do before. But many are struggling, and the last year has exposed the digital skills gap like never before.

At BT, we connect for good, and are invested in helping millions of people make the most of life in the digital world. Our *Skills for Tomorrow* programme offers a range of free resources to help people feel more confident and learn skills to enhance their chances on the job market, keep children entertained and safe online, and ensure their businesses are successful in the digital marketplace.

Department for Digital, Culture Media & Sport

Caroline Dinenage
Minister for Digital and Culture
Department for Digital, Culture, Media and Sport

We would like to congratulate and thank Lloyds Banking Group for their ongoing commitment towards digital skills and the launch of this year's Consumer Digital Index.

The past year has proven that digital skills have never been more crucial to our economy. Whether it's been for school, work, personal wellbeing or staying connected to the ones we love, digital and tech has played a fundamental role in our everyday lives. This report provides a fantastic insight into how much society has embraced digitisation.

We need to capitalise on the momentum of 1.5 million more people embracing online services, the Internet and tech products, and ensure this digitisation is embedded for the long term and across the breadth of society.

We know we still have lots to do, with over 9 million people lacking foundation level digital skills, while vulnerable people are more likely to be digitally excluded.

This is why the Government has introduced a digital entitlement for adults with no or low skills to undertake improved basic skills qualifications

Supported by
Department for Education

Gillian Keegan MP
Parliamentary Under Secretary of State for Apprenticeships and Skills
Department for Education

for free, and this year we announced the Digital Lifeline Fund in partnership with Good Things Foundation, to help provide those with learning disabilities with devices, data and digital support.

The Government has continued to support the rollout of digital bootcamps, building on our Fast Track Digital Workforce Fund, which provides a way for people to upskill quickly and move into digital roles. In 2021, we will see digital bootcamps expanded across all regions through further government investment. Our introduction of the Skills Toolkit means people can study a wide range of free online courses to further develop the digital skills that employers are looking for. Users can register for courses on AI, coding, data science, cybersecurity, and cloud computing.

We applaud Lloyds Banking Group in helping us with this work, including through their active membership of the Digital Skills Partnership. From mapping digital capability, to supporting individuals and businesses learning the digital skills they need to succeed, together we can make real change to help create a better digital world for all.

Consumer Digital Index Methodology

The UK Consumer Digital Index is a report that draws from two datasets.

The largest dataset holds the behavioural and transactional data for one million UK consumers. Using this dataset alone, the Digital Index Score and Segmentation are created to measure the extent to which people are capable and engaged with the digital world.

For the methodology behind the Digital Index Score and Segmentation *see page 52*.

Secondly, a subset of the one million sample is taken and 2,700 consumers are surveyed via telephone. This allows the report to include matched behavioural and attitudinal data.

The Essential Digital Skills measure is due to be updated and published in Autumn 2021 later this year.

Extrapolations in this report use the latest available UK population estimates released by the Office for National Statistics. The survey data has been weighted to be nationally representative in terms of age, gender and region (excluding Northern Ireland). It should be noted however that the survey in this report sampled only Lloyds Banking Group customers from Great Britain.

Lastly, across some figures, not all data points will sum to 100%, this is due to rounding discrepancies.

Creating the Consumer Digital Index

1 The Consumer Digital Index begins with the creation of **a sample of one million consumers**

This sample is generated from an anonymised behavioural dataset of 30 million people across Lloyds Bank, Halifax and Bank of Scotland customer bases. A diverse dataset ensures that the sample created is representative of the UK.

BANK OF SCOTLAND LLOYDS BANK HALIFAX

2 **2,700 people are selected** for a telephone interview and the findings are data matched

In the interview, they share their thoughts, feelings and attitudes on their digital and financial lives. Following completion of the research, the findings are matched to the one million behavioural dataset.

3 The insight is **generated**

The Lloyds Bank Responsible Transformation team uses a blend of analytical tools and skills to interpret the data and draft the report.

4 Partners ensure this data-rich report is **fit for purpose**

The report is quality assured by our Chief Data and Analytics Office data scientists to ensure all statistics are robust. It is also assured contextually by external experts and internal thought leaders in analytics, security, risk and legal.

5 The Index is **published**

The insight is published to stakeholders across Government, academia and industry to facilitate insight-led change in the UK.

Lloyds Banking Group then uses the insight to underpin initiatives such as the Lloyds Bank Academy, a network of circa 20,000 Digital Champions and a helpline/device campaigns to support the vulnerable during lockdown get online.

1

UK digital lives in 2021

The last 12 months have been like no other. The way in which people in the UK have interacted with the Internet has changed significantly over this period. This chapter illustrates the impact of this change in behaviour.

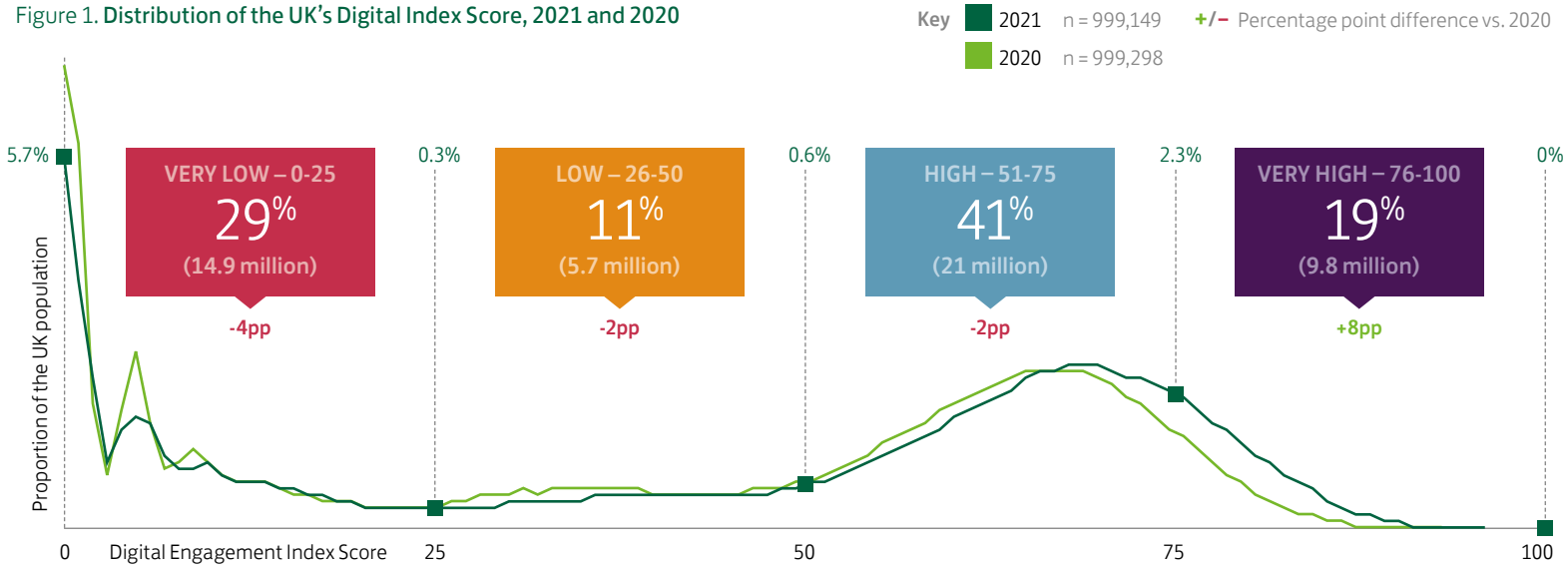
How digital is the UK?

The COVID-19 lockdown has created a major uplift in digital activity since 2020

In 2020, this report measured the extent of digital engagement among UK consumers in a new way*. Therefore, one year on, this study is able to produce the first year-on-year comparison to this evolved benchmark. At an overall level the Digital Engagement Index Score, which represents people's levels of online activity, has increased by 11% from 43.6 to 48.5. Put simply, compared to last year, on average people are spending more time online; shopping, interacting and using technology.

Given the external environment that the COVID-19 pandemic has largely shaped, it is no surprise that people are using digital platforms and services more. This report will evidence many ways in which people have digitised.

Figure 1. **Distribution of the UK's Digital Index Score, 2021 and 2020**



Segment Personas

VERY LOW 0-25

The average person in this segment scored zero across many measures however 14% of their spend is online, some of it on mobile phones. They tend not to use email or online banking.

LOW 26-50

The average person in this segment uses email and uses a desktop computer for online banking.

HIGH 51-75

The average person in this segment begins to use more digital devices, managing their money online through a mobile browser or via an app. They typically pay for streaming services and purchase computing related items.

VERY HIGH 76-100

In this segment people use online banking with a much greater frequency. They spend on average 61% of their money over the Internet – some of which goes on online entertainment. Over half now also use Fintech services.

*Consumer Digital Index, 2020, lloydsbank.com/assets/media/pdfs/banking_with_us/whats-happening/lb-consumer-digital-index-2020-report.pdf

Digital engagement is increasing across the breadth of the population

The Digital Engagement Index Score is used to create four segments from Very Low to Very High (*see page 52*). Since last year there are 8% more consumers with Very High digital engagement. All three less digitally engaged segments have shrunk (figure 2).

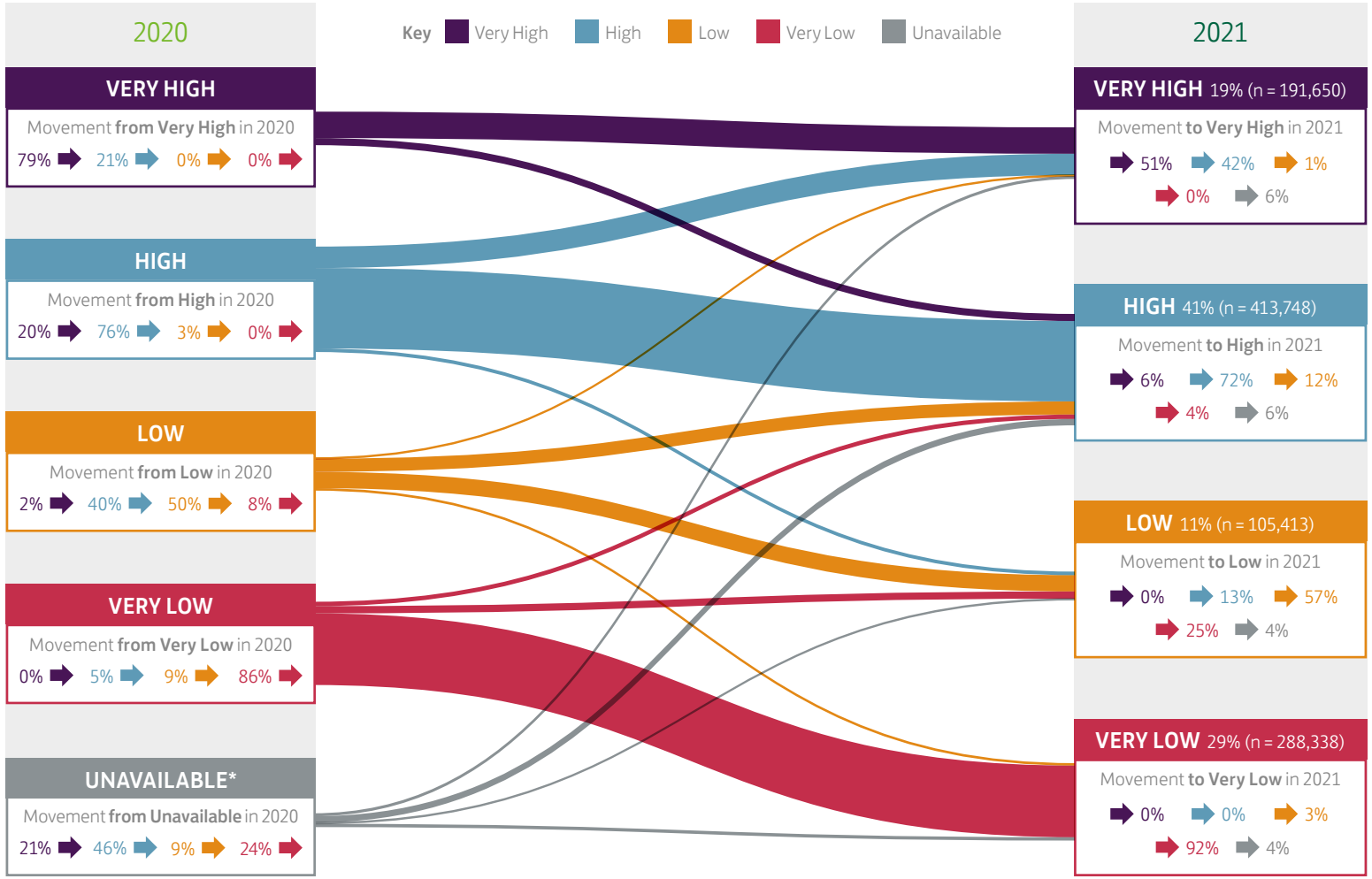
This shift is really positive and evidences improvements across the breadth of the population and not limited to those with already high levels of online activity.

The following pages demonstrate who the people are behind the digital engagement segments and what has caused a change in their online behaviour.

This diagram illustrates that digital capability is not a permanent state. This data serves as a reminder that service designers and providers cannot assume a continuous level of digital confidence and capability. Over time, this can change, and as more complex interfaces and interactions arise, it is important consumers are continuously supported.

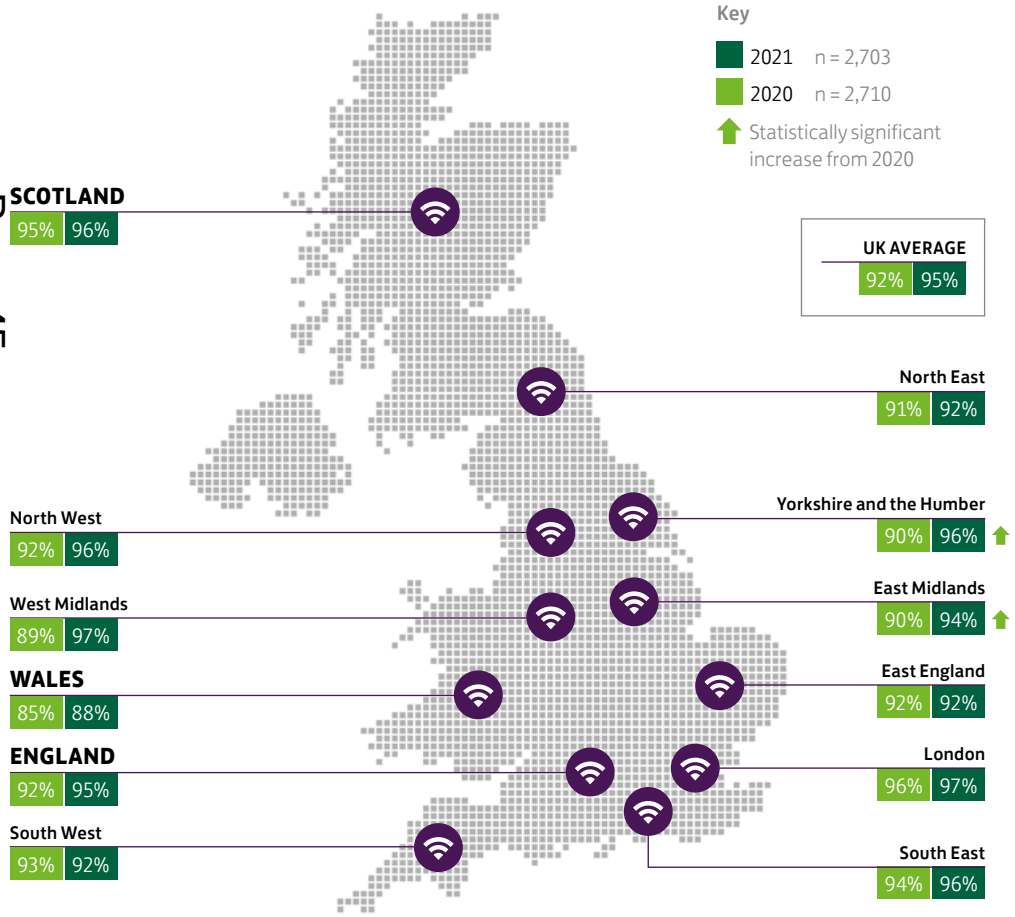
Figure 2. **Movement of the UK population between Digital Engagement Segments from 2020 to 2021**

n = 999,149



*Consumers in the 'unavailable' segment didn't meet all necessary criteria to be included in the sample for both 2020 and 2021.

Figure 3. Have you used the Internet in the last three months? (e.g. desktop, laptop, mobile or tablet), 'Yes', split by region, 2021 and 2020



1.5 million more people are now online

There has been a significant increase in those who are using the Internet, now 95%, up from 92% last year (figure 4). Data from the Office for National Statistics* also shows a substantial year-on-year decrease among households without Internet access (from 7% to 4%).

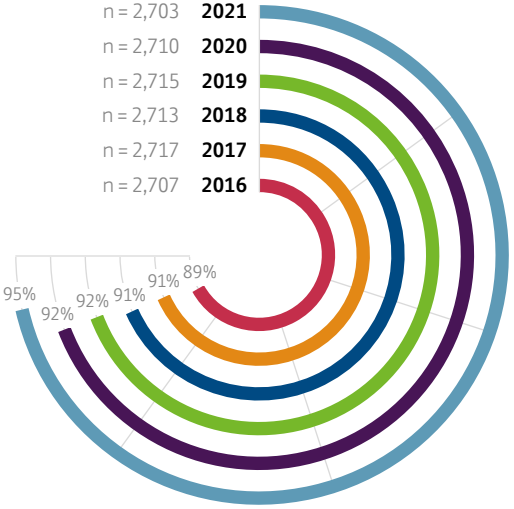
Please *see pages 29-30* for detail on those who remain offline.

The Midlands and Yorkshire and the Humber have shown the greatest leaps with Internet usage since 2020

In fact the West Midlands is now the joint leader alongside London in terms of its proportion of connected citizens (figure 3).

Welsh citizens have also made strides to get online in the last year, however still lag behind all other regions and nations (excluding Northern Ireland, which was not measured in this survey). As can be seen from the increase in the West Midlands in the last 12 months, it is possible to move the dial.

Figure 4. Have you used the Internet in the last three months? (e.g. desktop, laptop, mobile or tablet), 'Yes', 2016 to 2021



*Office for National Statistics, 2020, ons.gov.uk/peoplepopulationandcommunity/householdcharacteristics/homeinternetandsocialmediausage/bulletins/internetaccesshouseholdsandindividuals/2020#internet-access-households-and-individuals-data

Spotlight on benefit claimants

Over one-third of UK benefit claimants have Very Low digital engagement

In this report, benefit claimants have been identified through the transactional dataset and includes recipients of Universal Credit*. The data indicates that this group have polarised digital engagement. Building on findings from the 2019 Consumer Digital Index, figure 5 shows a higher proportion of benefit claimants, than the UK average, with the highest levels of digital engagement. Benefit claimants are also more likely to have less digital engagement compared to the rest of the population, showing a greater digital disparity within this group.

In the Spring 2020 lockdown, there were over ten times the usual level of Universal Credit claims made in the first two weeks alone**. Given the inability to leave home, the 2021 data indicates there is a live challenge that millions of people across the UK would struggle to engage with the online services required to access support. The level of challenge differs by region (figure 6). Geographically there is a range of ten percentage points between the areas with the highest and lowest proportions of benefit claimants with Very Low digital engagement. Positively however, digital engagement has also increased for this population across the board, since 2020.

Figure 5. **Behavioural segmentation applied to benefit claimants, including those on Universal Credit, 2021**

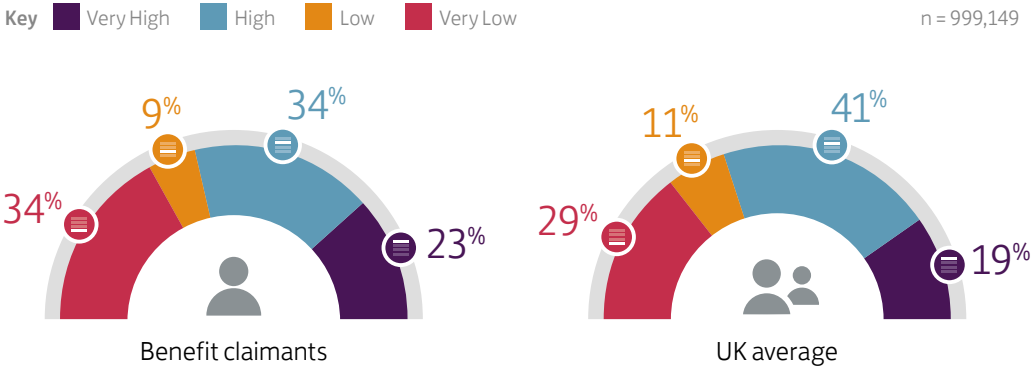
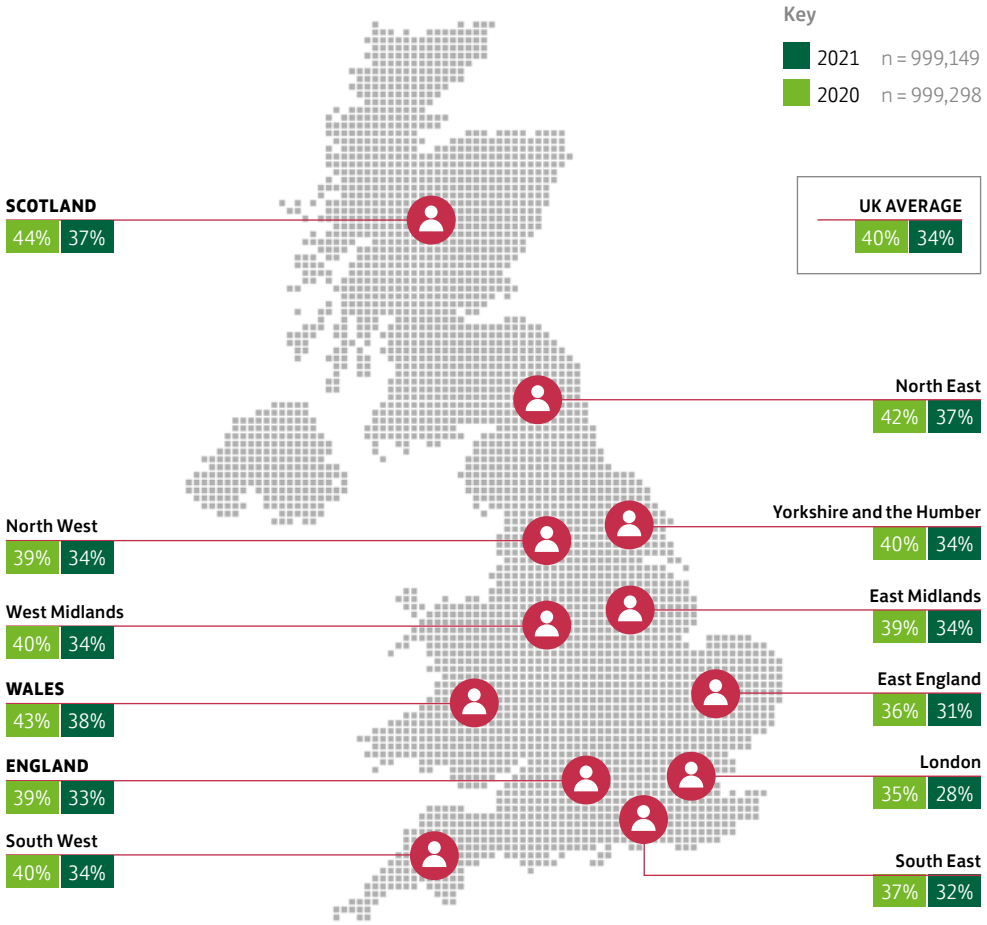


Figure 6. **Proportion of benefit claimants with Very Low digital engagement. Split by nation and region, 2021 and 2020**



*For this analysis, 'Benefit claimants' includes those receiving the following allowances: 1. Disability 2. Housing 3. Income 4. Job Seekers 5. Other 6. Tax Credit 7. Universal Credit.
'Other' includes: 1. Social Fund 2. Widows Benefit 3. Bereavement Payment 4. Education Maintenance Allowance 5. Cold Weather Payment 6. Training Payment 7. Industrial Injury's Benefit.
**Department for Work & Pensions, 2021, gov.uk/government/statistics/universal-credit-statistics-29-april-2013-to-14-january-2021/universal-credit-statistics-29-april-2013-to-14-january-2021#claims-on-uc-header

How are people engaging digitally?

Consumer use of Fintech services boosts overall digital engagement

Taking a closer look at the transactional and behavioural data that underpins the Digital Engagement Index Score, helps to shed light on the overall growth since last year.

There are 2.8 times as many customers using Fintechs* (e.g. Transferwise, GoHenry etc) in 2021 vs. 2020. External research describes the positive and rapid response from the Fintech industry to ideate and deliver products and services to help UK consumers in new ways. For example, helping carers to shop for those who were shielding and allowing the self-employed to verify their income for state support**.

Consumers are increasingly using mobiles over other devices for online banking

Compared to 2020, there has been a slight decrease in tablet and desktop usage for online banking. The decrease in usage for these devices may have been channelled into smartphone banking usage, which has increased from 59% to 65%. (*Appendix 1*).

- 100% of Very High digitally engaged consumers use mobile banking (16% are tablet users, and 47% are desktop users)
- Only 7% of mobile banking users are Low or Very Low Digitally Engaged consumers.

Despite the preference for mobile, multi-device usage has remained similar overall. This is particularly interesting as this could reflect the tough economic environment and financial situations many people have faced, which could mean fewer people are investing in multiple devices. In households where there are already more than one device, homeschooling for example, will have changed behaviour. *See page 14* for more information on household device usage.

Those aged 60+ have made large increases in their digital engagement

Since last year, there has been fundamental movements across the segments (figure 2 on page 10):

20% of people with High digital engagement in 2020 have stepped up to the Very High segment

21% of people with Very High engagement have stepped down to the High segment

On the whole, the Digital Engagement Score increases have been in increments of less than ten points. However, for some key segments the changes are drastic. For example, 11% of people over 60 increased their digital engagement score by more than twenty points (to move up one segment) indicating a leap forward in digital capability rather than a step.

However, older less affluent groups are more likely to make up the group who have decreased their engagement since last year.

People on incomes of less than £35,000 are more prone to larger decreases in digital engagement

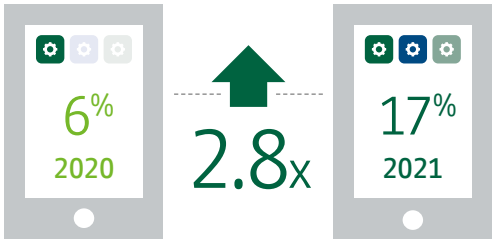
In the broader context of increased digital engagement in the UK, analysis was undertaken to understand more about those with decreasing digital capability. The standout characteristic of people with a lowering score, is that they earn less than £35,000 a year.

Two-thirds of those who have substantially decreased their digital engagement from Very High to High (by more than ten points) have an income of less than £35,000.

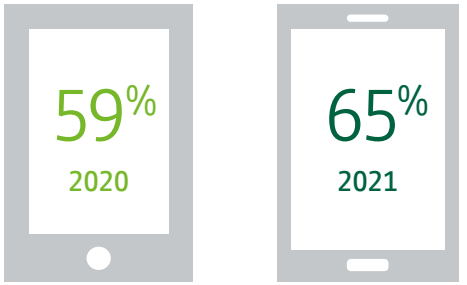
Streaming, shopping, and mobile banking have stood to gain in the pandemic

Compared to last year, people are making far more computing related purchases (52% vs. 37% in 2020), streaming online entertainment (49% vs. 44%) and using mobile banking (65% vs. 59%). These are all products, services and channels which have enhanced relevance as a result of the pandemic, and have had an impact on increasing digital engagement overall.

There are 2.8 times as many consumers using Fintech services compared to 2020



Smartphone banking usage has increased by six percentage points since 2020



*Fintech user defined as having made a transaction using a Fintech service in the last three months

**EY, 2020, assets.ey.com/content/dam/ey-sites/ey-com/en_gl/topics/emeia-financial-services/ey-uk-fintech-2020-report.pdf

Internet usage has increased on average by 13 hours per week

The pandemic has not just encouraged new people online, it has also meant that those who were already online are more invested in it than ever before. More than half (55%) of the online population has increased their Internet usage throughout the pandemic (figure 7). Among those who have increased their time online, on average, people are now spending 13 hours more per week. The data shows this group with increased time spent online are more likely to be (*Appendix 2a-2d*):

- Females
- Under 50s
- Londoners
- Higher Digital Engagement Segments

Device usage impacts what families do online

External research and lived experience have shown that homeschooling throughout the pandemic has placed a burden on families*. Not just through time and effort required for the task, but on Internet and device usage as well. Ofcom have evidenced that 20% of children have not always had access to a device for online learning while schools were closed**.

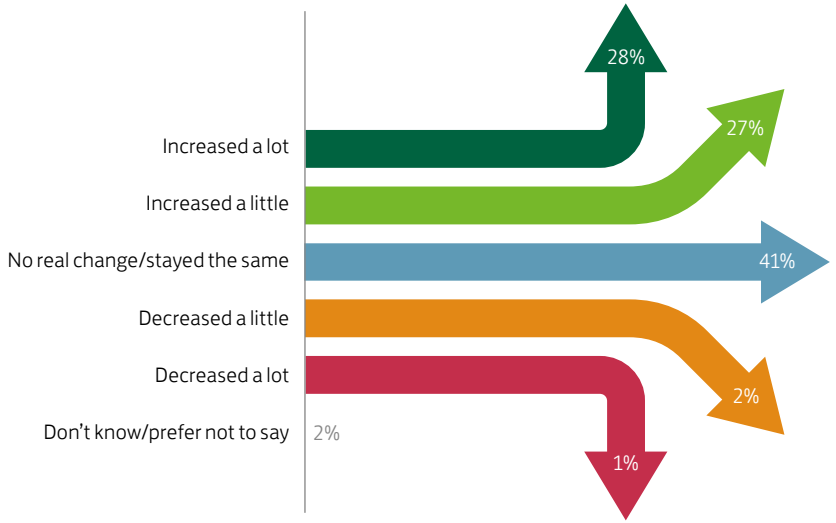
Transactional data shown on page 13 highlighted that people are becoming more likely to use one device for their online banking. There could be a few reasons for this shift, with one being simply that people prefer the convenience of mobile banking as smartphones are normally close to hand. However, another likely factor is that families are increasingly sharing tablet and laptop devices, particularly for online learning and therefore devices are spread more thinly across the household. Figure 10 (*see page 17*) shows how online learning engagement has changed since 2016.

It is not just office workers increasing their time spent online – one-quarter of skilled manual workers have also increased their Internet use

Beyond any digital interactions needed for work, the data shows that people with office-based jobs have seen a broader and more significant Internet usage. 34% of office workers say they are spending more time online than ever before. By comparison, only 24% of skilled manual workers report spending a lot more time online (*Appendix 2e*). Whilst volume of time online by no means indicates a greater sense of capability, it does indicate confidence and comfort, which could mean office-based workers are more likely to adapt to digital changes. It is also important to reflect on the link between professional use and digital engagement and the halo effect it may have on personal usage.

On average, people are now spending an extra 13 hours online per week

Figure 7. **Thinking specifically about your use of the Internet during the COVID-19 crisis (overall, including for work and leisure). Would you say that your use of the Internet has...** n = 2,559



*BBC, 2020, bbc.co.uk/news/uk-england-53323405

*OFCOM, 2021, ofcom.org.uk/about-ofcom/latest/features-and-news/digital-divide-narrowed-but-around-1.5m-homes-offline

The pandemic has caused many people to use the Internet in new ways

As the data has shown, many people are online for the first time and others are spending far longer on their devices. The question becomes; how are people spending their time online? Many first time uses of the Internet during the crisis have been needs driven e.g. nearly three-in-four are shopping in new categories online, perhaps for groceries or clothing (figure 8).

Some first time activities may highlight concerns:

- People living with impairments are under represented in the newly working from home group, as well as those using COVID-19 related services (*Appendix 3*).
- Online learning as a new activity is more likely to have been attempted by 18-29 year olds and those with High or Very High Digital Engagement (*Appendix 4a and 4b*). This is important considering it is the less digitally engaged and often older age groups who struggle most and may have the greatest need for online learning.

Interestingly, those who are going online for the first time to engage in activities relating to sustainability, such as recycling clothes online, are more likely to be those under 40 years of age and female (*Appendix 5*).

Figure 8. For which of the following, if any, have you used the Internet for the first time (or in new ways), during the COVID-19 crisis, 2021 n = 2,559

	VERY LOW	LOW	HIGH	VERY HIGH	UK Average
Applying for school vouchers	2%	2%	4%	6%	4%
Coding/Programming	4%	7%	9%	10%	9%
None of these	11%	9%	3%	3%	5%
Sustainable/Green activities e.g. seeking out sites for clothes recycling	11%	15%	19%	21%	18%
Looking for/Securing employment	14%	14%	22%	22%	20%
Online learning	20%	28%	41%	45%	38%
Working from home	22%	31%	41%	43%	38%
Using COVID-19 related services	28%	31%	42%	46%	40%
Paying bills/Making payments	36%	48%	58%	63%	56%
Video calls e.g. Zoom, Microsoft Teams	43%	52%	68%	70%	65%
Social Media (e.g. Facebook, Twitter, Instagram)	46%	47%	62%	68%	60%
Keeping up with news of COVID-19	53%	56%	69%	73%	67%
Buying goods online	56%	65%	74%	77%	72%

Nine-in-ten people plan to continue with their new online activities in the future

Almost all people who have engaged online more or in new ways through the pandemic, intend to continue these new habits going forward (figure 9).

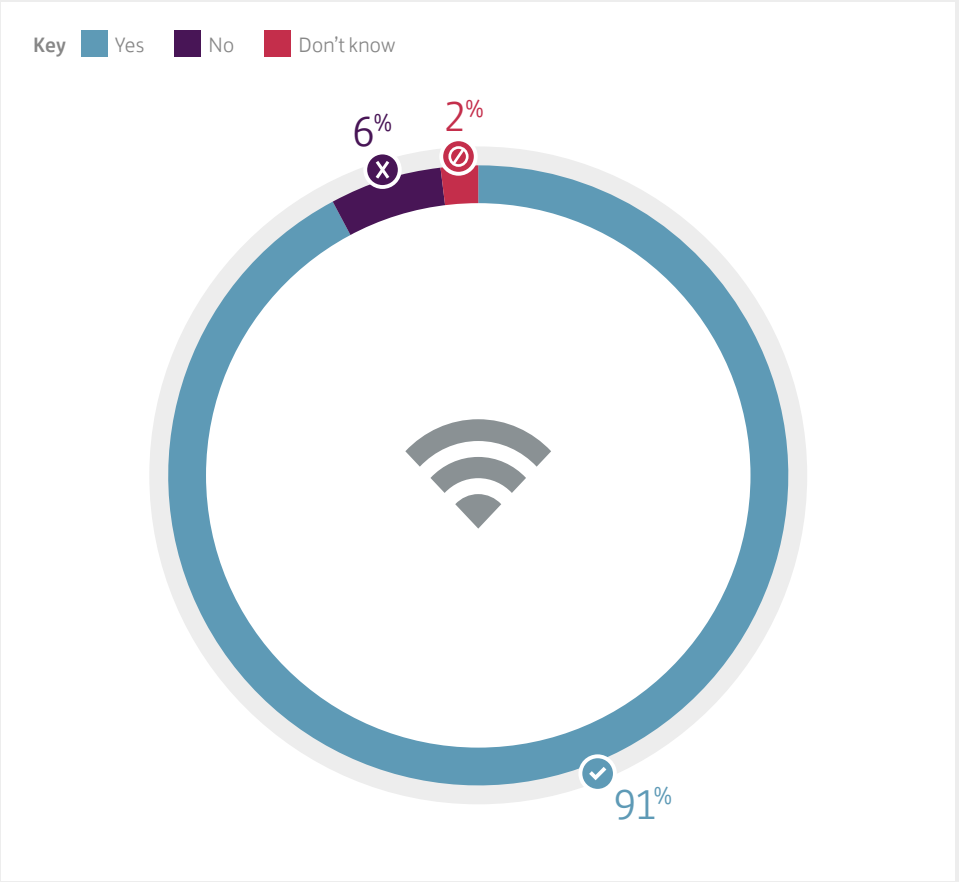
'Tech-celeration' is a term many have started using to name the rapid advances society has made in adopting technology. For example, some think adoption has jumped ahead five years in a matter of weeks and cashless transaction have jumped forward by two to three years*. In terms of online shopping, consumers are among the most likely to intend to continue with this behaviour after having tried it for the first time.

Online learning has gained particular value during the pandemic

External research has shown which products and services people value most in a pandemic. Whilst TVs, digital communication services and public spaces were the most popular, online shopping showed a nine percentage point increase between February and May 2020**.

Online learning is also growing, statistics show that this market is set to nearly double between 2019 and 2026***. This growth has been fuelled by the pandemic and it is no surprise that the data shows 38% of Internet users have engaged in e-learning for the first time or in new ways (figure 8).

Figure 9. **Do you think you will continue to use the Internet for one or more of these tasks post-pandemic?** n = 2,559



*Economist, 2020, economist.com/the-world-ahead/2020/11/16/new-technological-behaviours-will-outlast-the-pandemic

**Quartz, 2020, qz.com/1879947/these-are-the-products-people-value-more-in-a-pandemic/

***Statista, 2020, statista.com/statistics/1130331/e-learning-market-size-segment-worldwide/

The pandemic has reinvigorated digital activity in some areas

The 2020 Consumer Digital Index* showed that the proportion of people carrying out key online activities such as; email, shopping, learning and accessing local council information online, had declined compared to 2016. This year the pandemic has caused a reverse in this trend, but whether this is a permanent change remains to be seen (figure 10). These activities for many people have been invaluable due to the nature of the restrictions seen as a result of COVID-19.

People are 12 percentage points more likely to use the Internet to manage their physical health compared to mental health

Last year the data from this report showed that 22% of people were managing their health online through activities such as; researching their conditions, ordering prescriptions and even finding exercise programmes. This year the survey split this into physical and mental health for more detail. It is clear that currently people use the Internet more for their physical health (37%) than mental health (25%). Online workouts have grown hugely in popularity due to the effects of the pandemic, and people are becoming increasingly more aware of how digital tools can support their mental health.

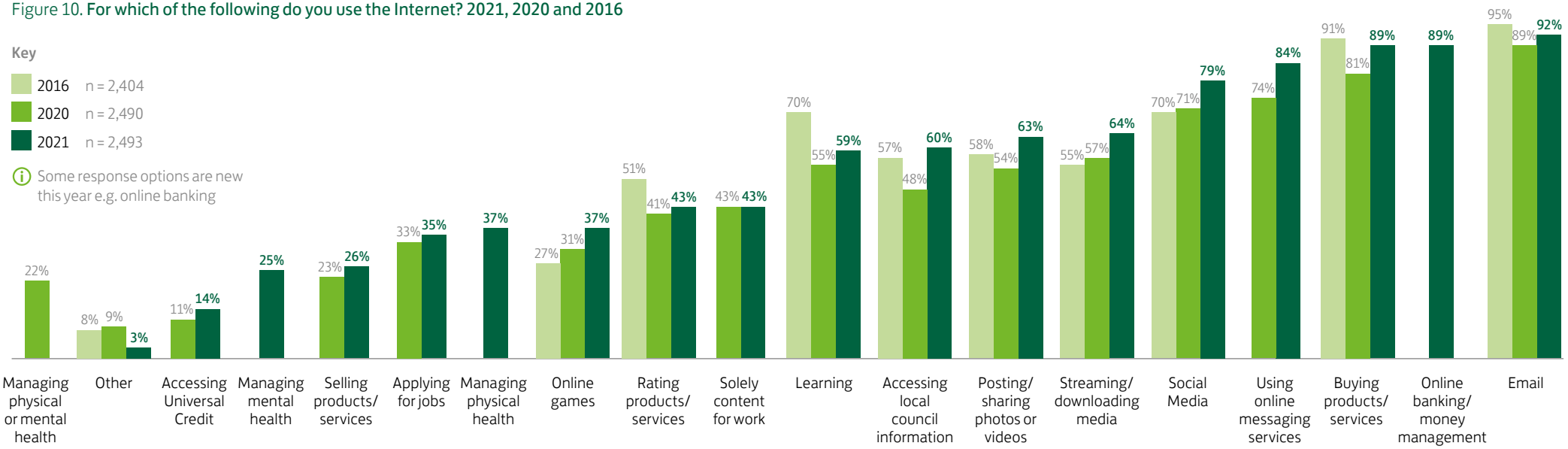
People are spending on average £1,800 more online compared to 2020

By now it is no surprise as to how much more relevant online commerce has become as a result of the restrictions. Figure 10 shows that 89% of people are now making purchases online, an increase of eight percentage points since 2020.

The transactional data from this report reveals that consumers, who were online shoppers last year, have increased the number of online transactions they made by 18% since then – resulting in an 8% increase of spending amount. This means on average individuals made 30 more online transactions and spent an extra £1,800 in 12 months (*Appendix 6*).

In the last 12 months people have spent £1,800 more online

Figure 10. **For which of the following do you use the Internet? 2021, 2020 and 2016**



*Consumer Digital Index, 2020, lloydsbank.com/assets/media/pdfs/banking_with_us/whats-happening/lb-consumer-digital-index-2020-report.pdf

National and regional digital engagement

In the last year, a number of local authorities, combined authorities and nations have relaunched their regional strategies with digitisation at the core. As the 2021 data describes, despite a consistent need across the UK, digital disparities still exist between nations and regions*.

The data on this page provides a snapshot of key digital capability and confidence indicators (figure 11).

Figure 11. **Selected digital engagement and Internet usage data points, split by nation and region, 2021**

Key 1st 2nd 3rd

		UK AVERAGE	SCOTLAND	WALES	East England	East Midlands	London	North East	North West	South East	South West	West Midlands	Yorkshire and the Humber	ENGLAND
BARRIERS	% offline (table ranked on this) n = 2,703	5%	4%	13%	8%	6%	3%	8%	4%	4%	8%	3%	4%	5%
	% Very Low Digital Engagement n = 999,149	29%	30%	33%	27%	30%	20%	32%	30%	27%	30%	30%	30%	28%
BENEFITS	% Net Confident using Internet (excluding offline) n = 2,559	85%	88%	88%	83%	86%	90%	83%	85%	86%	86%	85%	84%	86%
	% Wouldn't have coped through pandemic without tech (excluding offline) n = 2,559	53%	56%	48%	54%	48%	68%	54%	58%	50%	47%	53%	52%	53%
	% with net increase in Internet usage through pandemic (excluding offline) n = 2,559	55%	63%	53%	51%	54%	68%	46%	58%	57%	52%	52%	51%	55%
	% Digital skills have improved as a result of pandemic n = 2,703	29%	35%	23%	27%	26%	41%	23%	27%	31%	24%	27%	26%	28%

Scotland

Whilst Scotland has one of the highest numbers of people with Very Low digital engagement (30%), figure 11 shows it is by no means a laggard across other vital digital metrics. The country is second in most metrics ahead of all English regions apart from London, who have improved their digital skills and increased Internet usage the most.

Wales

Wales has historically seen a lower level of digital enablement, this year 13% of the Welsh population have not used the Internet in the last three months, which is particularly high with the context of lockdowns over the past year. However the data also shows that when online, Welsh citizens are only behind London in the proportion who feel confident using the Internet.

England

Within England, as per previous Consumer Digital Index reports, London is still by some margin a leader in digital engagement and overall usage and reliance – it has 13 percentage points fewer inhabitants with Very Low digital engagement compared to Wales.

The North of England is a place of paradox. 8% of people in the North East remain offline and the region has some of the lowest levels of digital confidence and usage. The North West contrasts this with half the number offline (4%) and 85% are confident in their Internet usage.

*Data for Northern Ireland omitted due to sample size limitations

Spotlight – assistive tech

In the 2020 Consumer Digital Index the proportion of people with an impairment engaging with technology saw an increase on 2019. 2021 has seen a similar increase. 14.1 million people* in the UK have a disability, so the extent to which organisations' online presences are accessible are important.

Biometric recognition tools see significant jump in usage

Figure 12 shows the assistive technologies used by all device users, not just those online. Since last year all four of these categories have seen changes. Unsurprisingly both voice assistants such as Amazon Alexa and face or fingerprint biometrics have both increased by five and ten percentage points respectively. This is interesting given news around struggling smartphones sales, due to both faltering supply chains** and 'budget-conscious consumers'***. This suggests a side effect of the pandemic has encouraged contactless technology.

Impairment specific assistive tech sees significant decrease in usage

What may not have been as expected is the decrease in both screen reading and dexterity tech categories since last year. This is interesting given the data shows that Internet usage has increased by three percentage points since 2020 for those with impairments, therefore it is not clear why this may be (*Appendix 7*).

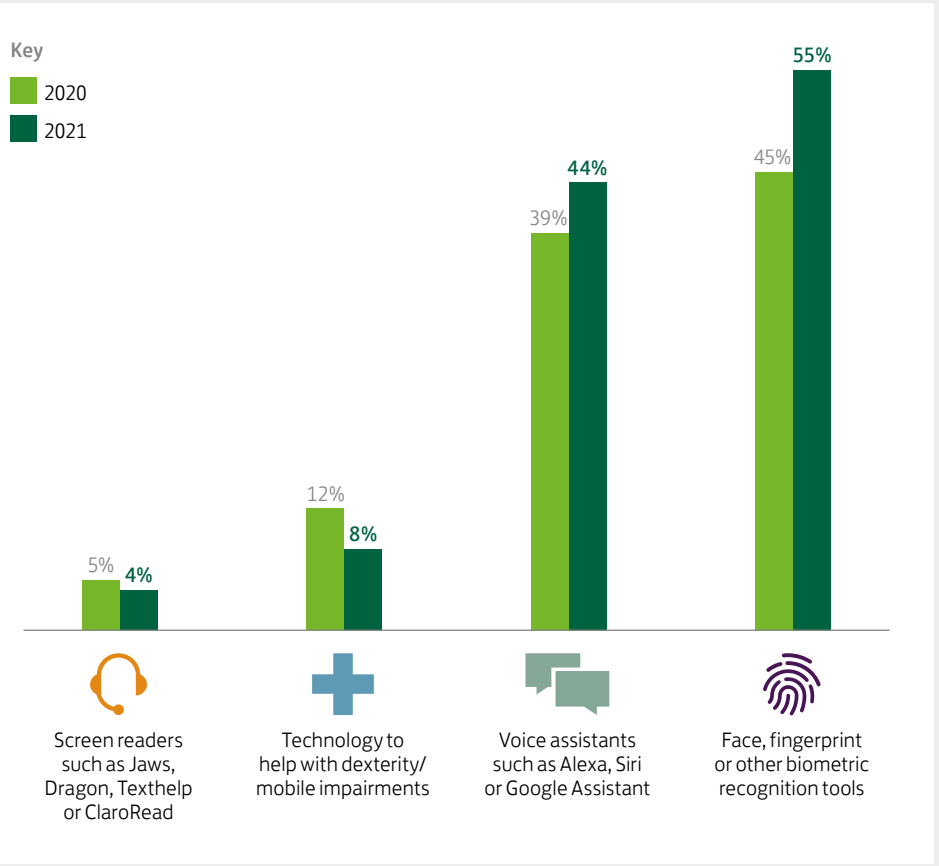
Assistive technology has a lower take-up rate amongst those with Low digital capability

All of the tools in figure 12 are more likely to be used by people with High or Very High digital engagement, including the impairment specific tech. This suggests that they are not easily accessible for those with impairments who are less digitally active – a group that could gain a lot (*Appendix 8*). Last year's report highlighted the same issue, which calls for more focus on making these tools accessible to those who are less digitally capable.

Screen readers and dexterity tools could benefit older age groups, as much as those with sight and physical impairments

Screen readers and dexterity tool usage are both over-indexed in the 30-39s however very under-indexed in the older age groups. This older age group could benefit hugely from this type of tech even though it is designed for those living with sight and physical impairments (*Appendix 9*).

Figure 12. **Which, if any, of the following technologies do you use? 2021 and 2020** n = 2,703



*Scope, 2020, scope.org.uk/media/disability-facts-figures/#:~:text=Number%20of%20disabled%20people,disabled%20people%20in%20the%20UK.

**BBC, 2020, bbc.co.uk/news/technology-51981841

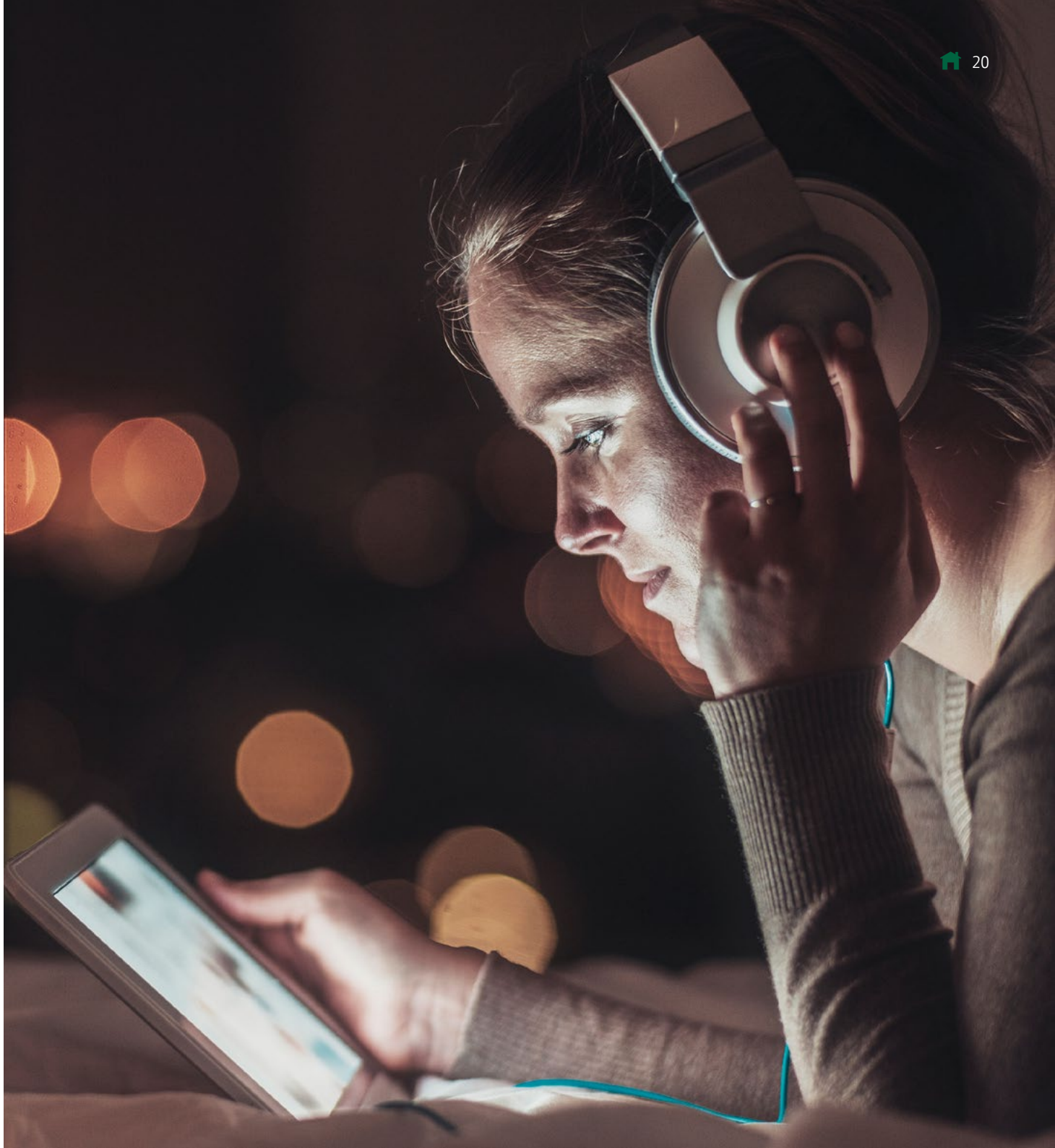
**Consumer Technology Association, 2020, cta.tech/Resources/Articles/2020/What-the-Coronavirus-Pandemic-Means-for-Tech-Devic

2

Digitisation and financial behaviours

Page 54

This chapter reviews consumer's changing financial behaviours and how this intersects with their digital lives.



The digital impact on financial behaviours

Figure 13 illustrates the financial traits associated with each Digital Segment and the impact of digital confidence and capability on people's financial lives. This is important to reflect on, particularly in light of the 2020 Money and Pensions Service Financial Wellbeing Strategy* – digital will continue to be a key element of delivering a financially healthy nation.

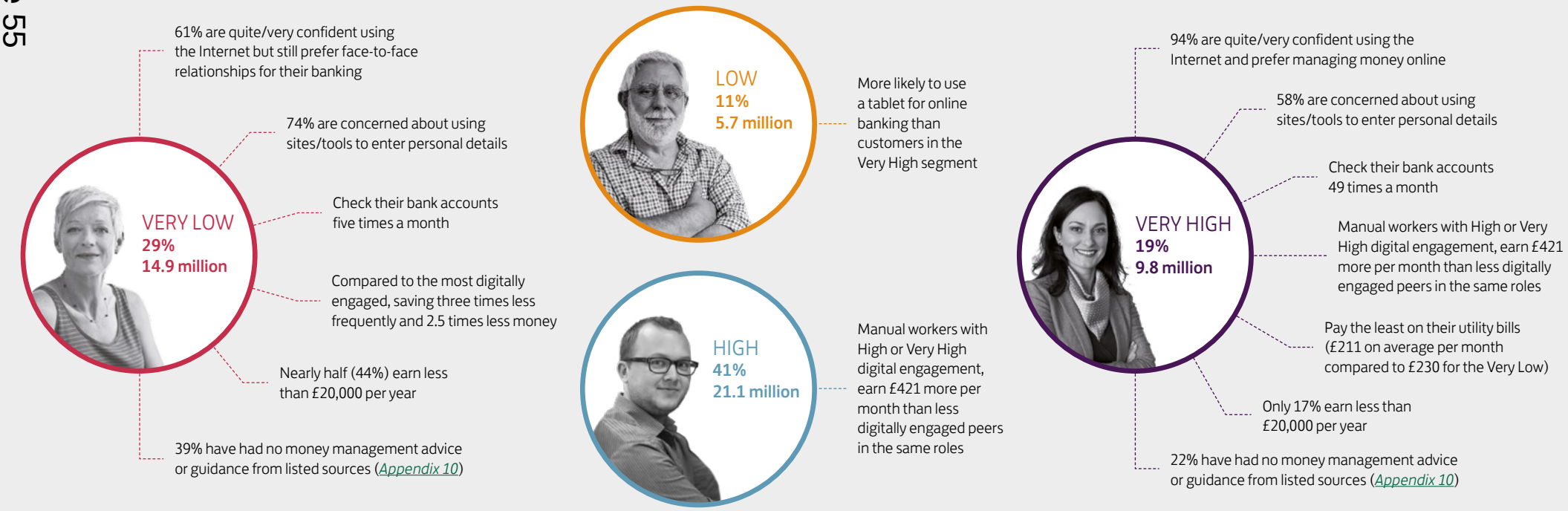
The relationship between digital and financial lives is nuanced and higher digital engagement, skills and confidence are not a guarantee for greater financial capability. Regarding bank account visits, checking a balance more often does not necessarily mean better financial outcomes or behaviours. More online banking visits could stem from negative drivers, such as financial worry and pressure.

There are however some clear examples of financial benefit. For example, manual workers with High or Very High digital engagement earn on average £421 more per month, than the least digitally engaged people in the same roles. People with the most digital engagement also pay less for important bills such as utilities, saving an average of £228 per year compared to the least engaged (figure 13).

£

Manual workers with High or Very High digital engagement, earn £421 more per month than less digitally engaged peers, in the same roles

Figure 13. **High level trends in people's financial lives, split by Digital Engagement Segment, 2021**



*Money & Pensions Service, moneyandpensionsservice.org.uk/uk-strategy-for-financial-wellbeing/

Financial lives in a pandemic

2021 data indicates that the financial disparity between people in the UK has deepened. As in 2020, there are 6.2 million people who would struggle immediately, largely those in vulnerable circumstances e.g. long-term sick, shielding, carers or those financially constrained. These are people who require the greatest support.

Compared to 2020 however, there are eight percentage points more people who have financial reserves of more than three months. This group are more likely to be self-employed or manual workers – a hypothesis being that due to the instability of lockdown and consistency of their work, they are prioritising building their reserves.

Since 2016, the Consumer Digital Index has evidenced age has more of a bearing on financial circumstance than digital capability. People with the highest levels of digital engagement are more likely than those less digitally engaged to struggle immediately, following a sudden loss of income (*Appendix 11*).

Age however is the determining factor. It has been long documented that increasing age correlates to increasing financial capability and reserves, and digital capability is highest amongst the youngest populations.

However, when isolating each age group and comparing those with Low versus High digital capability, people with higher digital engagement are saving more and more often than their non-digital peers.

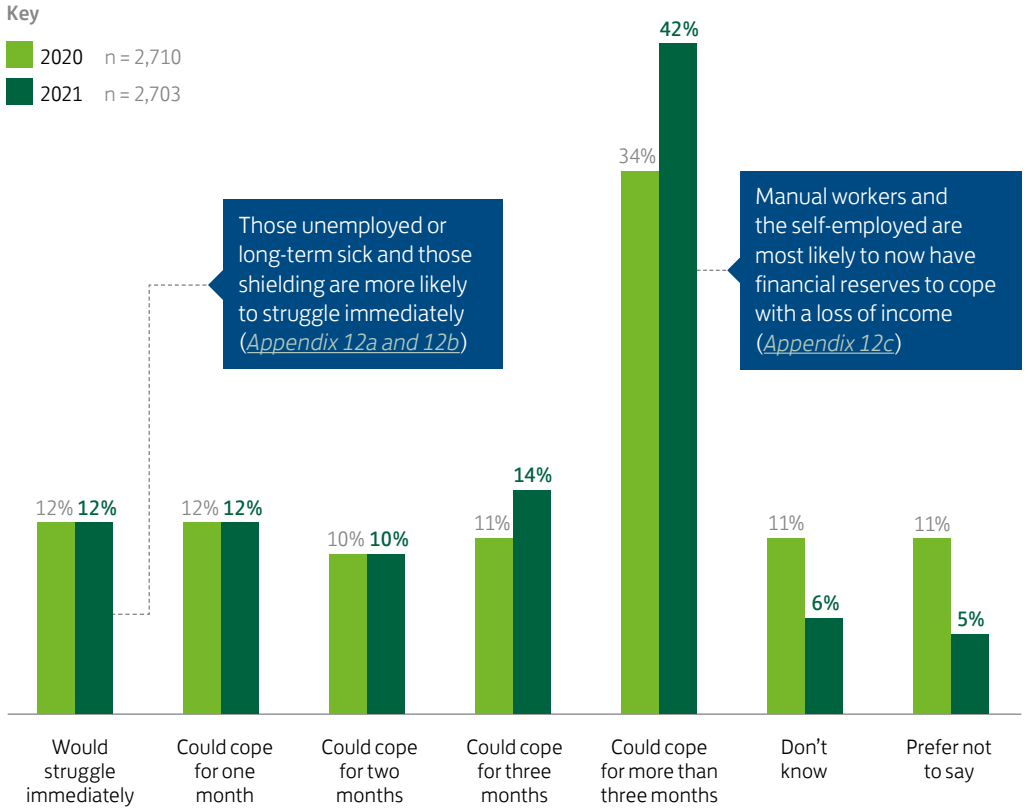
Comparing 18-24 year olds with Very Low digital engagement versus those with Very High digital engagement, they;

Check their balances nearly eight times more frequently

Make six times more savings transactions

Save over three times as much in value

Figure 14. **Imagine now that you suffered a financial shock and you suddenly lost your regular income. Based on financial reserves you have in place, for how many months do you think you could cope i.e. paying living expenses like food and bills, if no replacement income was immediately available?**



What has changed is the UK's money mindset and feelings of financial well-being. 2020 saw UK citizens re-evaluating their relationships with money. The data in figure 15 shows that, 59% are now focusing on becoming debt free, 58% are reprioritising day-to-day spend and 27% have found themselves spending more impulsively.

Younger people may have competing financial priorities

The difference in mindset here is again, age. Younger age groups are more likely to feel inclined to spend, regardless of future consequences, particularly 25-29 year olds (34%). However the data shows again it is the younger age groups who are also most likely to be focusing on reducing their debts (70% of 18-24 year olds compared to 57% of 60-69 year olds). These goals are likely to be at odds with one another in most situations and young people will need help assessing and targeting financial priorities.

Digital engagement also influences money mindset

Seeking to understand whether digital engagement is helpful or exacerbates money worries, the data shows that highly digitally capable consumers are eight percentage points more likely to have their sleep impacted by money worries compared to the least digitally engaged (*Appendix 14*).

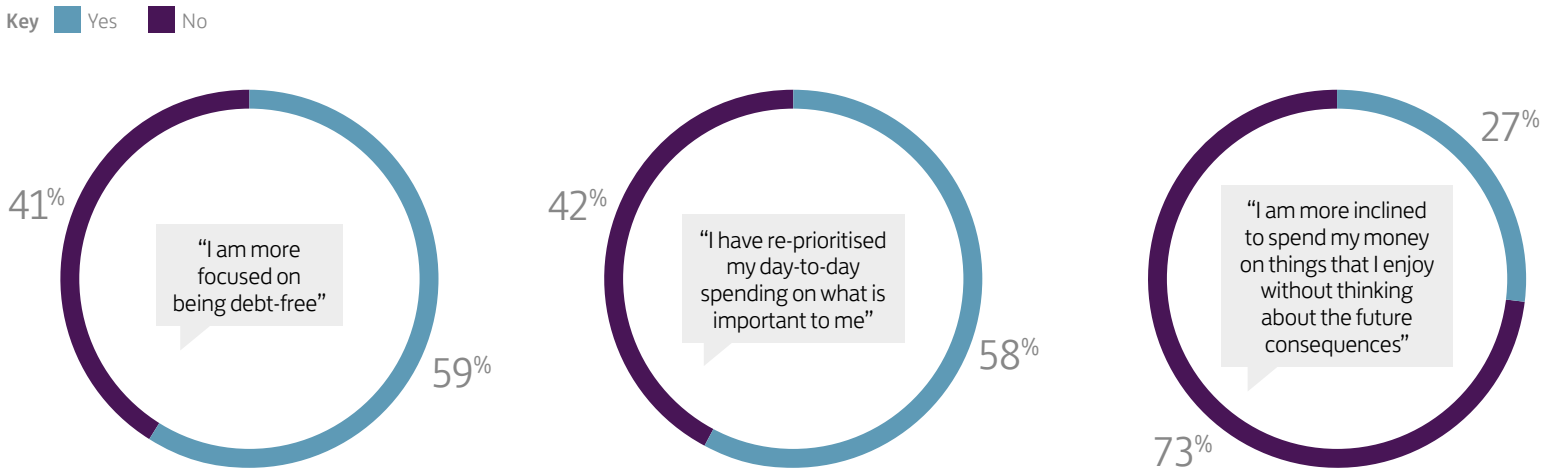
This is true even when comparing the same age groups within different digital engagement segments. Nearly one-third (30%) of 18-29 year olds, with the highest digital engagement have their sleep affected by money worries. This compares to only 21% of the same age group who have the least digital engagement.

The reasoning why is only speculative. For the most digitally engaged, having their finances at their fingertips may serve to compound existing concerns.

Those who are most likely to report spending impulsively are most likely to be (*Appendix 13a-13c*):

- 25-29 year olds **34%**
- Annual income of £10,000-£15,000 **37%**
- Semi or unskilled manual labourers **32%**

Figure 15. **How has the COVID-19 situation changed your financial priorities, if at all? Would you say due to the virus... 2021** n = 2,703



The gender pension gap is holding women back from financial freedom

Whilst many may feel financially secure, this is not felt evenly between men and women. In fact, 57% of women feel on track to meet their future financial needs compared to 64% of men. Research from Scottish Widows highlights the gender pension gap, which was £100,000 in 2020*. Now is the time to correct disparities like these.

Those unemployed and living with impairments have the most money worries

It is not just age and digital capability that have a bearing on a financial situation – other life circumstances come into play. Overwhelmingly, 71% of the UK said they are not stressed or overwhelmed by their financial situation. However, the groups who are most likely to often worry about this are most likely to have an impairment or are benefit claimants.

Four-in-five people say they feel on top of their finances

Women are 1.3 times more likely than men, to feel anxious about their money (*Appendix 15*)

Those most likely to have their sleep impacted by money worries are:

- Unemployed (43%)
- Living with an impairment (32%)
- 18-24 year olds (27%)
- The most digitally engaged (27%)

Figure 16. When it comes to how you think and feel about your finances, how much do you agree or disagree with these statements? 2021

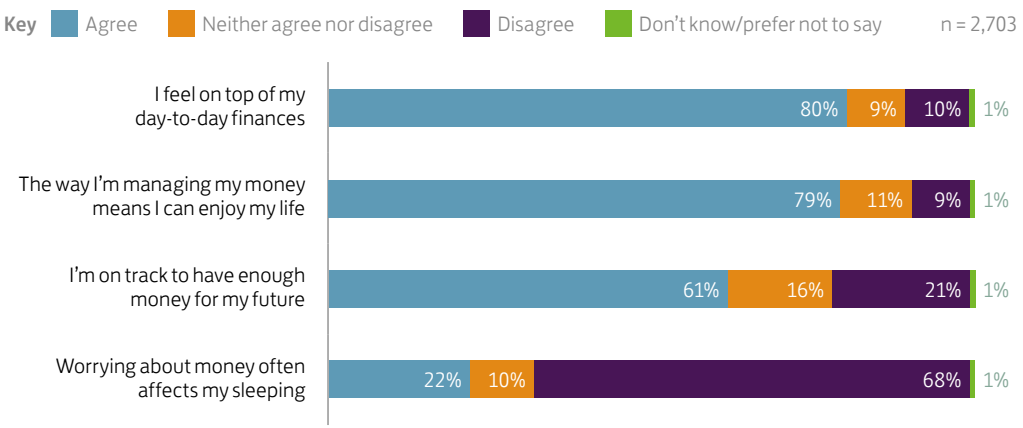
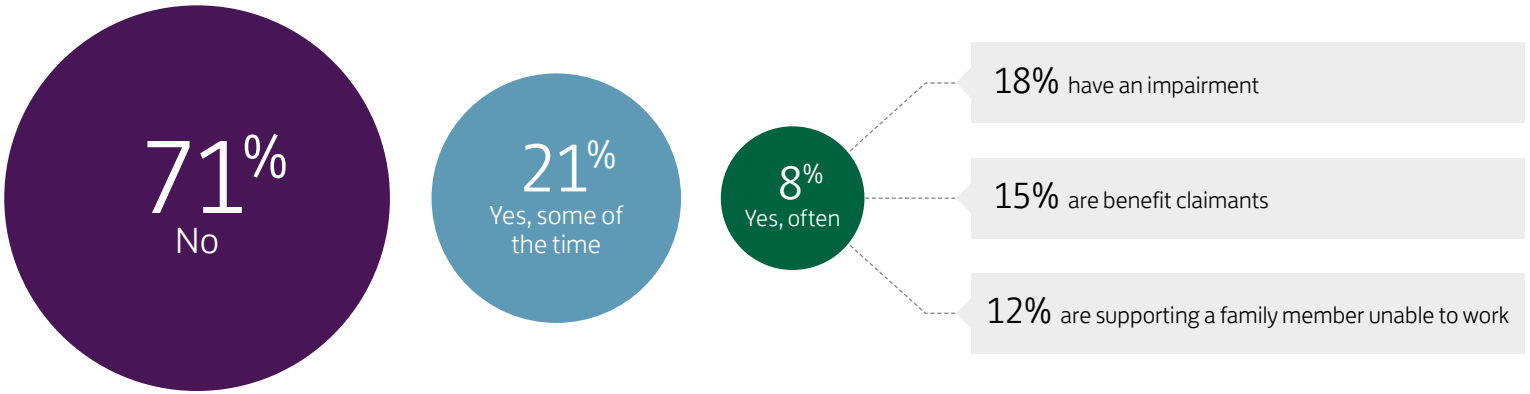


Figure 17. Does your current financial situation cause you to feel stressed or overwhelmed? 2021

n = 2,703



*Scottish Widows, 2020, scottishwidows.co.uk/yourfuture/

Digital services and consumer behaviour

Buy Now Pay Later

On this page, the data shows how new digital services are changing consumers' financial behaviours. As non-essential stores were closed for much of 2020, e-commerce grew rapidly as people moved to ordering more online (*see page 16*). This shift has provided an opportunity for Buy Now Pay Later (BNPL) services to flourish. This is typically a free payment service allowing consumers to 'try before they buy', paying for goods in either 30 days or other short-term instalments.

More recently there have been concerns over whether consumers fully appreciate the terms and conditions of service. This has led to a review being undertaken by the Financial Conduct Authority.

Of the 2021 transactional sample of one million consumers, 8.5% have used BNPL services between August 2019 and July 2020.

Figure 18 shows these services were in a state of rapid growth (from a small base) in the second half of 2019, before seeing the typical January dip after the holiday period. BNPL then experienced a sharp growth phase when the first lockdown happened in April.

BNPL is almost exclusively a service used by those with High or Very High Digital Engagement (91%) (*Appendix 16*)

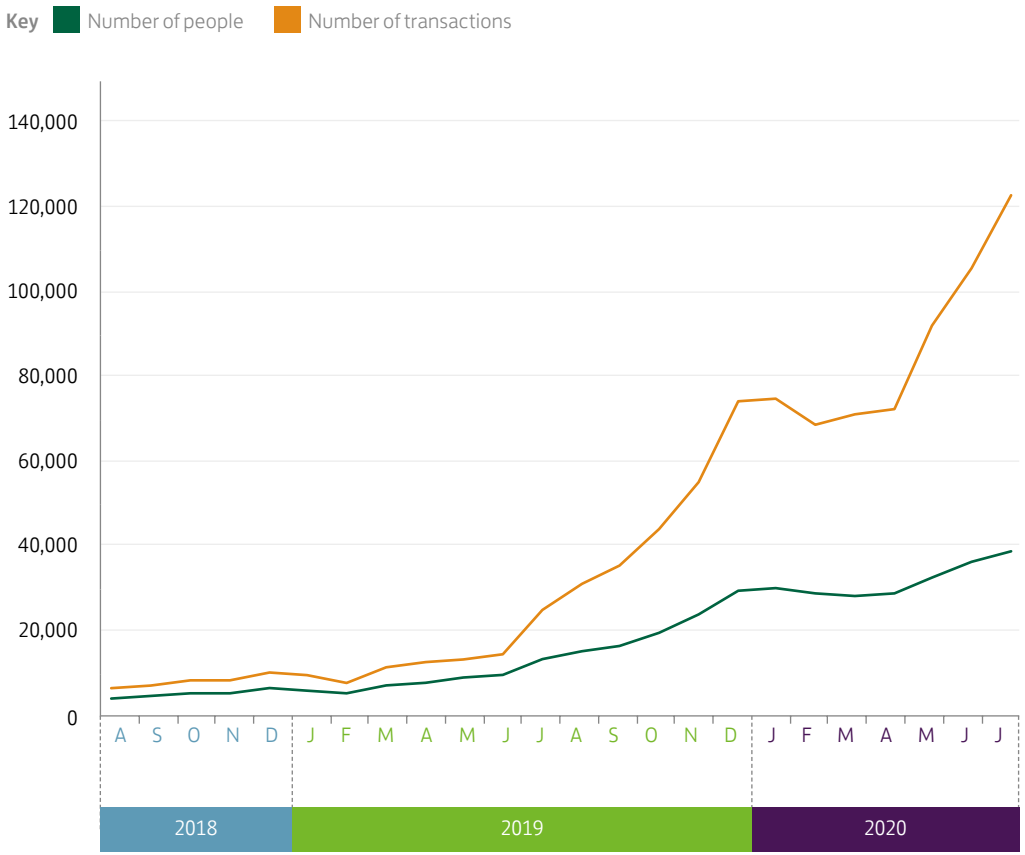
These people are nearly twice as likely to be female (65% compared to 35% male) (*Appendix 17*)

37% of consumers using these services are aged 18-29 (*Appendix 18*)

The data does not vary much geographically (*Appendix 19*)

Figure 18. **Combined BNPL providers total monthly transactions and monthly consumer count, 2018 to 2020**

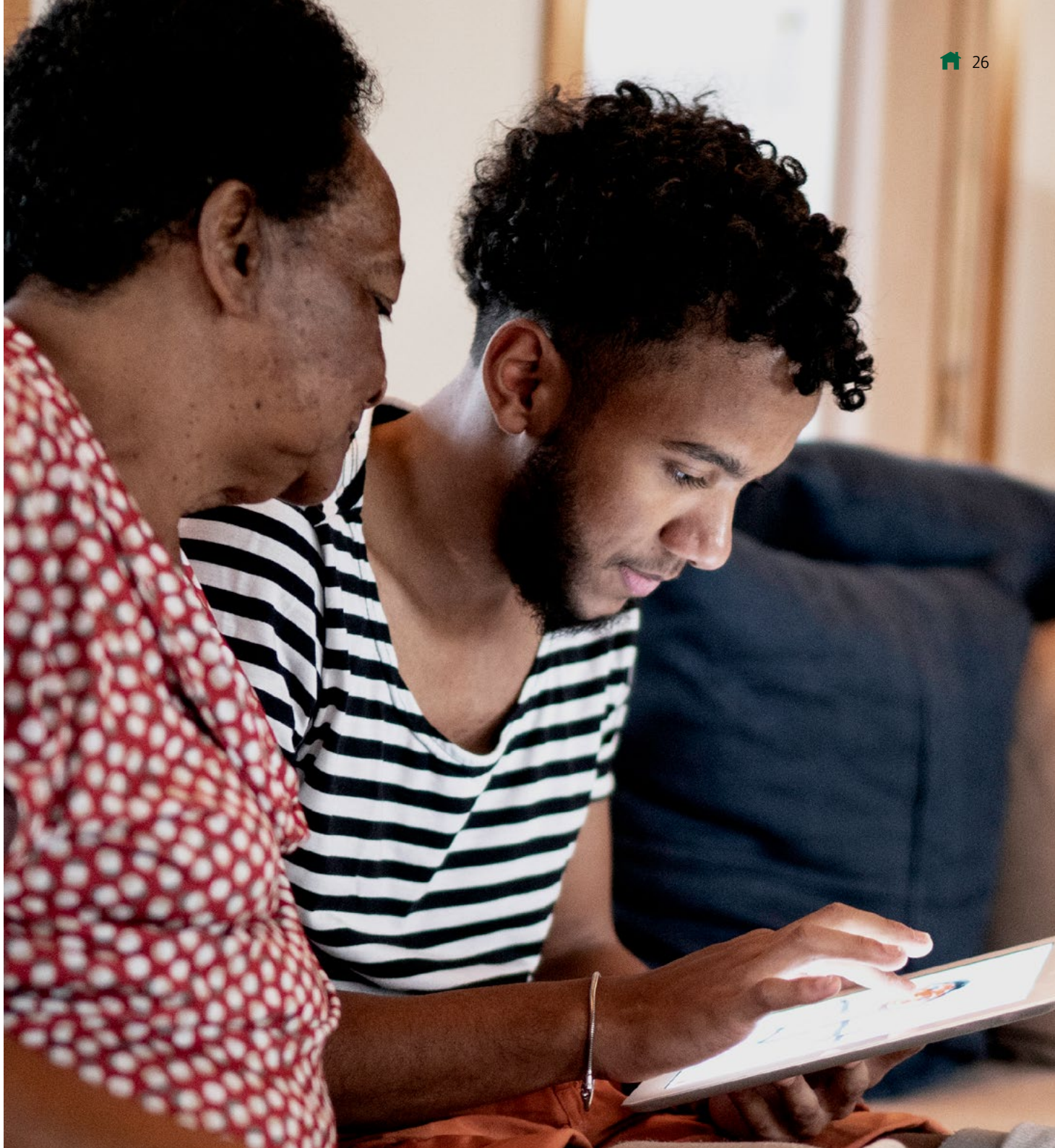
n = 999,149



3

Digital attitudes and ambitions

This chapter illustrates the digital ambitions of people in the UK and how to digitally upskill the nation.



Those online

1.5 million more people are now online

With more people online than ever before, it is important to understand their attitudes and ambitions. As the data on page 10 illustrates, digital capability can flex and change over time. As the tech landscape evolves, for both personal and work use, understanding the level of comfort with tech adoption is helpful for indicating the direction of travel for UK digitisation.

The 2021 survey sought to understand the extent to which technology is embedded. 63% of people quarantining at home, have said they wouldn't have coped without technology (*Appendix 20*). As figure 19 indicates, three-quarters (77%) of those online acknowledge that technology helps them in a number of ways, making their lives easier.

44% of people are always looking out for new technologies, although there are gender differences. 53% of men seek out new tech, compared to only 33% of women (*Appendix 21*). People with an impairment are seven percentage points less likely than those without to say they are looking for new tech. This could be a reflection on the lack of accessible promotion and communication around new technology, or the feeling of a lack of relevant technology (*Appendix 22*).

- 26% of those aged 60-69 NET agree (compared to 13% of 18-24 year olds)
- 44% of those with Very Low digital engagement NET agree (compared to 14% of those with Very High Digital engagment)

Figure 19. 'To what degree do you personally agree or disagree with each of the following statements about technology' For those online, 2021 n = 2,559

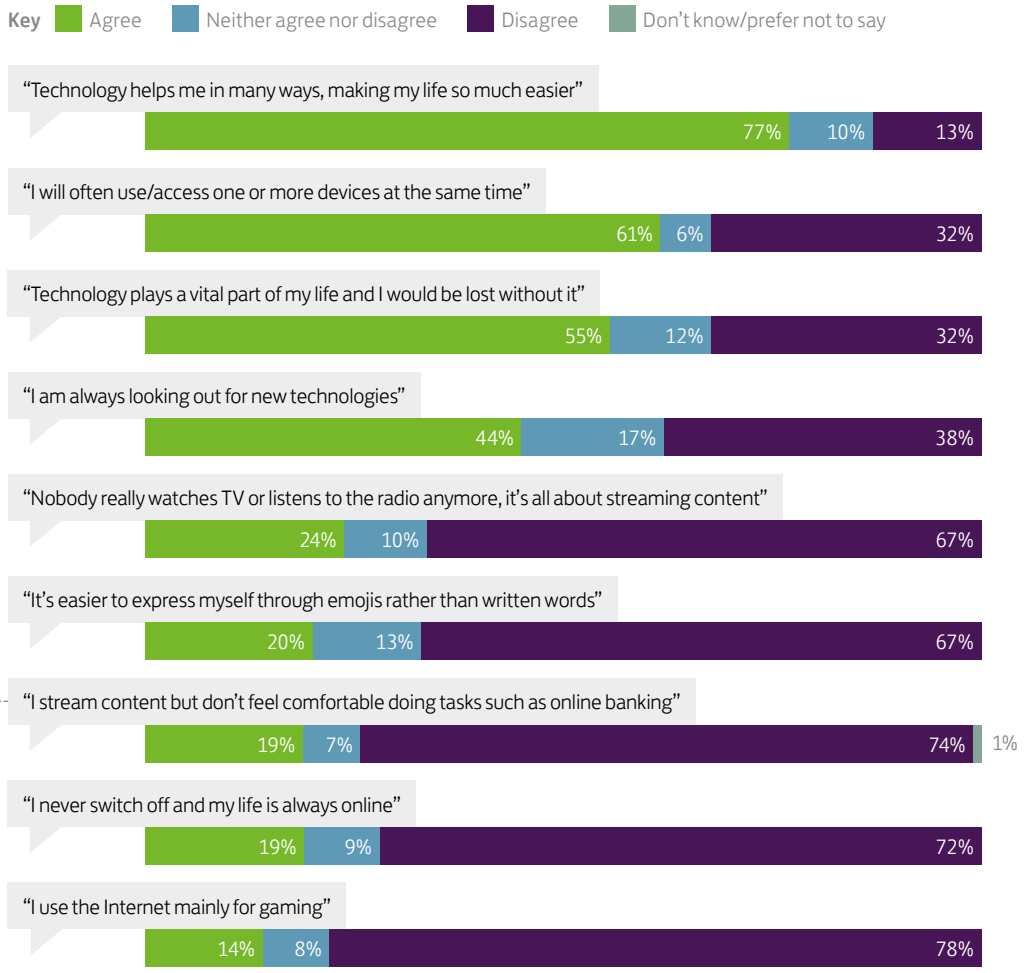


Figure 20. **Here are some things people sometimes say about going online. Do you agree with the following statements? Split by office workers and manual workers, 2021, 2020 and 2016**

	2016: n = 2,404 2020: n = 2,493 2021: n = 2,559	2016	2020	2021	Office workers	Manual workers
CONCERNED	I am concerned about my high levels of Internet use	-	18%	18%	18%	17%
	I am concerned about using sites/tools where I have to enter my personal details	-	67%	65%	61%	64%
	I am concerned that my digital skills aren't good enough	-	21%	20%	12%	22%
BENEFITS	I am confident using computers/smartphones/tablets	-	90%	90%	96%	90%
	I am reliant on the Internet for my day to day life	-	49%	52%	63%	46%
	I use the Internet outside of work but don't use it for my job	-	47%	44%	26%	59%
	I wouldn't have coped through the Coronavirus crisis without digital technology	-	-	53%	57%	52%
	I'm able to teach myself how to do new online tasks	-	80%	82%	89%	80%
	It has helped me find and get a job	-	49%	50%	53%	56%
	It helps me connect better with friends and family	74%	81%	85%	88%	84%
	It helps me develop professionally and improve my future work prospects	-	60%	63%	73%	62%
	It helps me feel less alone	-	38%	51%	51%	47%
	It helps me manage and improve my physical and mental health (e.g. receiving help and advice online or using health apps for fitness/well-being)	35%	34%	49%	52%	45%
	It helps me save money (e.g. train fare reduction or going to pay a direct debit)	70%	66%	67%	72%	66%
	It helps me save time so I have more time to enjoy myself	63%	67%	64%	68%	64%
	It makes it easier for me to organise my life (e.g. check train times or weather)	63%	74%	73%	79%	69%
	It makes me feel more part of a community	-	47%	53%	54%	53%
	My use of digital tools has helped me feel more positive during the Coronavirus crisis	-	-	60%	64%	57%
	The Internet provides me with more benefits than it does disadvantages	-	83%	88%	93%	87%

67%
say it helps them to save money

53%
of people say they wouldn't have coped through the Coronavirus crisis without digital technology

51%
say the Internet helps them to feel less alone

49%
of people say the Internet helps them manage and improve their physical and mental health

Office workers are more consistently dependent on tech for their personal and work lives

Those offline

2.6 million people are still offline

As outlined on page 11, it is now only 5% of the UK population who have not used the Internet in the last three months.

Data from this report shows that; Wales, East of England, South West and the North East are the nations and regions with the highest proportions of people still offline (*see page 18*).

In previous editions of the Consumer Digital Index, age has been a defining characteristic of someone offline. The older an individual, the more likely they are to be digitally excluded. However one-in-ten of those offline are under the age of 50, indicating there are still broader factors, other than age, at play (*Appendix 23*).

One-in-ten (10%) of those offline are under 50 years old

55% of those offline earn under £20,000 (*Appendix 24*)

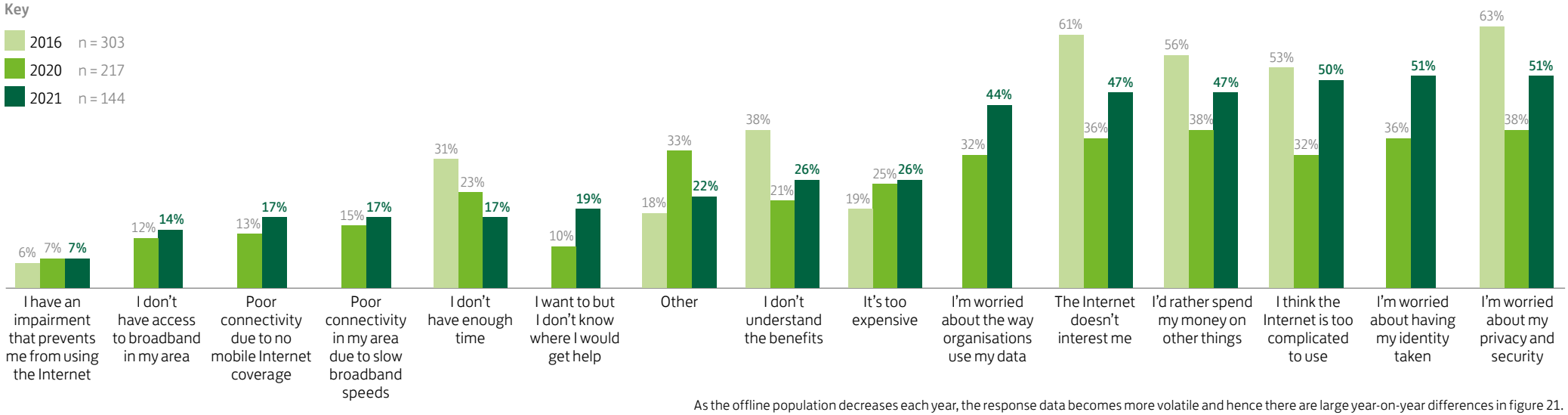
Those offline have raised significant barriers to their digital transition

With the number of people offline decreasing, those who remain digitally excluded state a variety of barriers to getting online. It is increasingly difficult for them to make the transition online without significant sustained support and perhaps new approaches to digital inclusion. Figure 21 shows vast increases across challenging hurdles – nearly half of those offline say they are due to a lack of interest, up 11 percentage points in a year.

Internet security-related responses have all significantly increased. While service providers are making efforts to communicate the security of their online services, often this is done via digital marketing channels and misses the offline population. A redirection of this messaging might prove useful in giving those offline some confidence their data will be managed securely, were they to engage digitally.

Offline communications are also important in clarifying the benefits of digital inclusion – **one-quarter still don't understand why they should be online and what they stand to gain (26%).**

Figure 21. **You have said that you have not used the Internet in the last three months. Please choose from the following options to say why you have not, 2021, 2020 and 2016**



As the offline population decreases each year, the response data becomes more volatile and hence there are large year-on-year differences in figure 21.

How could the UK become 100% digitally included?

When asked what may encourage those offline to get connected, the response 'nothing' has decreased by a third (figure 22). This indicates an underlying appetite to explore the options to get online which is a good starting point. The Government has recently announced more detail of its plans to install broadband in remote UK locations, which should help the 27% (700,000 people) who remain offline due to a lack of adequate Internet connectivity*.

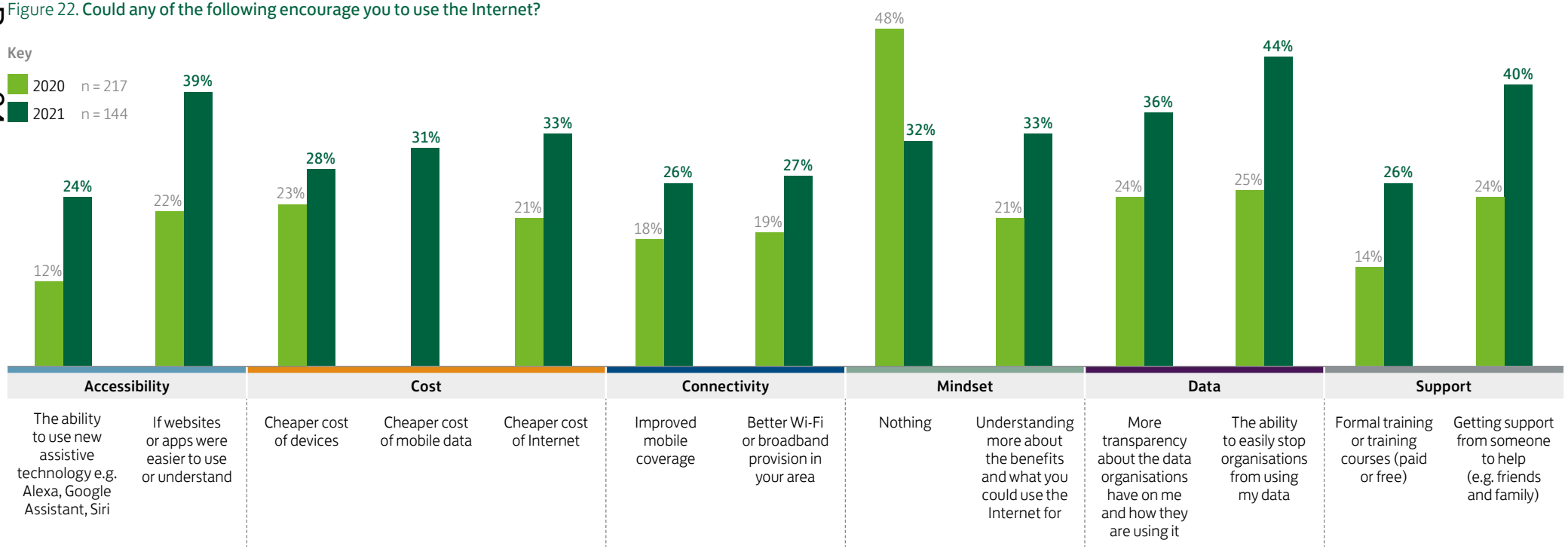
"I only need it for transactions when I need to do it"

"I don't trust it. Nothing is safe once online"

"Because of my dyslexia"

"My daughter does that for me"

Figure 22. **Could any of the following encourage you to use the Internet?**



*BBC, 2021, bbc.co.uk/news/technology-56414966#:~:text=The%20first%20to%20benefit%20will,and%20the%20Isle%20of%20Wight.

As the offline population decreases each year, the response data becomes more volatile and hence there are large year-on-year differences in figure 22.

Supporting digital capability and confidence

29% believe they have improved their digital skills in lockdown

The transactional data match shows that for 31% of this group, they have in fact seen reduced digital engagement and capability, indicating a mismatch between their perception of skills improvement versus behaviours and capability. This serves as a reminder that perception and reality are not always aligned. 60% of the 29%, have indeed seen greater digital engagement.

12% of people have reflected that they do not believe their digital skills have improved, although they do feel they need improving. This group are largely in the Low and High digital capability segments, indicating an opportunity to move them further up the digital engagement spectrum.

The following are most likely to belong to the 12% who acknowledge their digital skills need improving (*Appendix 25a-25c*):

- Males
- 60-69 year olds
- Wales
- Those retired and living on state pension

Online over-confidence?

New data this year reveals that more than four-in-five (85%) of Internet users are confident in their online abilities (figure 24).

Comparing this data to the 2020 Essential Digital Skills measure* indicates that 78% of people had the full set of skills for their day-to-day lives, to be able to confidently use the Internet for their needs. It will be interesting to understand what the 2021 EDS measure reveals later this year.

Figure 23. **Do you think your digital skills have improved as a result of the outbreak of the Coronavirus crisis, 2021 (and whether digital engagement has improved, worsened or stayed the same for those who say their digital skills have improved as result of the crisis, 2021)** n = 2,703

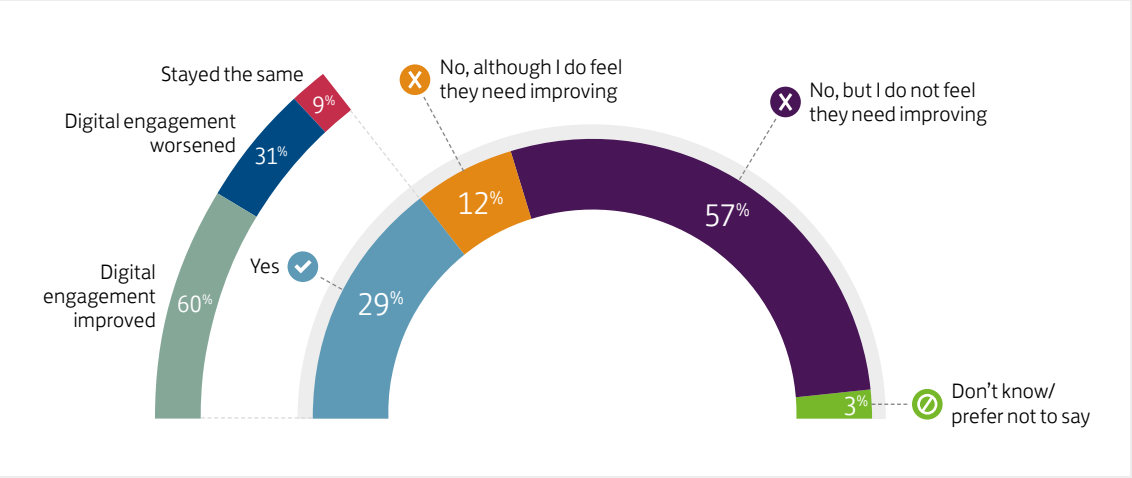
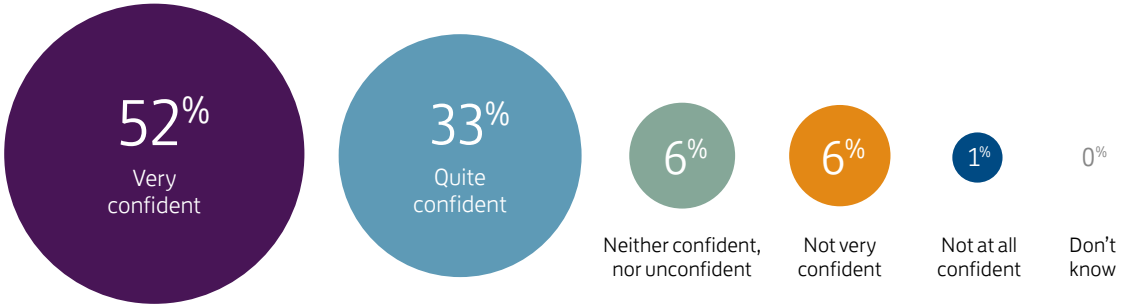


Figure 24. **How confident would you say that you are in using the Internet, 2021** n = 2,559



*Consumer Digital Index, 2020, lloydsbank.com/assets/media/pdfs/banking_with_us/whats-happening/lb-consumer-digital-index-2020-report.pdf

‘Working from home’ pips ‘boredom’ to the post as a main driver behind improving digital skills

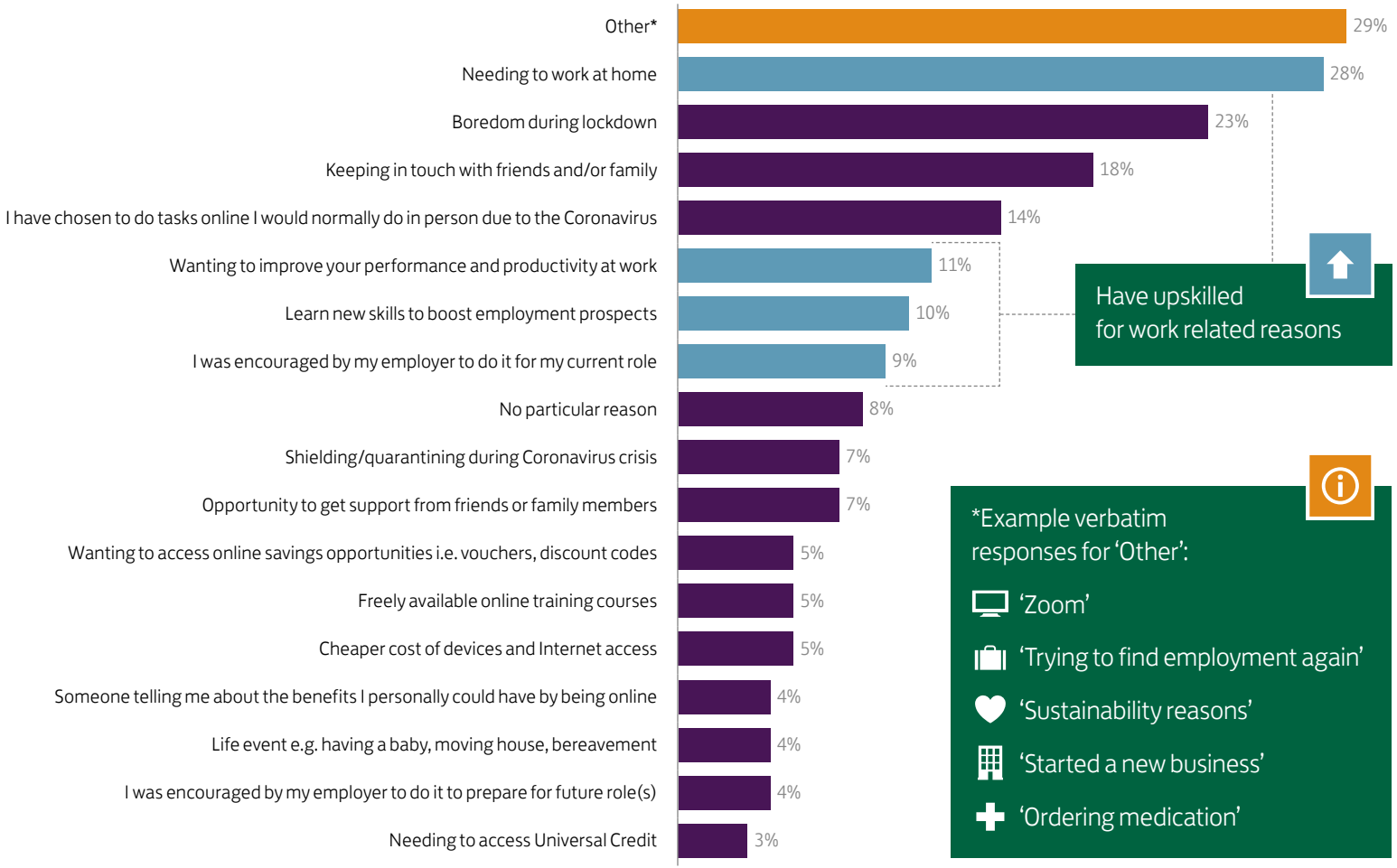
29% of people in the UK feel they have improved their digital capability, figure 25 details the variety of triggers and motivations which underpin this. The most commonly cited driver for this improvement was around the change to working from home. In the largest category – ‘Other’ – verbatim reveals a further common thread. Learning how to use video calling software, such as Zoom, was another standout trigger.

A key factor for improving digital skills in 2021 has been the need to work from home, meaning at least one-quarter of people have up-skilled for work related reasons. The difference in lockdown working styles and requirements has meant some of the UK workforce have digitised more rapidly than others – job type now does not just impact current income, but rather the level of digitisation and resulting broader lifestyle benefits. 93% of office workers are now confident Internet users compared to 85% of manual workers, and they are 11 percentage points more likely (73% vs. 62%) to use the Internet to develop professionally and to improve future work prospects (*Appendix 26*).

On page 34, the survey indicates clear motives to incentivise people in the future – 77% would improve their digital skills if they thought it would directly help them with a day-to-day task or piece of work. 64% would prioritise digital skills if they knew it would help them progress in their job or secure a better role.

Figure 25. **What was the trigger or motivation for improving your digital skills, 2021**

n = 744

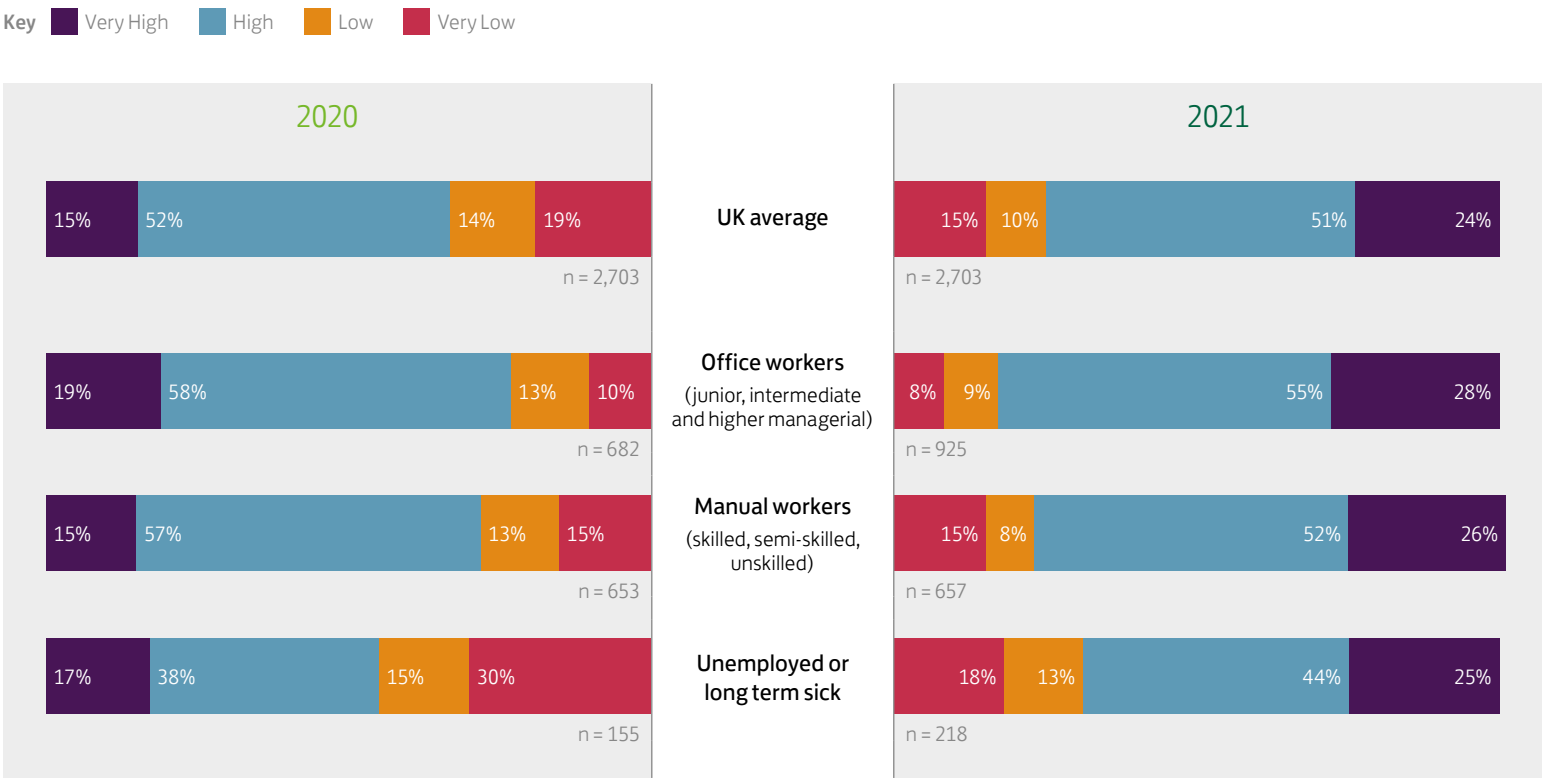


Given the previous page has shown how working from home has been the leading driver behind improved digital skills, it is worth understanding how digital engagement looks across job types*. The hypothesis has been that individuals who have had to digitise and upskill to work from home, have seen a knock on effect in digital capability and confidence in their personal and work lives. Figure 26 shows how digital engagement has changed since 2020 for those likely to be in office jobs, compared to those with manual roles and those unemployed or on sick leave.

The data shows that 26% of manual workers now have Very High digital engagement, an increase of 11 percentage points in one year. Whilst most groups have increased digital engagement, the growth in this segment for manual workers is among the highest compared to other job types. Another positive to take from this data is that one-quarter of those unemployed have the highest levels of digital engagement, which presents a good opportunity for businesses who may be thinking about recruiting digitally adept employees.

However it is worth noting that the proportion of manual workers with Very Low digital engagement is still nearly twice as much as for those in office jobs (15% compared to 8%).

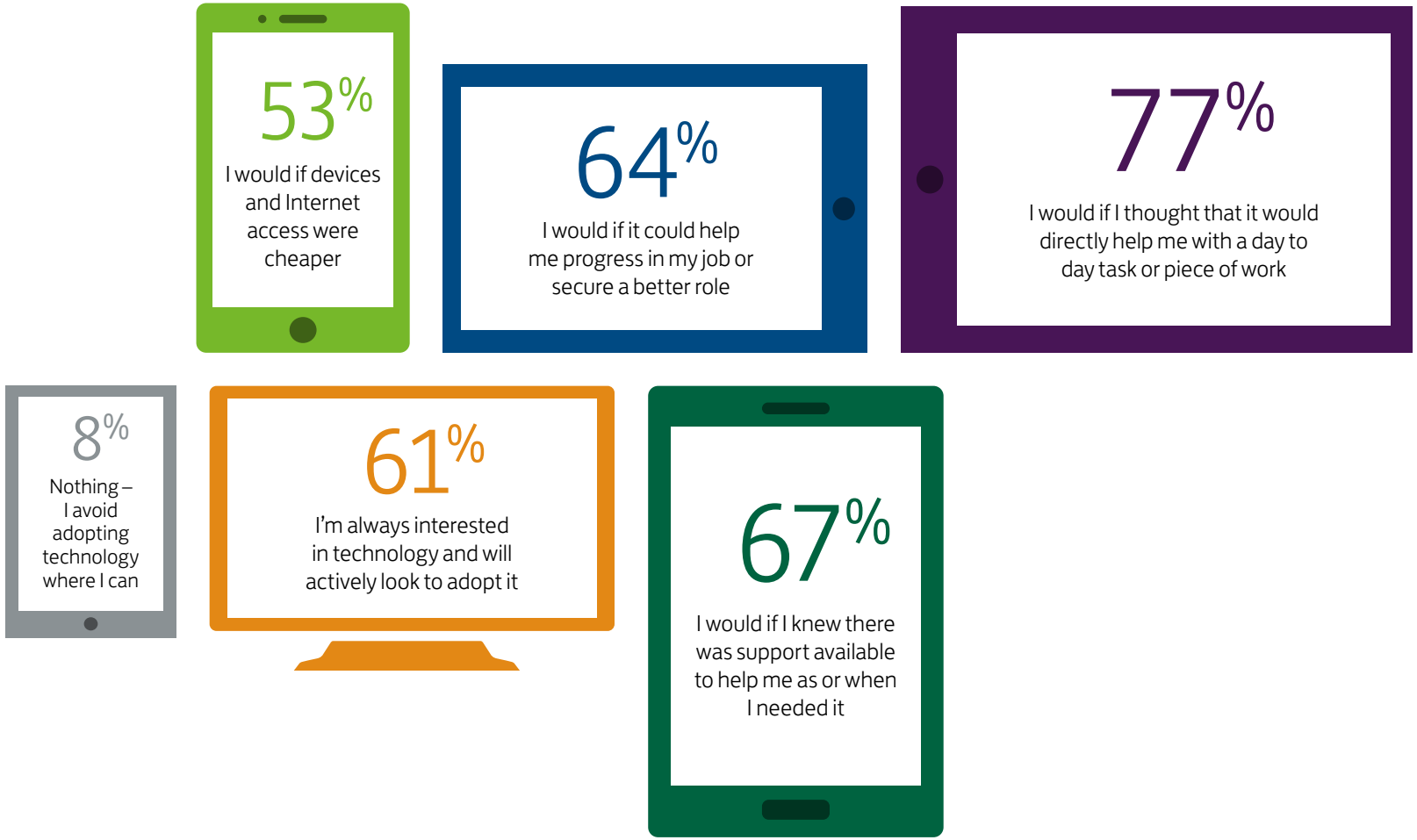
Figure 26. **Job type/working status split by digital engagement segments* compared to UK average, 2021 and 2020**



*Digital engagement segments on this page differ to the UK averages due to occupational demographics only being available through survey data.

Figure 27. **Which of the following statements apply to you if you were thinking about what would encourage you to improve your digital skills, 2021**

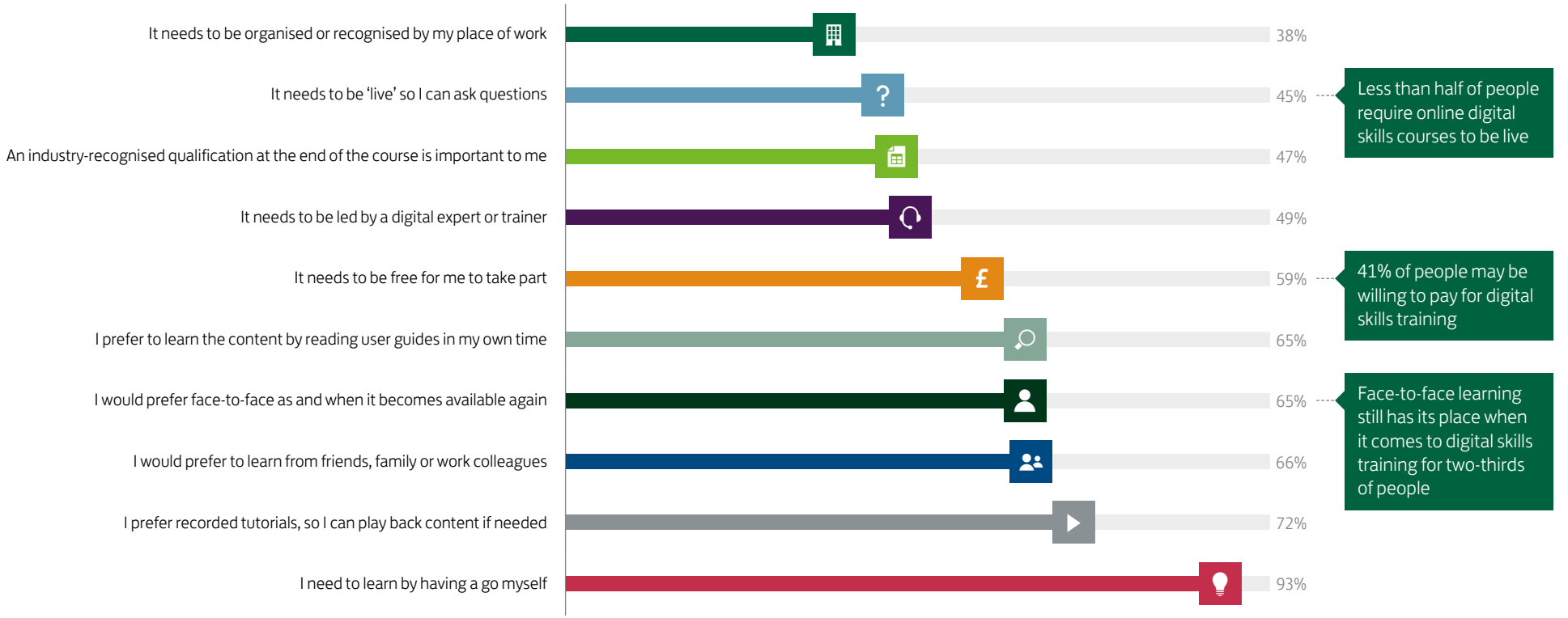
n = 2,703



People have a range of preferences to cater for when providing digital skills support.

Figure 28. **And when you are learning new digital skills, which of the following apply to you, 2021**

n = 2,703



How do people want to improve?

Figure 29 draws differences between actual behaviour in 2020 compared to intended behaviour this year. This year four-fifths of people say they'd find it easiest to develop their digital skills by using online information sources. However last year, the data showed that only one-fifth had actually used online sources to upskill. This indicates that appetite for these channels outstrips actual usage.

Figure 29 shows;

- Four-in-ten people look to large corporates to help them upskill digitally
- 35% are looking to bank staff as a population who could help them learn new digital skills
- Friends and family represent one of the cornerstones of digital support, more than six-in-ten turn to familiar faces

As indicated in figure 29 there is an uplift in all mediums of support, highlighting a greater level of appetite, hopefully more of which will convert into actual uptake. However it is worth acknowledging the quality of provision varies within and across all of these formats of support. Online sources for example will include everything from high quality interactive webinars, through to content lacking true learning outcomes.

Picking the right approach to digital support

As evidenced in previous years, both propensity to learn, and preference for support varies by age. The data shows that older age groups (typically requiring more digital support) are more reluctant (and under-indexed) to turn to any of the available areas of support (figure 30). The same is true for those with Low or Very Low digital engagement (*Appendix 27*).

This reluctance makes upskilling this group more challenging and a different approach is required. Compared to younger more engaged segments – the least digitally engaged prefer family and friends for support, whilst self-teaching and online sources are best for those who are more advanced and confident (*Appendix 28*).

Figure 29. **What would be the easiest way for you to learn new digital skills? Versus; How have you learnt how to use online services and develop your digital skills?**

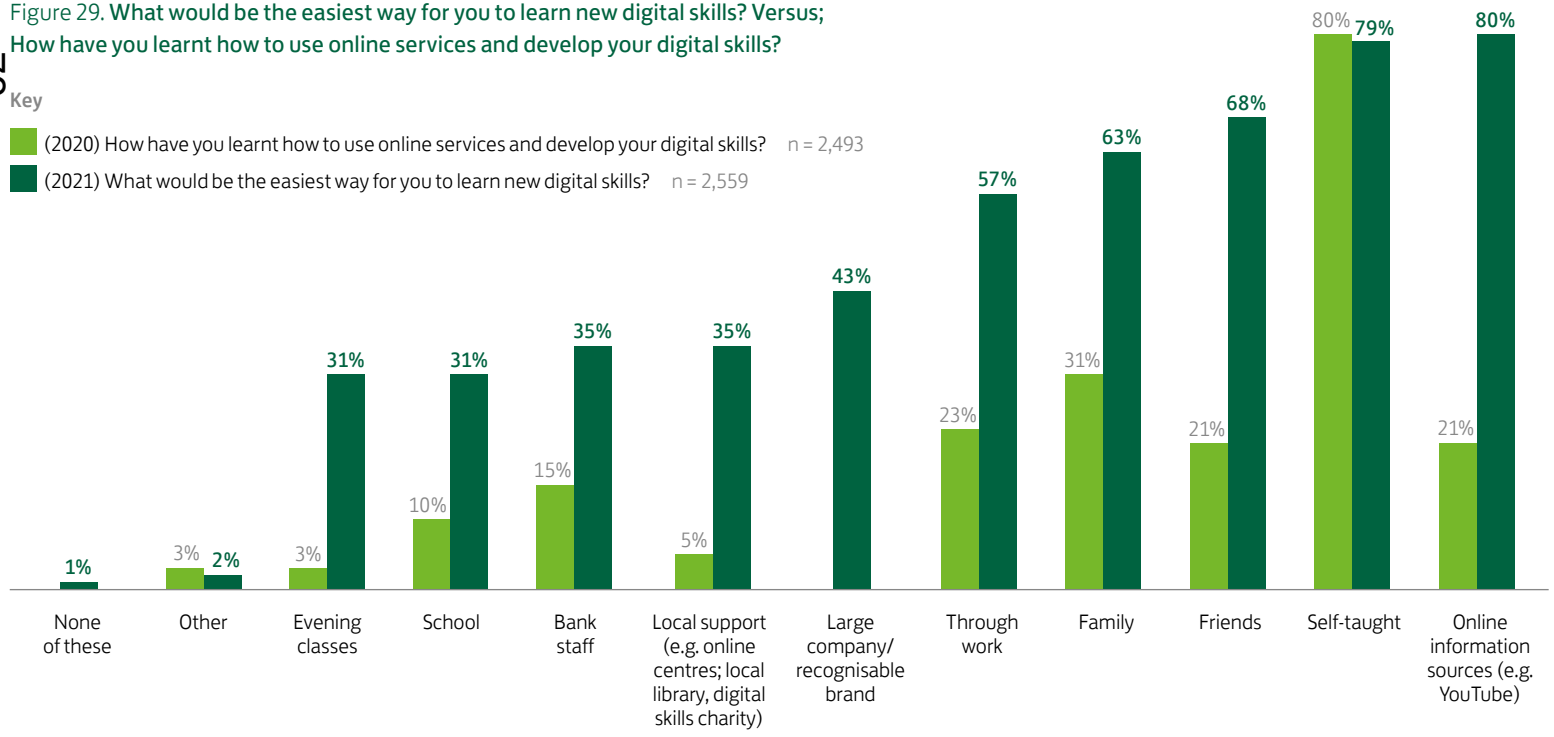
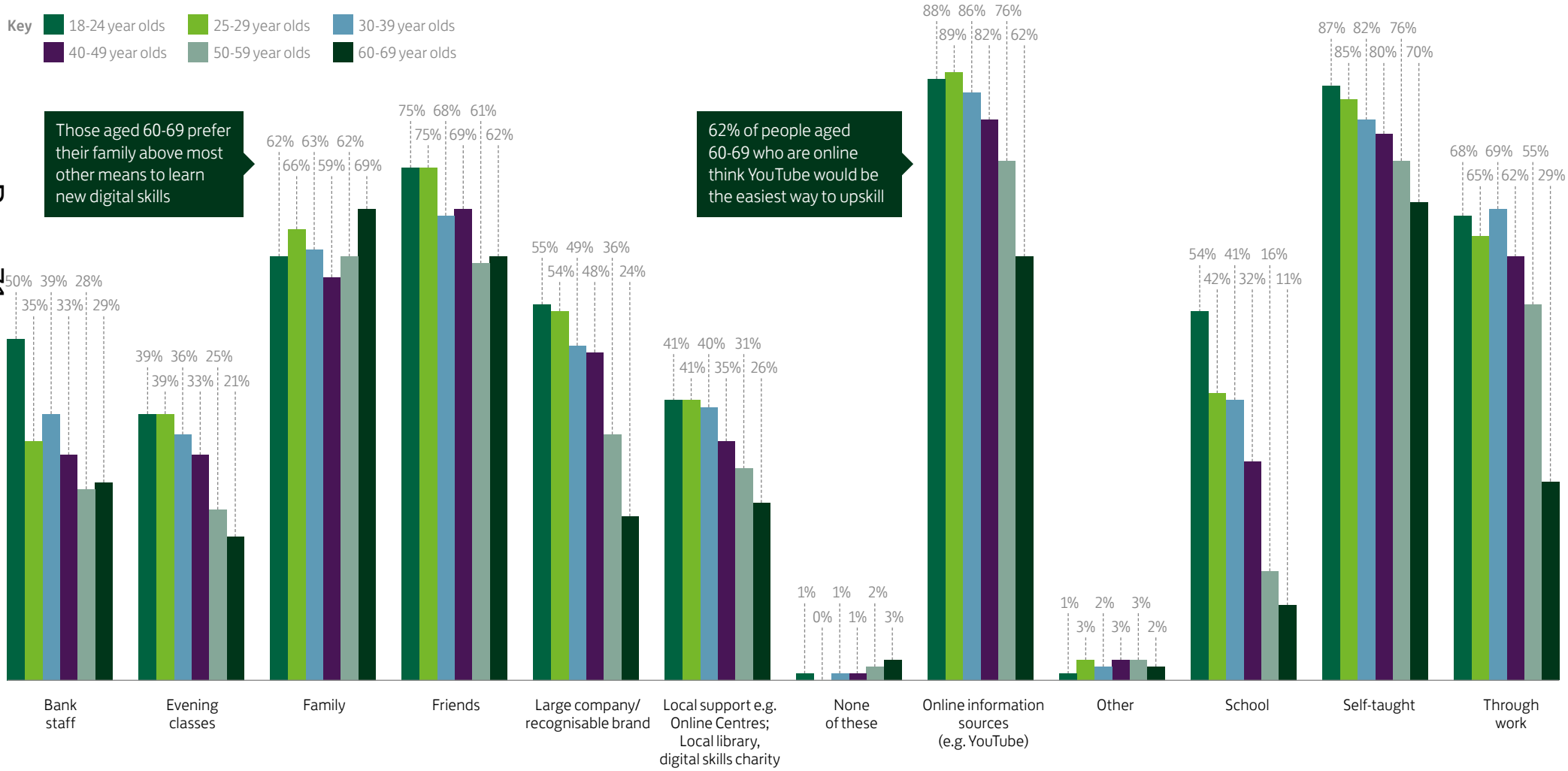


Figure 30. **What would be the easiest way for you to learn new digital skills? Split by age, 2021**

n = 2,559



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Duggs' Story

Duggs, 55, lives with his partner in Holmfirth, Yorkshire, and is now retired, previously working in local government. Read how technology has really boosted the efficiency of his community ventures, during the Coronavirus crisis.

Taking an early retirement, Duggs loves spending his spare time outdoors, tending to his allotment and going fishing. An avid member of his community, he dedicates much of his time to charity and community work.

Initially training as a youth and community worker, he now plays an active role in his local community, using digital as his secret weapon for engagement. Duggs is confident online, having always used email and video calls throughout his career within local government. Even at home, Duggs was a digital native, actively using technology for several years. Now, he's never too far from his phone, which allows him to stay connected, check the news and shop online.

> *"I spend a lot of time looking at eBay, YouTube videos, scanning for news articles, doing research, clicking links, going into emails or Facebook chats."*

When the pandemic began in March 2020, Duggs rallied support from his community and set up a network of volunteers. Initially, he coordinated local volunteers to deliver food parcels to those who were shielding, then moving on to organise teams of volunteers at local vaccination centres.

> *"Everything is done digitally, the communications, making payments and meetings. It's free and accessible and we're using it to organise."*

Through his work, setting up and mobilising these volunteering groups, digital has played a fundamental part. The emergency response required a team of volunteers to connect and act quickly and digital was the vital enabler.

Throughout the pandemic Duggs used online groups as a place to store shared resources, an easy, free and convenient way to communicate and share documents between members. Now, as the administrator of the local Facebook pages, he brings everyone together with a shared sense of purpose and has created a place where everyone can discuss local issues.

Many volunteers have never even personally met, but digital has allowed them to connect and communicate, replacing the need for face-to-face interaction at a time when it just was not possible.

And for Duggs, digital has helped him keep connected even closer to home. Where previously he would speak to his family once a month, they're now getting together virtually much more regularly.

> *"I'm doing family Zoom calls every two weeks. Mental health wise I am in a better place. It's very, very positive."*

Duggs has witnessed the power of video calling amongst other groups too. Parish Council meetings were previously all held face-to-face in the evenings, which was a challenge for many of the members, particularly in the winter. Zoom has enabled them to always attend meetings from the comfort of their own home and Duggs expects that this will continue even when face-to-face meetings can resume. With no other choice, Parish Council members who would have been the first to reject digital are now seeing the benefits first-hand and have become the biggest enthusiasts.

Whilst Duggs is confident with his own digital skills, and can't see much more he could do to develop them right now, he couldn't imagine a world without technology.

> *"30 years ago nobody had mobile phones or emails. It's unbelievable the speed at which you can organise now. The power of digital is unbelievable."*

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Shauna’s Story

Shauna, 27, is married to her partner Fraser and they live together in Fife, Scotland. She is a Network Marketeer for The Body Shop. Read how she has supported her mental health and accelerated her career in beauty during lockdown.

When mental health issues impacted Shauna's career in financial services, she took her destiny into her own hands and found digital unlocked a whole new world.

Turning her passion into a new business venture, Shauna played to her strengths and now runs a network marketing business from the comfort of her own home in Fife.

"I have suffered from quite poor mental health. I have really bad anxiety, which is kind of why I do the job I do, because it means that I can now work on my own terms. As long as I've got the Internet, then I can do the work at home."

Through Facebook, Shauna was able to build a team of like-minded people to sell and promote Body Shop products. She coaches her team online as well as managing her own customer base, which has helped grow her successful business. Virtually training her team with hints and tips on social media marketing and how to engage customers with different content, Shauna is sharing her skills and seeing the success stories. With Shauna able to manage her team online using Zoom and Facebook, she has been able to take her business wherever she goes – addressing queries when she's out and about.

She has also found an unexpected benefit from setting out on her new journey. Shauna has created a supportive community for others who suffer from anxiety and depression. So much so that she is now improving her digital skills through online learning to create an online support group, focused on helping people like herself get back to their best.

With COVID-19 restrictions impacting on Shauna's wedding plans, she was able to move quickly to take her planning online. With all the organisation going virtual overnight, she was able to order decorations, find the perfect outfits and keep everyone updated online. The day was a huge success, and the more intimate setting was even better than the original plans, and couldn't have gone ahead without digital.

"The wedding was always planned but it wouldn't have been what it was without being able to do things digitally because of Coronavirus."

As for Shauna's mental health she believes that her recovery has also been aided digitally. She praises Facebook for enabling her to work from home – on her own terms and at her own pace, taking her away from the stresses of traditional working structures. Now she's exploring further online learning and is upskilling to become a beauty therapist, all without having to leave her own home. With her confidence growing, as well as her ability to interact with her team, customers and community in a virtual way, the future is bright!

"Being able to work digitally has taken the pressure off. It's given me the freedom to do my recovery at my own pace. I feel my recovery has gone better thanks to being able to work online."

Page 76

Steve’s Story

Steve, 54, is married to his partner Louisa, living in South Devon. He is currently volunteering looking for paid work. Read how digital is more important now than ever, in helping him secure paid employment.

As the primary carer for his wife for over ten years, Steve has recently begun his search for work. With additional support from his family, as well as a recent move into the city, Steve's excited at different opportunities he could take up with a new career.

Prior to caring for his wife, he had a varied working life, including being employed in maintenance, cleaning a nursing home, as a department manager in a supermarket and even a roof thatcher.

Steve knows the importance of digital more than most. The Internet was a real lifeline to the outside world for him. Being a full-time carer and until recently, living in a remote location, his ability to shop online and communicate with friends and family was vital for managing day-to-day life. Not only did Steve and his family see the financial benefits of online shopping, it was also convenient and easier for them to order groceries and household items from the Internet.

> *"Before we moved here we were right out in the sticks, so we're used to mostly buying stuff online and also because of prices, it's just cheaper for buying stuff online."*

Steve's use of digital has increased markedly in his pursuit of a new job. His search has involved using employment websites, like Indeed as well as social media, to look out for possible opportunities. Whilst he hasn't found any employment yet, he has managed to secure a part-time position volunteering at a local Oxfam, which he found online. Not only has this helped build his confidence and broader skillset whilst he continues his search, it's also helping his digital skills improve, as he is learning to sell books on their website.

Steve has always tended to try and learn new skills himself, which he admits can be quite challenging. Where he needs to, he looks to his daughter, and to an extent his wife for advice on how to improve his skills. His confidence is growing and he's using his smartphone more and more, including for mobile banking. Having received Universal Credit, Steve has always been good at managing his money through his mobile banking app and enjoys the convenience it offers.

> *"The speed and the quick access mean you can get to your account easily and it feels safe at the same time."*

In fact, Steve has found claiming for benefits online to be a much less daunting process than expected. Having access to a scanner, printer and the Internet at home, he's been able to quickly download, sign and send off documents to Department for Work and Pensions to support his changing circumstances.

Steve is keen to build on his digital skills in future. With a ten-year gap since his last job, he understands the need for digital skills in the workplace is now more important than ever. That's why he is so open to learning new things. Not only will this help him secure paid employment, he is hoping to embrace technology and become much more digitally savvy in his personal life too once he is working.

Karen's Story

Karen, 59, lives on her own in Cardiff, Wales and works for a Housing Association. Read how lockdown has led to Karen boosting her digital and financial skills and how she will never look back, now that she has these new-found skills.

With a full-time role within a Housing Association, like many people at the beginning of the pandemic, Karen began working fully remotely.

Choosing where and when she worked was a challenge at first, but she has adapted and now loves the flexibility.

> *"I am quite techie. I suppose that's because I still work full-time and you need a degree of computer skills, it's certainly improved over the last 12 months."*

Along with agile working, she was introduced to Teams and SharePoint for the first time through work, and she has had to upskill quickly. Thanks to intensive training from her employer, Karen was able to get to grips with, and make the most of, the new software and found this support invaluable. She now spends her days 'speaking' to colleagues online and working collaboratively on documents. Before, paper was king in the office with everyone scribbling their comments onto a document. The use of Office365 has meant that everyone is seeing the ease and efficiencies of using different digital tools.

> *"We phone and see one another over the computer, have a discussion, which saves on costs, and is very quick and efficient. It has improved my computer skills."*

It's not just collaboration tools which have helped Karen in the workplace. She's also found that digital has opened new communication channels across her organisation, with less meetings and easier to access updates and briefings. For Karen, digital and agile working has led to numerous benefits in her personal life too, from more spare time to more disposable income.

Pre-Coronavirus, Karen's social life was about seeing friends and family and spending time outdoors. As a member of not one, but two walking clubs, initially, lockdown and the associated isolation hit her hard. Being unable to go out in groups, Karen needed to get creative with virtual social interaction instead. With Zoom and different social media platforms, Karen was able to stay connected to her loved ones, setting up group calls and a weekly Zoom quiz with family.

The pandemic led to Karen building her digital and financial capabilities as well. With no desire to write and post cheques, and a desire to shield safely, she began using online and mobile banking more. From transferring money to making payments to individuals and businesses much more frequently, she's even using contactless now when it comes to making physical purchases. Karen's confidence has grown alongside her skillset, she's now much more comfortable ordering online. For Karen, this has meant she feels much more in control of her finances and can keep a closer eye on her different accounts and savings pots.

The pandemic has exposed Karen to new digital experiences and opportunities, all of which have boosted her skillset and confidence. Even as restrictions relax, and she can do more of what she loves, and she is still keen to learn more and build on her digital skills. She has no desire to return to how things were digitally pre-Coronavirus, embracing the new normal in our online world.

Reflections

The pace of change across the UK's digital landscape has been rapid in the last 12 months. In fact, the data in this report shows that the level of digital engagement measured in 2021 is where it was projected to be in 2025. This indicates that the UK has made five years progress in just one year. A question must be asked though – **how sustainable is this change?**

Over the last six years, the Consumer Digital Index has measured progress as being slight or stagnant, despite the active efforts of numerous organisations. In contrast, the latest report shows significant change, with 60% of people having high levels of digital capability and people spending on average an extra 13 hours online a week. Of those doing new activities online, 91% intend to continue digital activities adopted during lockdown, indicating a lasting change. Concerns around online security and fraud still loom large though. With more people doing more online, we must ensure that **digital adoption is coupled with online vigilance too.**

We also cannot assume that digital engagement is constant. The transactional data shows that 21% of those who had the highest levels of digital engagement in 2020, are now engaging less. If we are to have a digital economy and society that everyone can participate in, a culture of life-long learning and confidence building is key.

As new financial products and services are developed, it is important to acknowledge that even if consumers have the digital skills to access them, this does not guarantee they have the financial capability or acumen to do so effectively. In fact, digital engagement can exacerbate money worries, indicating the importance of ongoing guidance and support for all. In addition, recognising the consequence that financial worries can have on mental health, the right advice and onboarding support is key.

Given the changeable job market, it may come as no surprise that more than ever before, **workplace success is a lever for change in digital adoption and life-long learning.** 64% say they would undertake digital skills training, if they knew it would aid them with career progression and 67% would improve their digital skills, if they knew support is available when needed. With workplaces increasingly providing online security guidance, digital payslips and online communication, there is likely to be a halo effect on consumers' personal lives.

The heart of this topic though, is inclusion. Whilst the report evidences the financial merits and workplace benefits of improving digital capability, there are clear concerns about the offline and low-digital capability population. Saving less money, unable to participate in online communications and accessing key services from home, the report finds that 2.6 million people remain completely offline. A further 20.5 million adults have Low or Very Low digital engagement. As the data shows digital poverty is exacerbated by existing vulnerabilities, never more so than in the last year.

In the last two years particularly, digital inclusion, capability building and tech adoption have become a focus of local delivery plans. It is important that this agenda has a UK-wide focus extending to, and linking up, local authorities. The Digital Skills Partnership, FutureDotNow, the Scottish Participation Charter and other coalitions bring together a myriad of partners across all sectors to face into the challenge. This issue warrants **joined-up investment at a UK-level, shared learning across regions, and a clear and consistent public narrative** on the benefits of digital adoption.

We must provide the motive and capability for these individuals to get online and provide an environment in which they are comfortable and confident to learn. Given the faster pace of technological growth and a world that now assumes digital competence, it is even more crucial that organisations design interactions that are as frictionless, accessible and as simple as possible. Service providers have a duty to ensure that assistive technology and inclusive design principles are applied throughout service development, enabling everyone to participate in a digital society.

Partner quotes

"While digital activity has, not surprisingly, increased by 11% last year, a significant 'hidden middle' still exists. Over the past year many organisations rallied to support those digitally isolated, yet nearly 15 million people still have Very Low digital capabilities. We need to level up, so FutureDotNow is calling on all businesses to ensure their employees are kept up to date with the Essential Digital Skills necessary for us all to thrive today and in the future."

Sir Peter Estlin
Chair of FutureDotNow

"Ensuring all people have the digital skills that our future economy needs will be crucial both to economic competitiveness and to social equality. The report is an excellent showcase of the challenges that still lie ahead, with a sizeable number of people concerned that their digital skills aren't good enough for the accelerated transformation of the workplace. We're pleased our work with forward-thinking partners such Lloyds Bank and others, allows us to create access to inclusive learning programs that bridge the digital divide at scale."

Gori Yahaya
CEO and Founder
Upskill Digital

"The results of Lloyds Bank's 2021 Consumer Digital Index report are indicative of the wholescale shift to digital that has taken place across our work and social lives. Whilst encouraging, we have a way to go to unlock our potential and translate this new-found confidence into jobs and inclusive, long-term sustainable growth. We will be taking these insights through into our own skilling programmes, including GetOn2021, to better equip and encourage employee upskilling and the development of skills for the very real opportunities that exist in digital."

Simon Lambert
Chief Learning Officer
Microsoft UK

"One-in-four of us experiences a mental health problem every year, and the pandemic has exacerbated many of the risk factors. Connecting people to information they need can guide them through difficult times. It is disheartening that people are 12% less likely to use the Internet to manage their mental health, compared to their physical health. Last year, over three million people visited our websites for support. Whether through our award-winning advice or online peer support – at Mental Health UK we won't stop until everyone has the tools to manage their mental health and live their best possible life."

Katie Legg
Director of Strategy and Partnerships
Mental Health UK

"It's unsurprising to see the increasingly critical role the Internet has played in our lives over 2020, with 1.3 million more people now online and many claiming they couldn't have coped in the pandemic without it. While this is to be welcomed – as is the indication that we will retain many of our new, beneficial digital habits – too many remain digitally excluded. Over half of these earn low incomes and many live with impairment. We must provide the support they need to overcome barriers and ensure all of society can enjoy the benefits of a connected life."

Eleanor Bradley
Interim CEO and MD, Registry & Public Benefit
Nominet

"The insights from this report make it clear the pandemic has had a tangible impact on how people use the Internet and associated technologies to manage their physical and mental health in particular. At Lloyds Banking Group the accelerated efforts within digital healthcare have allowed us to support and provide medical services to all of our colleagues at LBG during these challenging times."

Dr Alasdair Emslie
Chief Medical Officer
Lloyds Banking Group

"Before the pandemic, millions of disabled people already faced barriers accessing digital technology. But, for those who were shielding over the past year, some of whom still are, digital has been the only access point for engaging with society. Disabled people have raised concerns with Scope about access to food and other essentials, paying utility bills, and remaining connected to loved ones. The unexpected silver lining of the pandemic has been the embracing of flexible home working by businesses, after decades of resistance. For many, this has led to an easier, more accessible, work environment. However, vital action must be taken to invest in digital skills for disabled people, and to make the online world more accessible and inclusive. In a world which is increasingly online, disabled people must not be forgotten."

Kristina Barrack
Head of Digital Influencing
Scope

"The pandemic has turbo-charged the pace of change as we move to being an increasingly digital society. It has also highlighted the gap between those with digital skills and those without, and the impact that being digitally excluded has both from a social and economic perspective. Within West Yorkshire and as a Digital Skills Partnership, making sure no one is left behind and everyone has the opportunity to develop essential digital skills as we 'build back better' has never been more important. The report provides great insight into regional and national trends and signposts the importance of digital inclusion, the growth of digital skills and the fact that all parts of society require these skills to engage and thrive in the post pandemic world."

Mandy Ridyard and Bill Jones
Co-chair of the West Yorkshire Digital Skills Partnership

"This is incredibly important research looking into the effect that having an Internet connection, and the skills to make the most of it, has on the daily lives of people across this country. Those who can access the online world save more and spend less, and the majority of people say that if they had a higher level of digital skills, they would be able to do their job better. We need a comprehensive widening of access to digital skills training to help get people into employment, and I hope this research contributes to achieving that."

Julie Elliott MP
Chair of the All-Party Group on Digital Skills and Member of Parliament for Sunderland Central

"This report shows in detail how COVID-19 has shone a spotlight on the huge importance of digital inclusion. Millions more are now online, due to the wonderful array of projects supporting people digitally, in whatever way matters most to them. Yet the dial of impact still moves slowly, with huge numbers of citizens left behind in the digital world, something the report clearly states still mainly impacts those on low incomes. But digital is the leading lever to tackle these problems. We are excited to have played our part this year with our support of LBG customers through our helpline."

Matthew Adam
Chief Executive Officer
We Are Digital

"In Greater Manchester we believe that everyone whatever their age, location, or situation, should be able to benefit from the opportunities digital brings. In 2020, GMCA launched the Digital Inclusion Agenda for Change with a strong ambition to become a 100% digitally enabled city-region. The Lloyds Bank UK Consumer Digital Index will be an important tool in helping GM achieve this ambition, helping us understand the extent of residents' digital and financial capabilities, as well as better understanding how residents are engaging with an increasingly digital world post-pandemic."

Phil Swan
Digital Director
Greater Manchester Combined Authority

Thank you to our Partners

Lloyds Bank UK Consumer Digital Index 2021

Join the conversation:

- The report and other content can be found online: **lloydsbank.com/consumerdigitalindex**
- Please refer to our website for appendices, national and regional data and helpful links and resources
- Please get in touch at: **DigitalSkillsInclusion@lloydsbanking.com**
- For more information on the Lloyds Bank Academy please visit: **lloydsbankacademy.co.uk**
- Join the conversation: **#ConsumerDigitalIndex** **@LloydsBankNews**

Please contact us if you would like this information in an alternative format such as Braille, large print or audio CD.

Great care has been taken to ensure that the information used here cannot be in any way traced to a specific individual. This report has used aggregated data across social and demographic groups to highlight the trends and insights that will help consumers, charities and UK Government to understand more about our nation's digital and financial inclusion landscape.

Lloyds Banking Group is a financial services group that incorporates a number of brands including Lloyds Bank. More information on Lloyds Banking Group can be found at lloydsbankinggroup.com.

LLOYDS BANK

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Lloyds Bank UK Consumer Digital Index 2021 Appendix

Methodology: Index Score and Segmentation

Consumer Digital Index Score

Since 2016, Lloyds Bank has benchmarked UK digital engagement using a behavioural dataset of more than one million people. Last year the methodology was reviewed to ensure it is was up to date.

The Index Score is made up of three categories, each with its own set of relevant variables. These categories are:

1. **Spend**
   How people transact and what they purchase
2. **Interactions**
   How people engage with digital services and products
3. **Technology**
   Including use of digital devices and Fintech services.

If the data shows that people are exhibiting these digital behaviours e.g. shopping online, then they are awarded a score. Using a model to identify the predictive indicators of digital engagement, the sample of one million consumers was assessed.

Figure A illustrates the contributions provided by the three categories according to the model's outputs. The more of these variables people are engaged in, the higher their score (score ranges from zero to 100).

Alongside the Digital Index Score is the related segmentation, which splits the Index of zero to 100 into four groups, with the lowest having the lowest digital engagement and vice versa (figure B).

The segmentation is used throughout chapters one, two and three to understand how the data is affected by people's levels of digital activity.

Figure A. **Contribution per category within the Digital Engagement Index Score, 2021**

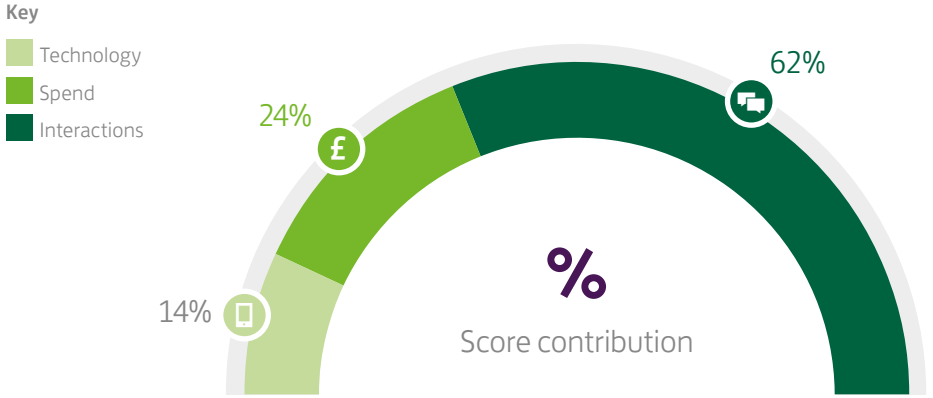
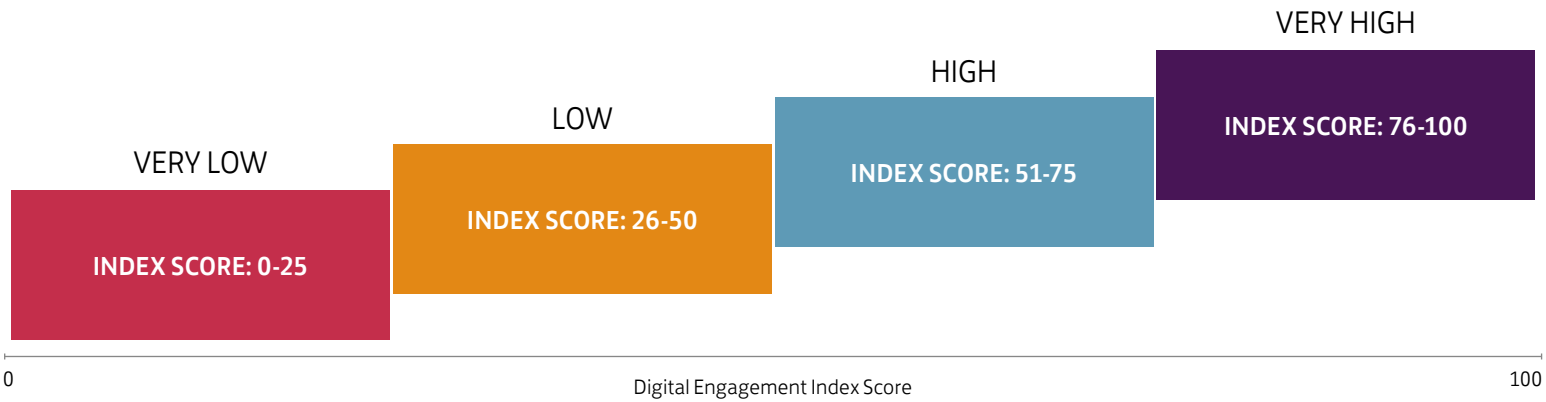
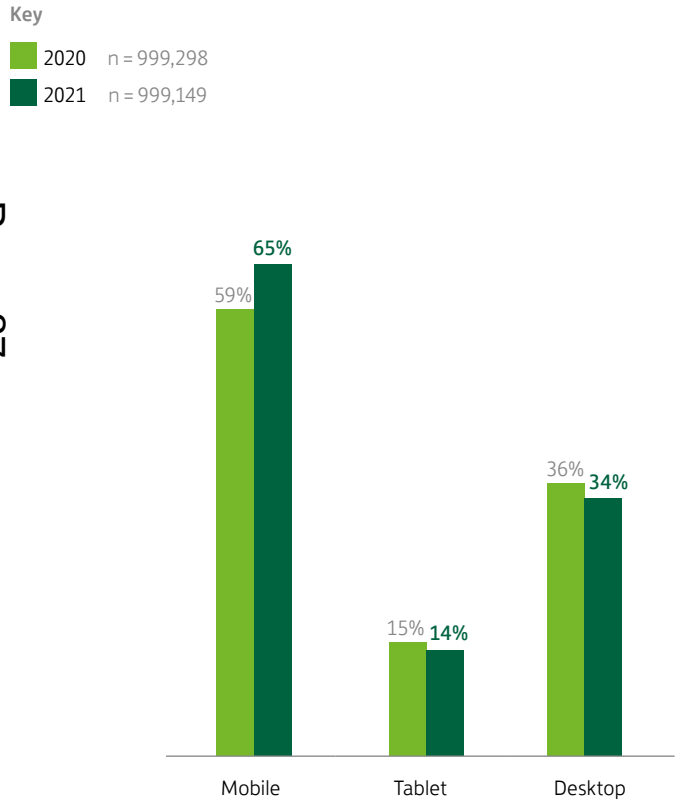


Figure B. **New UK Consumer Digital Index Score Segments, 2021**

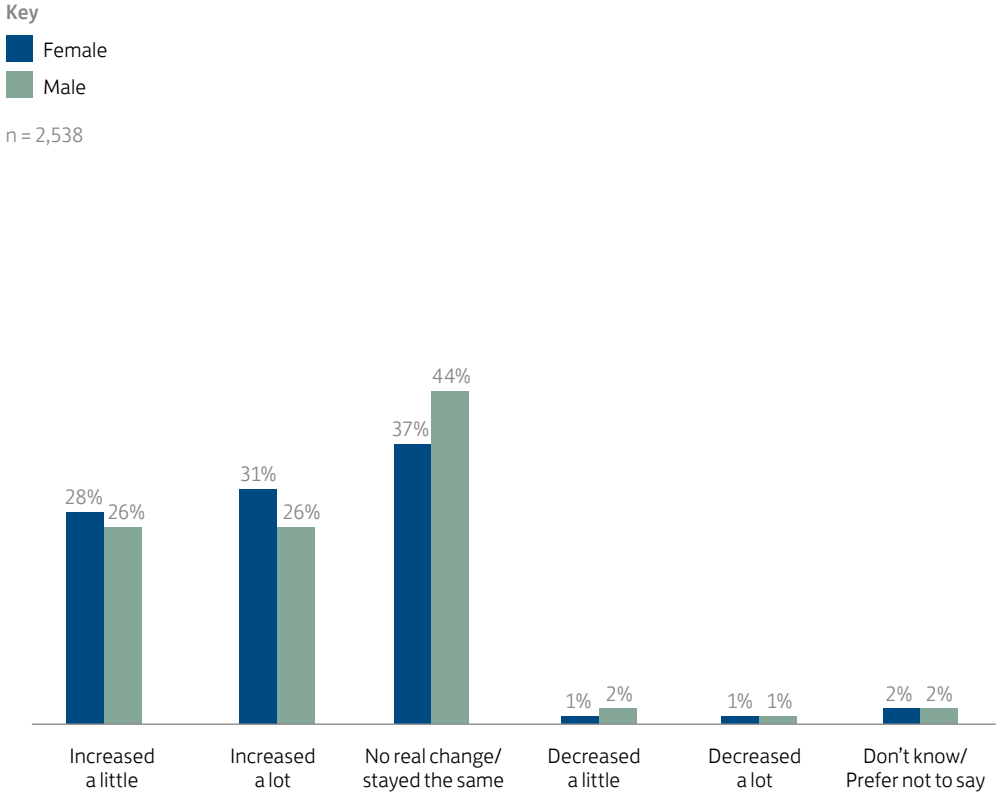
n = 999,149



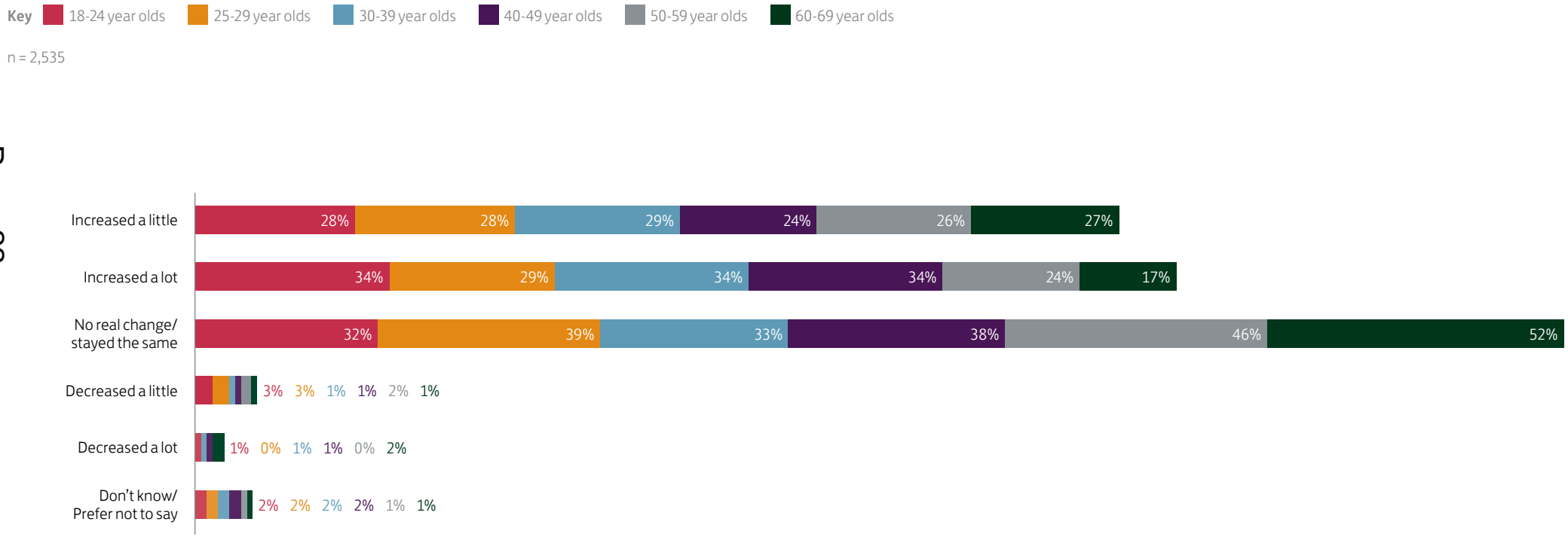
Appendix 1. **Proportion of people using the listed devices for online banking, 2021 and 2020** *(click to return to page 13)*



Appendix 2a. **Thinking specifically about your use of the Internet during the Coronavirus crisis, would you say that, overall (including for work and leisure) your use of the Internet has.... Split by gender (excluding 'Prefer not to say' due to low sample), 2021** *(click to return to page 14)*



Appendix 2b. **Thinking specifically about your use of the Internet during the Coronavirus crisis, would you say that, overall (including for work and leisure) your use of the Internet has....**
Split by age (excluding '70 to 79 year olds' due to low sample), 2021 *(click to return to page 14)*



Appendix 2c. **Thinking specifically about your use of the Internet during the Coronavirus crisis, would you say that, overall (including for work and leisure) your use of the Internet has.... Split by nations and regions, excluding Channel Islands, 2021** *(click to return to page 14)*

n = 2,558

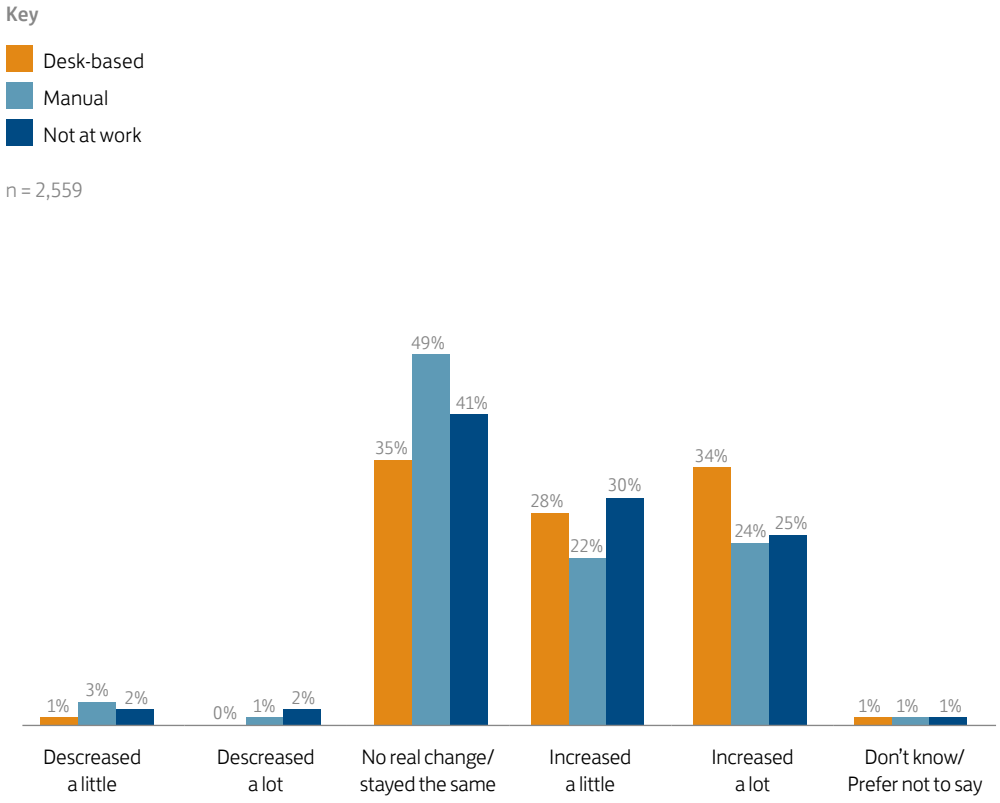
	Increased a little	Increased a lot	No real change/stayed the same	Decreased a little	Decreased a lot	Don't know/ Prefer not to say
East England	23%	28%	46%	0%	1%	3%
East Midlands	32%	22%	41%	3%	1%	2%
London	30%	38%	28%	1%	0%	3%
North East	20%	26%	49%	2%	1%	2%
North West	27%	31%	38%	1%	1%	2%
Scotland	31%	31%	33%	3%	1%	0%
South East	28%	29%	39%	2%	1%	1%
South West	28%	24%	45%	1%	0%	1%
Wales	21%	31%	44%	1%	3%	0%
West Midlands	21%	31%	44%	2%	1%	2%
Yorkshire and the Humber	26%	24%	46%	1%	1%	2%

Appendix 2d. **Thinking specifically about your use of the Internet during the Coronavirus crisis, would you say that, overall (including for work and leisure) your use of the Internet has.... Split by digital engagement segments, 2021** *(click to return to page 14)*

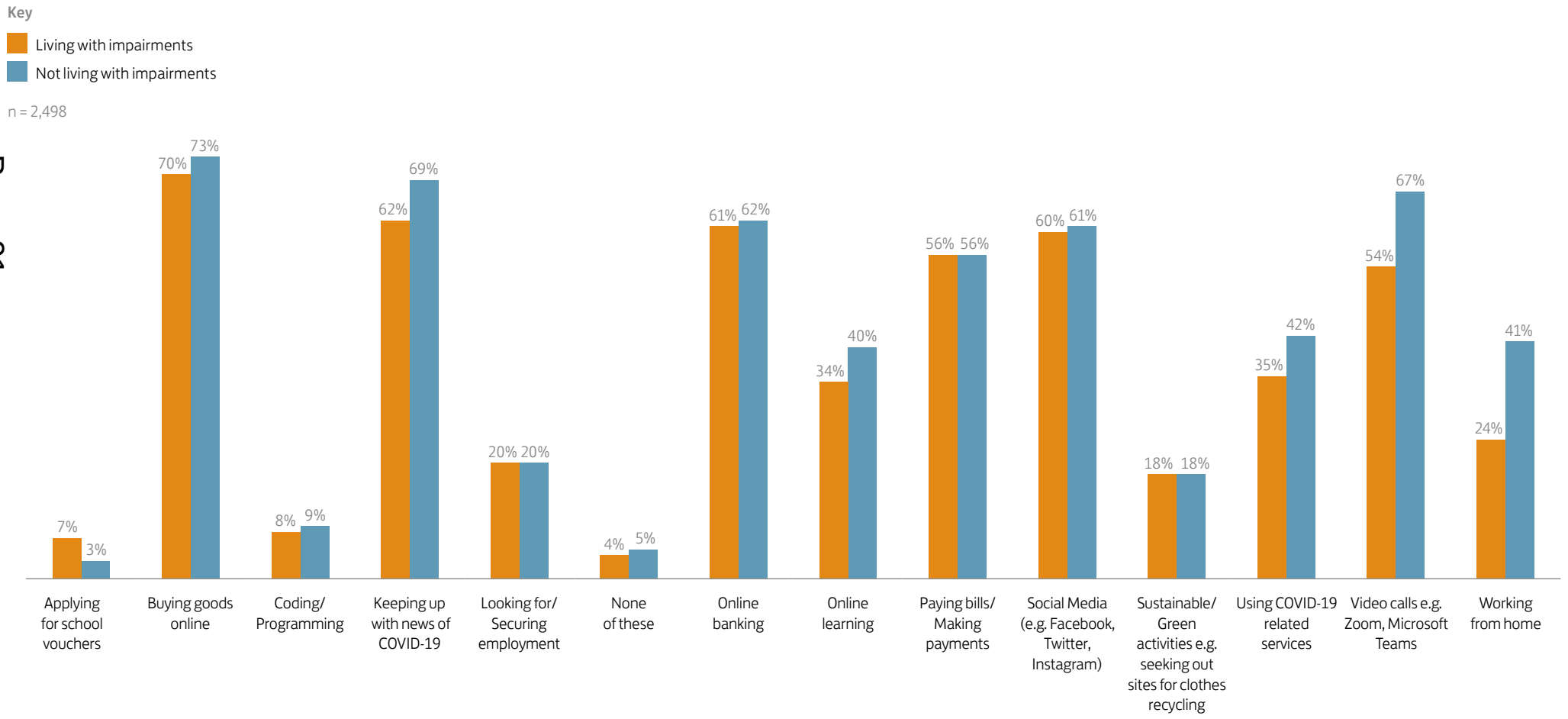
n = 2,559

	VERY LOW	LOW	HIGH	VERY HIGH
Increased a little	25%	26%	27%	27%
Increased a lot	20%	23%	29%	32%
No real change/stayed the same	48%	46%	39%	37%
Decreased a little	2%	2%	2%	1%
Decreased a lot	2%	2%	1%	0%
Don't know/Prefer not to say	2%	2%	2%	2%

Appendix 2e. **Thinking specifically about your use of the Internet during the Coronavirus crisis, would you say that, overall (including for work and leisure) your use of the Internet has.... Split by selected occupation type and working status, 2021** *(click to return to page 14)*



Appendix 3. **For which of the following, if any, have you used the Internet for, for the first time during the Coronavirus crisis? Split by those living with or without impairment (excluding 'Prefer not to say' due to low sample) 2021** *(click to return to page 15)*



Appendix 4a. **For which of the following, if any, have you used the Internet for, for the first time during the Coronavirus crisis? Split by age (excluding '70 to 79 year olds' due to low sample) 2021** *(click to return to page 15)*

n = 2,535

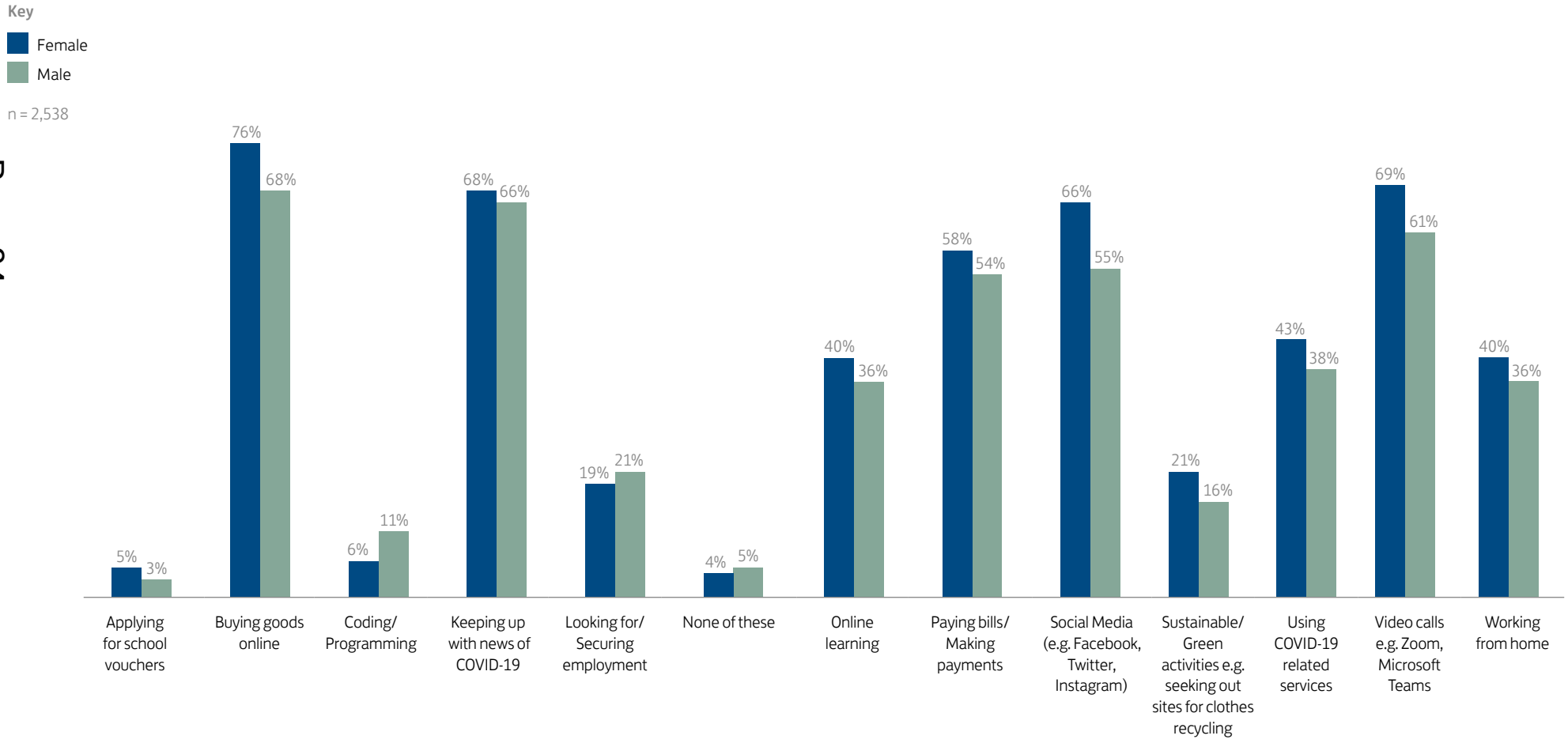
	18-24 year olds	25-29 year olds	30-39 year olds	40-49 year olds	50-59 year olds	60-69 year olds
Applying for school vouchers	5%	5%	7%	7%	2%	0%
Buying goods online	74%	73%	77%	70%	70%	65%
Coding/Programming	16%	11%	11%	9%	5%	4%
Keeping up with news of COVID-19	70%	74%	72%	69%	64%	55%
Looking for/Securing employment	39%	28%	24%	19%	15%	4%
None of these	2%	3%	4%	4%	6%	8%
Online learning	57%	48%	47%	38%	28%	21%
Paying bills/Making payments	64%	60%	59%	56%	51%	51%
Social Media (e.g. Facebook, Twitter, Instagram)	77%	74%	65%	58%	54%	41%
Sustainable/Green activities e.g. seeking out sites for clothes recycling	20%	22%	24%	20%	13%	12%
Using COVID-19 related services	40%	43%	46%	46%	36%	32%
Video calls e.g. Zoom, Microsoft Teams	72%	67%	75%	69%	58%	48%
Working from home	45%	37%	47%	46%	35%	19%

Appendix 4b. **For which of the following, if any, have you used the Internet for, for the first time during the Coronavirus crisis? Split by digital engagement segment, 2021** *(click to return to page 15)*

n = 2,559

	VERY LOW	LOW	HIGH	VERY HIGH
Applying for school vouchers	2%	2%	4%	6%
Buying goods online	56%	65%	74%	77%
Coding/Programming	4%	7%	9%	10%
Keeping up with news of COVID-19	53%	56%	69%	73%
Looking for/Securing employment	14%	14%	22%	22%
None of these	11%	9%	3%	3%
Online learning	20%	28%	41%	45%
Paying bills/Making payments	36%	48%	58%	63%
Social Media (e.g. Facebook, Twitter, Instagram)	46%	47%	62%	68%
Sustainable/Green activities e.g. seeking out sites for clothes recycling	11%	15%	19%	21%
Using COVID-19 related services	28%	31%	42%	46%
Video calls e.g. Zoom, Microsoft Teams	43%	52%	68%	70%
Working from home	22%	31%	41%	43%

Appendix 5. **For which of the following, if any, have you used the Internet for, for the first time during the Coronavirus crisis? Split by gender (excluding 'Prefer not to say' due to low sample), 2021** *(click to return to page 15)*

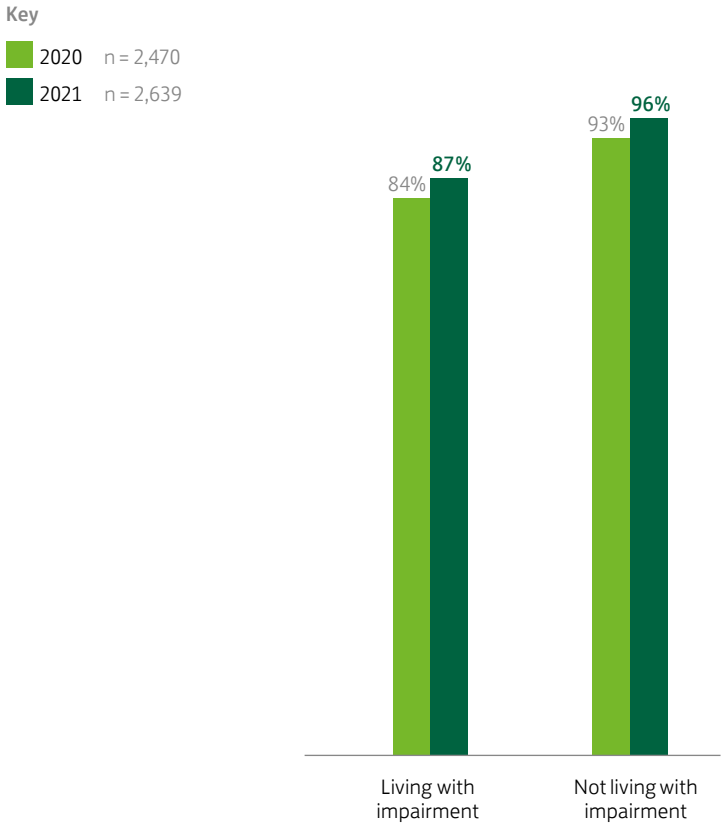


Appendix 6. **Increased online spend and number of online transactions since 2020, among online shoppers in both 2020 and 2021, split by nation and region** *(click to return to page 17)*

n = 881,270

	Increased spend	Increased transactions	Average spend per transaction
East England	**£1,828**	**28**	**£65**
East Midlands	**£1,278**	**30**	**£43**
London	**£2,343**	**25**	**£94**
North East	**£1,670**	**33**	**£51**
North West	**£1,913**	**32**	**£60**
South East	**£1,597**	**28**	**£56**
South West	**£1,433**	**27**	**£53**
West Midlands	**£1,996**	**30**	**£67**
Yorkshire and the Humber	**£2,100**	**33**	**£64**
Scotland	**£1,623**	**30**	**£54**
Wales	**£2,149**	**31**	**£69**
England	**£1,786**	**30**	**£60**
UK Average	**£1,796**	**30**	**£60**

Appendix 7. **Have you used the Internet in the last three months? Split by those living with, or without, impairments (excluding 'Prefer not to say' due to low sample) 2021** *(click to return to page 19)*



Appendix 8. **Which, if any, of the following technologies do you use? Split by digital engagement segments, 2021** *(click to return to page 19)*

n = 2,703

	VERY LOW	LOW	HIGH	VERY HIGH
Face, fingerprint or other biometric recognition tools	21%	36%	61%	72%
Screen readers such as JAWS, Dragon, Texthelp or ClaroRead	2%	2%	5%	3%
Technology to help with dexterity/ mobile impairments	5%	4%	10%	8%
Voice assistants such as Alexa, Siri or Google Assistant	23%	33%	47%	54%

Appendix 9. **Which, if any, of the following technologies do you use? Split by age (excluding '70 to 79 year olds' due to low sample) 2021** *(click to return to page 19)*

n = 2,675

	18-24 year olds	25-29 year olds	30-39 year olds	40-49 year olds	50-59 year olds	60-69 year olds
Face, fingerprint or other biometric recognition tools	71%	67%	60%	60%	51%	33%
Screen readers such as JAWS, Dragon, Texthelp or ClaroRead	4%	4%	6%	3%	3%	2%
Technology to help with dexterity/mobile impairments	10%	10%	12%	9%	5%	3%
Voice assistants such as Alexa, Siri or Google Assistant	51%	50%	46%	47%	44%	31%

Appendix 10. **Have you had money management advice or guidance from any of the following? Split by digital engagement segments, 2021** *(click to return to page 21)*

n = 2,703

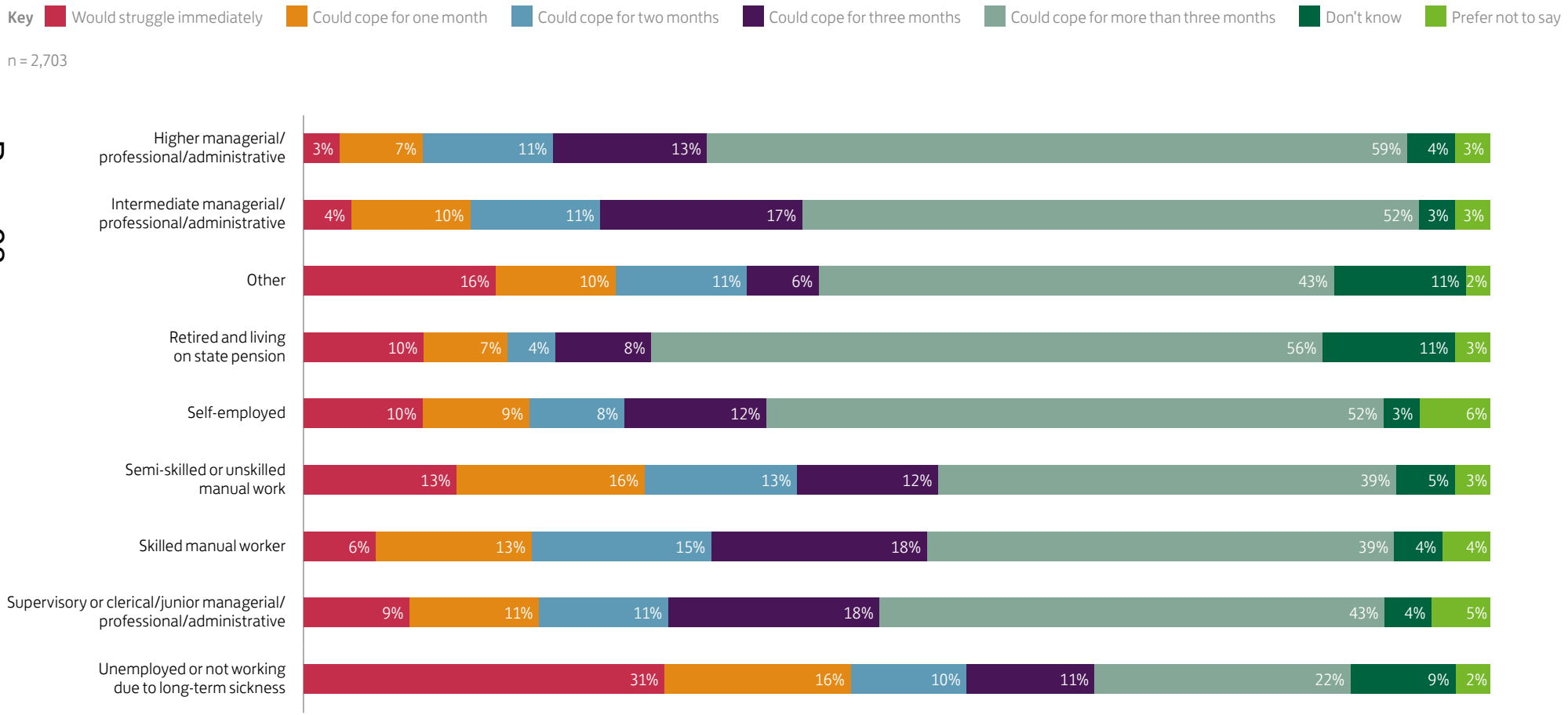
	VERY LOW	LOW	HIGH	VERY HIGH	UK AVERAGE
Independent Financial Advisor	22%	31%	30%	26%	28%
Informal advice from friends and family	34%	44%	56%	58%	52%
None of these/Have not had advice	39%	26%	22%	22%	25%
Online forums/websites	7%	18%	24%	21%	20%
Organisations like Money Advice Service, Citizens Advice or StepChange	10%	11%	14%	19%	14%
Speaking to your bank	39%	45%	48%	49%	47%
Your bank's website/webchat	9%	25%	36%	37%	31%

Appendix 11. **Imagine now that you suffered a financial shock and you suddenly lost your regular income. Based on financial reserves you have in place, for how many months do you think you could cope, i.e. paying living expenses like food and bills, if no replacement income was immediately available? Split by digital engagement segment, 2021** *(click to return to page 22)*

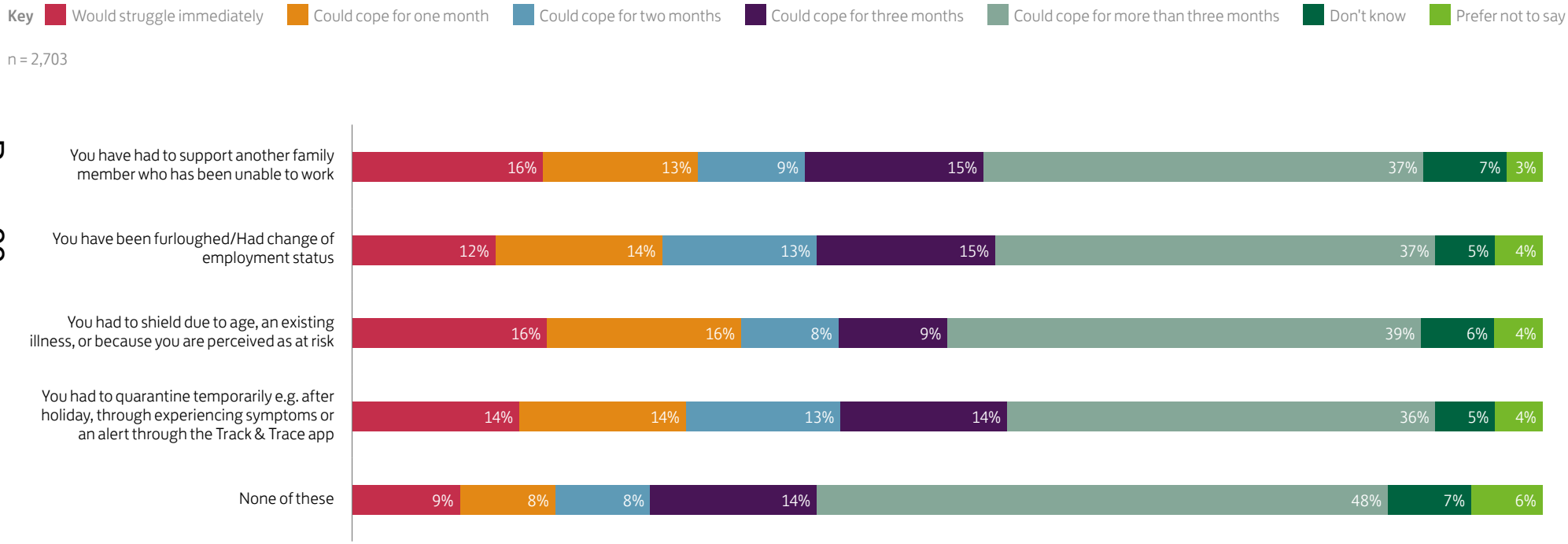
n = 2,703

	VERY LOW	LOW	HIGH	VERY HIGH
Would struggle immediately	13%	8%	9%	17%
Could cope for one month	10%	5%	13%	13%
Could cope for two months	8%	7%	11%	11%
Could cope for three months	12%	13%	13%	16%
Could cope for more than three months	43%	53%	43%	35%
Don't know	8%	7%	6%	4%
Prefer not to say	6%	7%	4%	4%

Appendix 12a. **Imagine now that you suffered a financial shock and you suddenly lost your regular income. Based on financial reserves you have in place, for how many months do you think you could cope, i.e. paying living expenses like food and bills, if no replacement income was immediately available? Split by occupation/working status, 2021** *(click to return to page 22)*



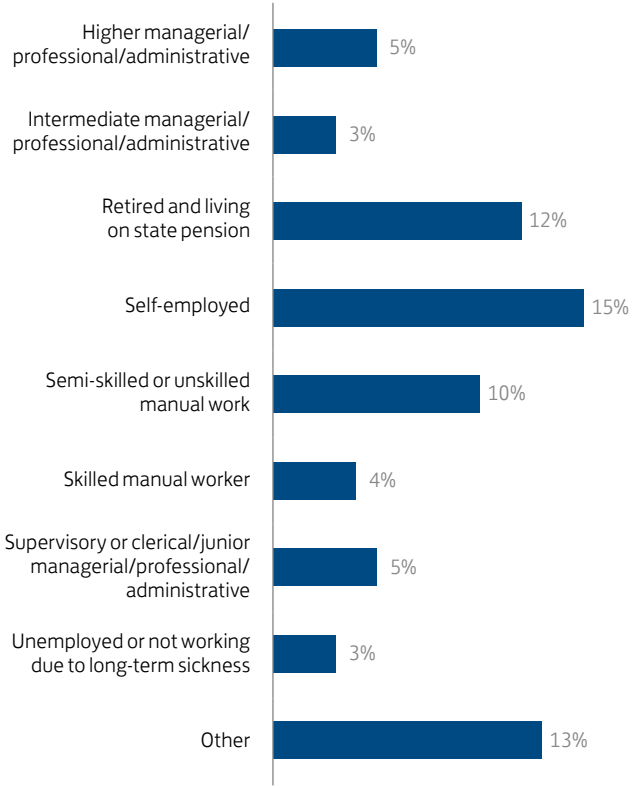
Appendix 12b. **Imagine now that you suffered a financial shock and you suddenly lost your regular income. Based on financial reserves you have in place, for how many months do you think you could cope, i.e. paying living expenses like food and bills, if no replacement income was immediately available? Split by status during pandemic, 2021** *(click to return to page 22)*



Appendix 12c. **Year-on-year percentage point change for 'Imagine now that you suffered a financial shock and you suddenly lost your regular income. Based on financial reserves you have in place, for how many months do you think you could cope, i.e. paying living expenses like food and bills, if no replacement income was immediately available? Could cope for more than three months' Split by occupation/working status, 2021** *(click to return to page22)*

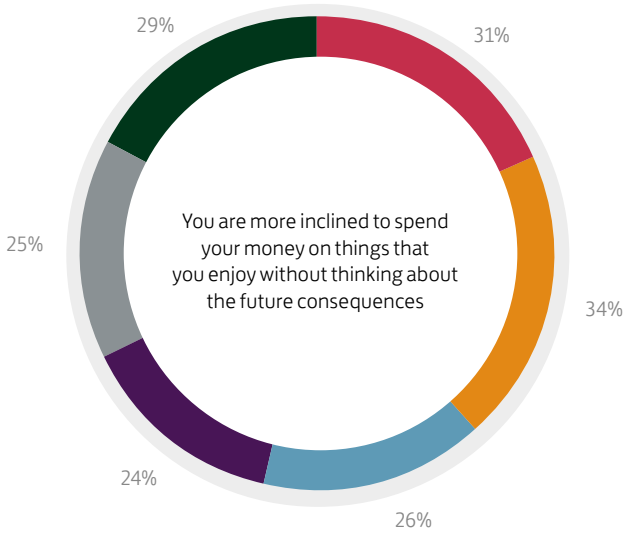
n = 2,703

Percentage point change since 2020 for those who could cope for more than three months



Appendix 13a. **How has the COVID-19 situation changed your financial priorities, if at all? Would you say due to the virus... Split by age (excluding '70 to 79 year olds' due to low sample) 2021** *(click to return to page23)*

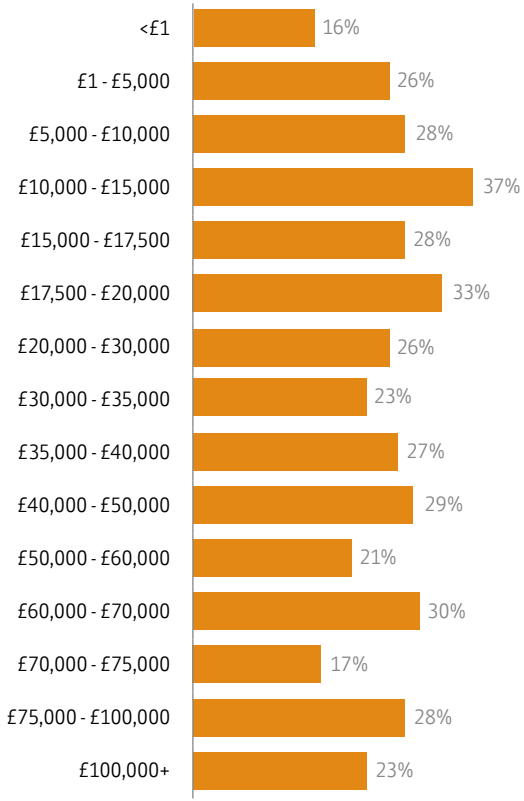
n = 2,675



Appendix 13b. **How has the COVID-19 situation changed your financial priorities, if at all? Would you say due to the virus... Split by annual income, 2021** *(click to return to page 23)*

n = 2,703

You are more inclined to spend your money on things that you enjoy without thinking about the future consequences



Appendix 13c. **How has the COVID-19 situation changed your financial priorities, if at all? Would you say due to the virus... Split by occupations and working status where sample allows, 2021** *(click to return to page 23)*

n = 2,210

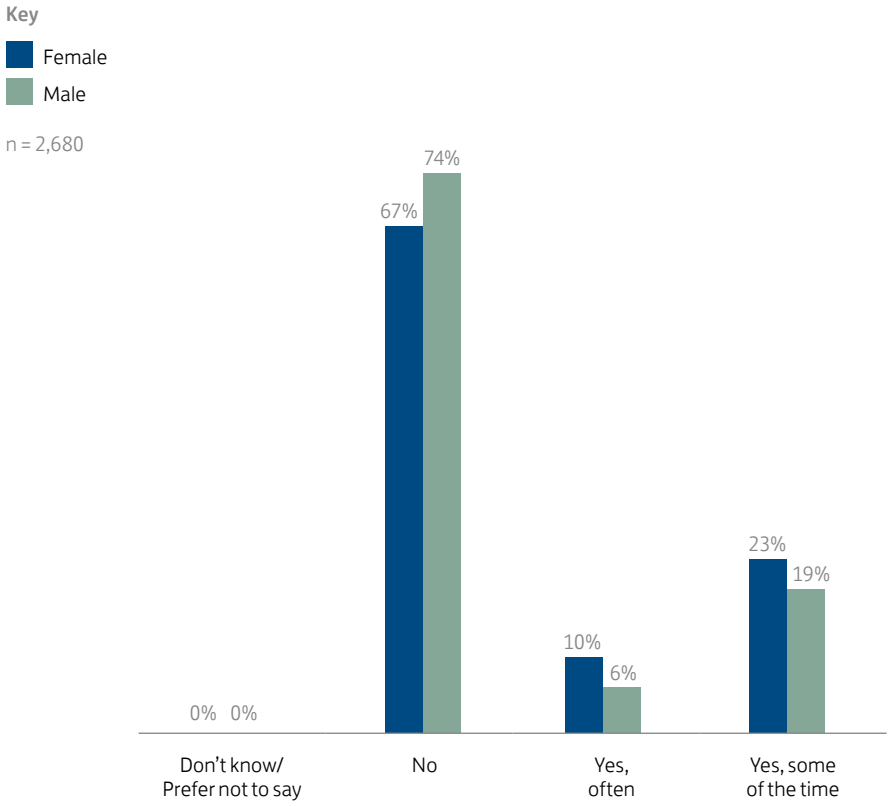
You are more inclined to spend your money on things that you enjoy without thinking about the future consequences

Appendix 14. **When it comes to how you think and feel about your finances, how much do you agree or disagree with these statements? Worrying about money often affects my sleeping. Split by digital engagement segments, 2021** *(click to return to page 23)*

n = 2,703

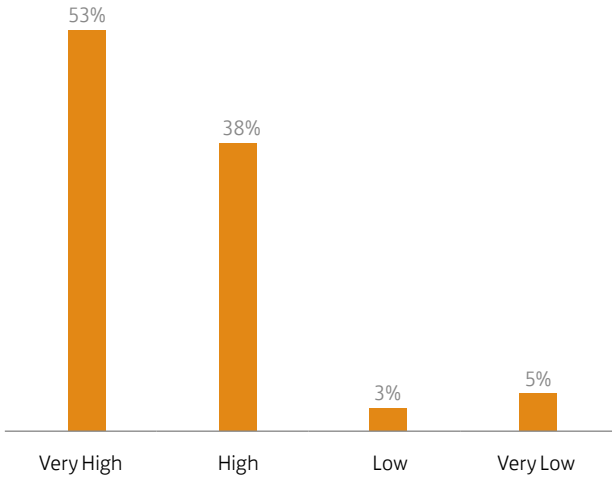
	VERY LOW	LOW	HIGH	VERY HIGH
Agree	13%	15%	14%	20%
Agree strongly	6%	5%	5%	7%
Disagree	39%	35%	40%	35%
Disagree strongly	31%	36%	30%	28%
Don't know/Prefer not to say	1%	1%	0%	1%
Neither agree nor disagree	10%	8%	10%	10%

Appendix 15. **Does your current financial situation cause you to feel stressed or overwhelmed? Split by gender (excluding 'prefer not to say' due to low sample) 2021** *(click to return to page 24)*



Appendix 16. **Proportion of people using 'Buy Now Pay Later' services, split by digital engagement segments, 2021** *(click to return to page 25)*

n = 999,149



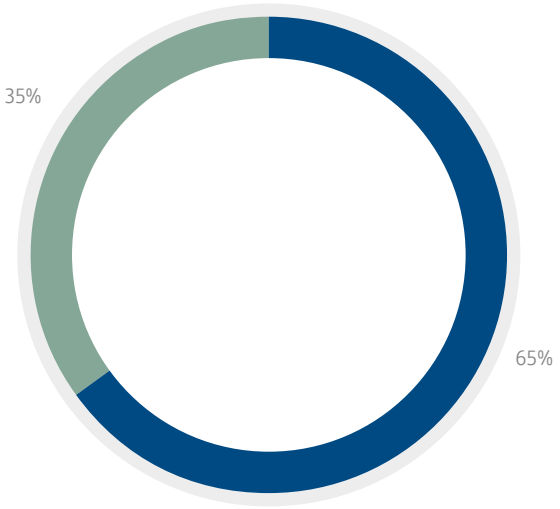
Appendix 17. **Proportion of people using 'Buy Now Pay Later' services, split by gender, 2021** *(click to return to page 25)*

Key

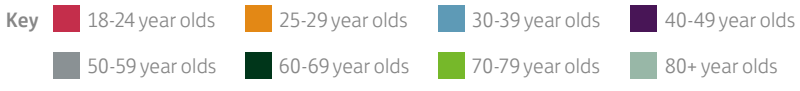
Female

Male

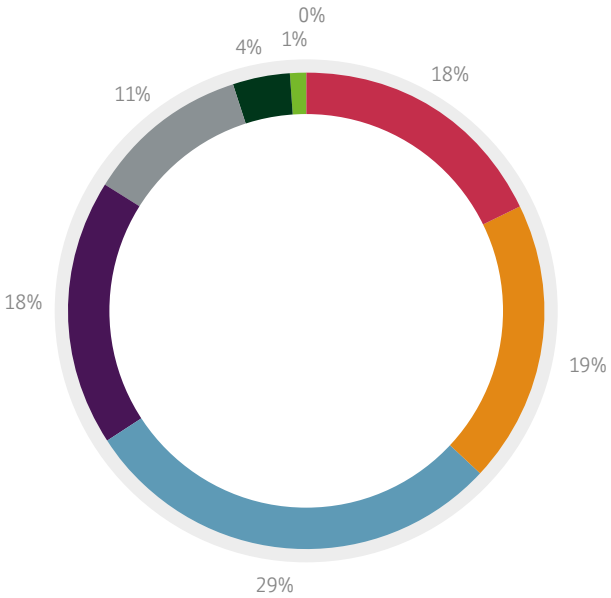
n = 999,149



Appendix 18. **Proportion of people using 'Buy Now Pay Later' services, split by age, 2021** *(click to return to page 25)*

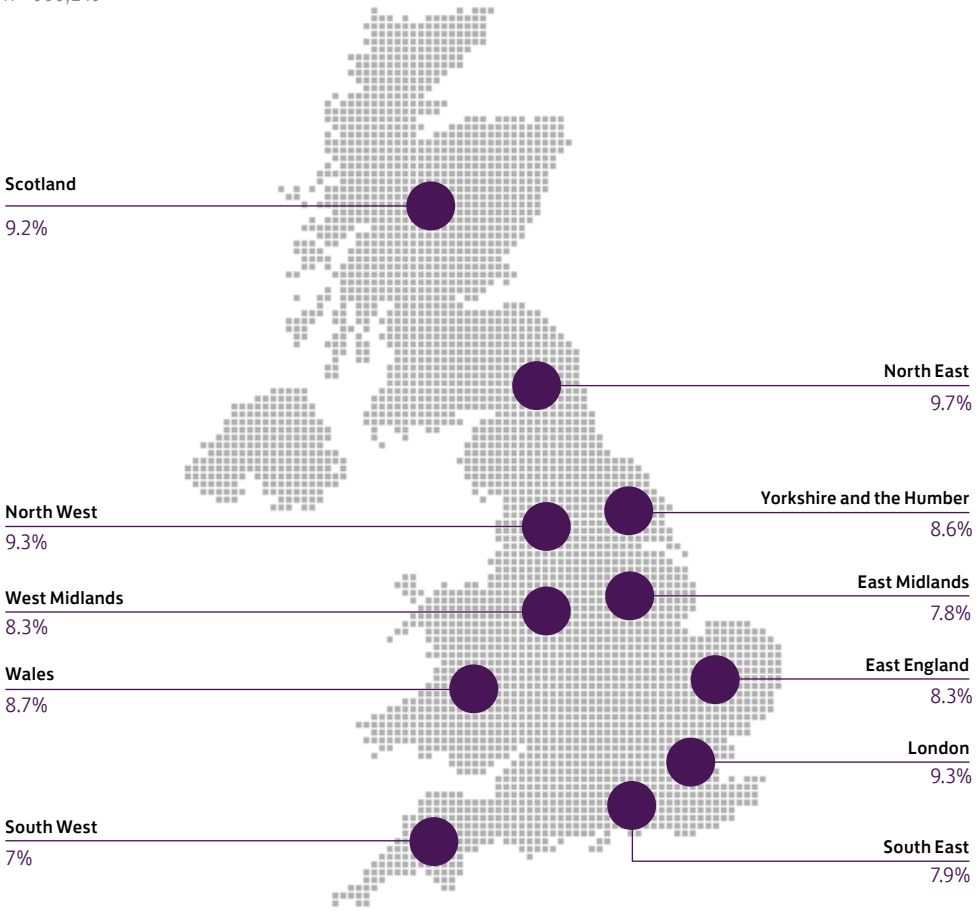


n = 999,149



Appendix 19. **Proportion of people using 'Buy Now Pay Later' services, split by nations and regions, 2021** *(click to return to page 25)*

n = 999,149

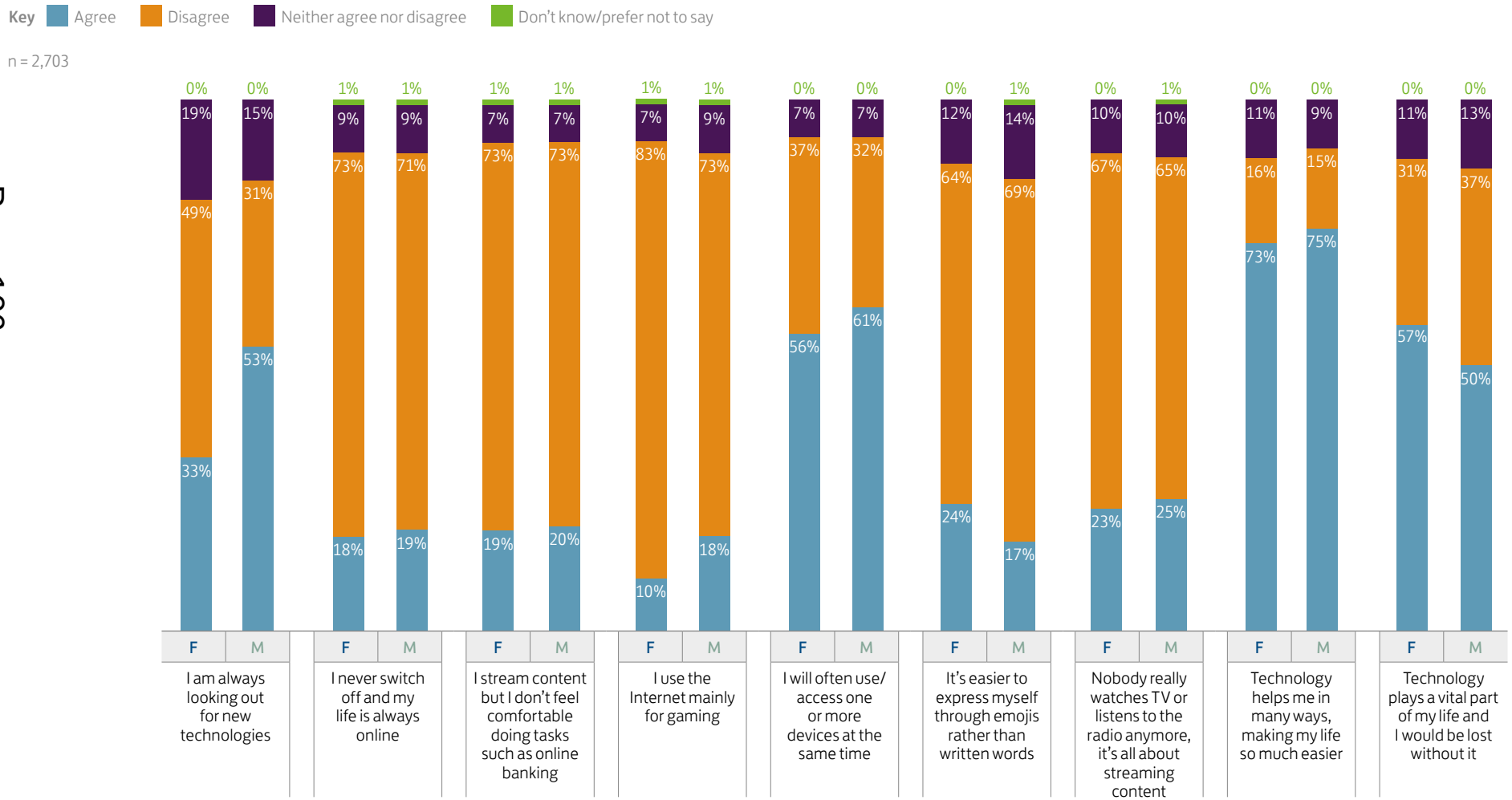


Appendix 20. **Proportion of respondents to the questions 'Thinking about the Coronavirus crisis, have you experienced any of the following?' and 'Here are some things people sometimes say about going online. Do you agree with the following statements?'** *(click to return to page 27)*

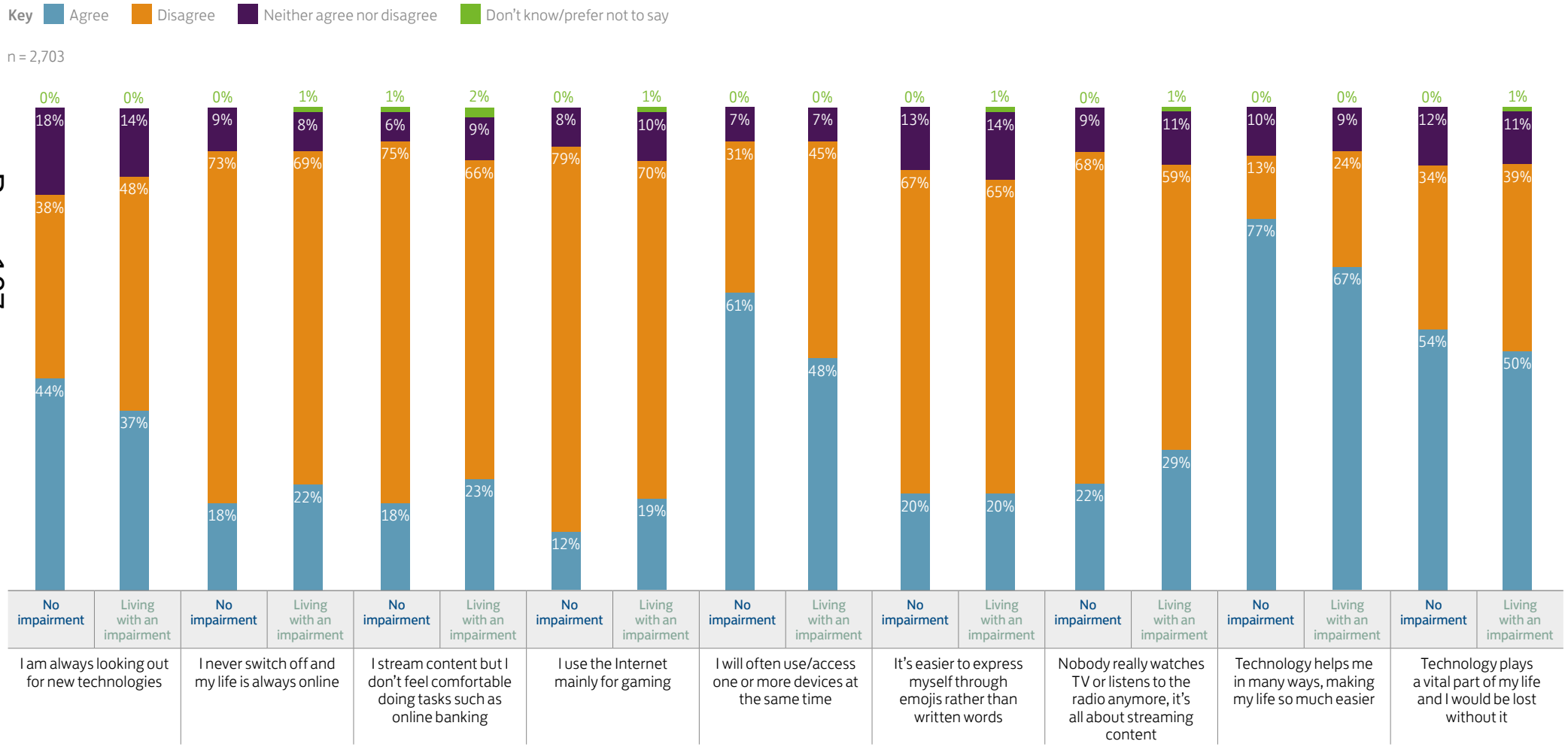
n = 2,559

			Here are some things people sometimes say about going online. Do you agree with the following statements?			
			I wouldn't have coped through the Coronavirus crisis without digital technology		My use of digital tools has helped me feel more positive during the coronavirus crisis	
			No	Yes	No	Yes
Thinking about the Coronavirus crisis, have you experienced any of the following?	You have been furloughed/ Had change of employment status	No	49%	51%	42%	58%
		Yes	40%	60%	35%	65%
	You had to quarantine temporarily e.g. after holiday, through experiencing symptoms or an alert through the Track & Trace app	No	50%	50%	43%	57%
		Yes	37%	63%	30%	70%
	You have had to support another family member who has been unable to work	No	47%	53%	40%	60%
		Yes	43%	57%	37%	63%
	You had to shield due to age, an existing illness, or because you are perceived to be at risk	No	47%	53%	40%	60%
		Yes	47%	53%	39%	61%
	None of these	No	42%	58%	36%	64%
		Yes	53%	47%	46%	54%

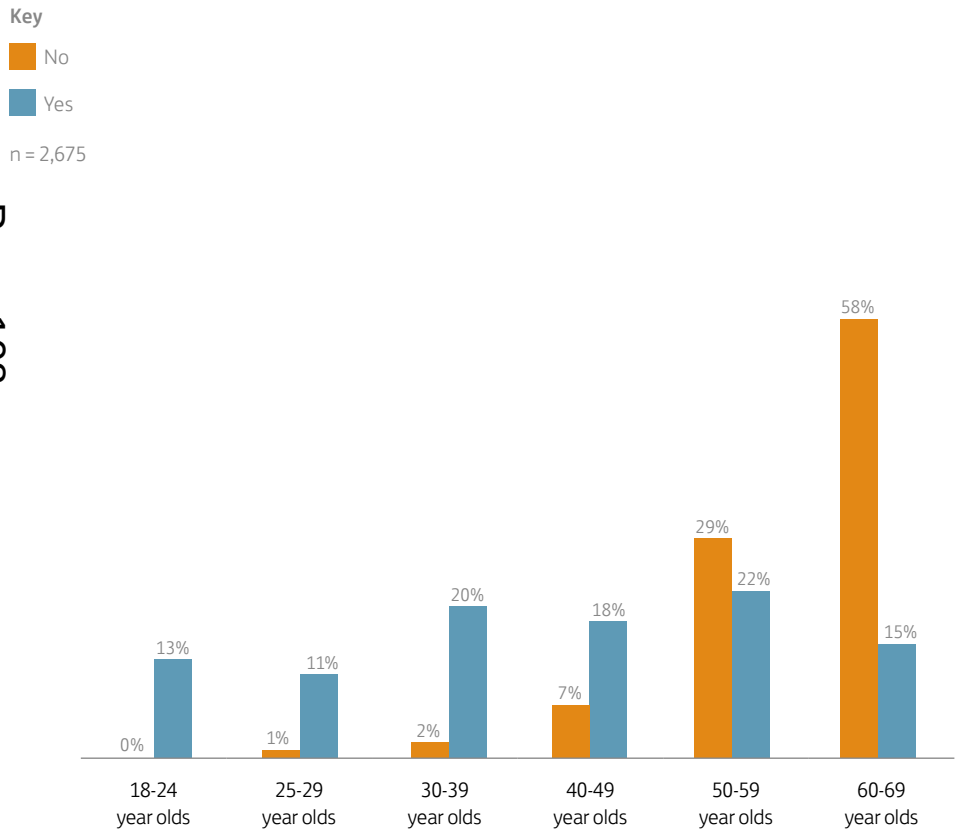
Appendix 21. **To what degree do you personally agree or disagree with each of the following statements about technology? Split by gender, 2021** *(click to return to page 27)*



Appendix 22. **To what degree do you personally agree or disagree with each of the following statements about technology? Split by impairment, 2021** *(click to return to page 27)*



Appendix 23. **Have you used the Internet in the last three months? Split by age (excluding '70 to 79 year olds' due to low sample) 2021** *(click to return to page 29)*



Appendix 24. **Have you used the Internet in the last three months? Split by annual income, 2021** *(click to return to page 29)*

Appendix 25a. **Do you think your digital skills have improved as a result of the outbreak of the Coronavirus crisis? Split by nations and regions, 2021** *(click to return to page 31)*

n = 2,703

	Don't know/ Prefer not to say	No, although I do feel that they need improving	No, but I do not feel they need improving	Yes
East England	5%	7%	61%	27%
East Midlands	3%	10%	61%	26%
London	2%	13%	44%	41%
North East	4%	11%	62%	23%
North West	4%	9%	59%	27%
Scotland	2%	7%	55%	35%
South East	2%	10%	57%	31%
South West	3%	14%	59%	24%
Wales	0%	20%	57%	23%
West Midlands	2%	12%	59%	27%
Yorkshire and the Humber	3%	15%	56%	26%

Appendix 25b. **Do you think your digital skills have improved as a result of the outbreak of the Coronavirus crisis? Split by digital engagement segments, 2021** *(click to return to page 31)*

n = 2,703

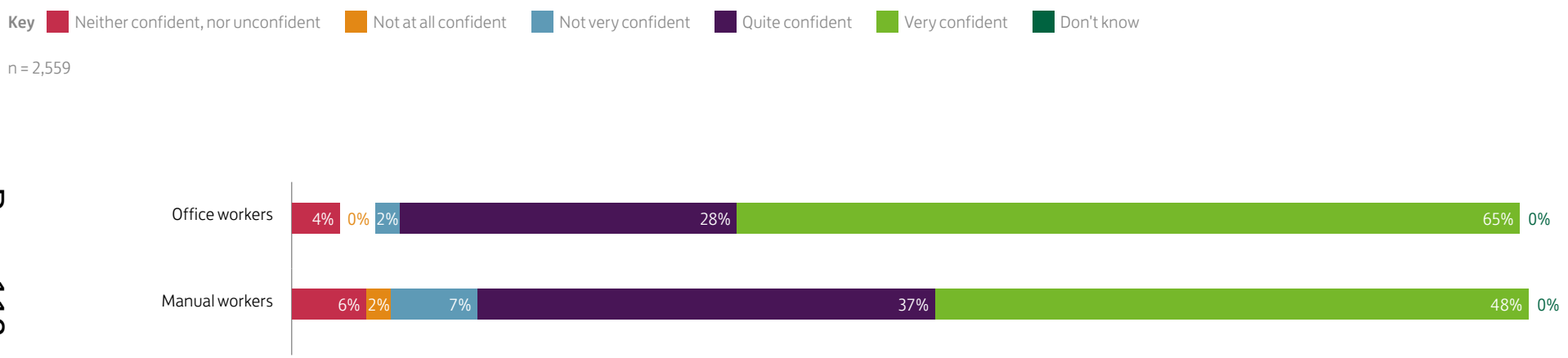
	VERY LOW	LOW	HIGH	VERY HIGH
Don't know/Prefer not to say	6%	1%	3%	1%
No, although I do feel that they need improving	21%	15%	11%	7%
No, but I do not feel they need improving	52%	59%	56%	62%
Yes	21%	25%	31%	31%

Appendix 25c. **Do you think your digital skills have improved as a result of the outbreak of the Coronavirus crisis? Split by age (excluding '70 to 79 year olds' due to low sample) 2021** *(click to return to page 31)*

n = 2,703

	18-24 year olds	25-29 year olds	30-39 year olds	40-49 year olds	50-59 year olds	60-69 year olds
Don't know/Prefer not to say	2%	1%	4%	2%	3%	3%
No, although I do feel that they need improving	6%	8%	8%	12%	12%	19%
No, but I do not feel they need improving	59%	64%	60%	50%	59%	54%
Yes	34%	27%	28%	35%	27%	23%

Appendix 26. **How confident would you say that you are in using the Internet? Split by occupation, 2021** *(click to return to page 32)*



Appendix 27. **What would be the easiest way for you to learn new digital skills? Split by age (excluding '70 to 79 year olds' due to low sample) 2021** *(click to return to page 36)*

n = 2,559

	18-24 year olds	25-29 year olds	30-39 year olds	40-49 year olds	50-59 year olds	60-69 year olds
Bank staff	50%	35%	39%	33%	28%	29%
Evening classes	39%	39%	36%	33%	25%	21%
Family	62%	66%	63%	59%	62%	69%
Friends	75%	75%	68%	69%	61%	62%
Large company/recognisable brand	55%	54%	49%	48%	36%	24%
Local support e.g. Online Centres; Local library, digital skills charity	41%	41%	40%	35%	31%	26%
None of these	1%	0%	1%	1%	2%	3%
Online information sources (e.g. YouTube)	88%	89%	86%	82%	76%	62%
Other	1%	3%	2%	3%	3%	2%
School	54%	42%	41%	32%	16%	11%
Self-taught	87%	85%	82%	80%	76%	70%
Through work	68%	65%	69%	62%	55%	29%

Appendix 28. **What would be the easiest way for you to learn new digital skills? Split by digital engagement segments, 2021** *(click to return to page 36)*

n = 2,559

	VERY LOW	LOW	HIGH	VERY HIGH
Bank staff	27%	36%	34%	39%
Evening classes	31%	26%	32%	33%
Family	66%	63%	63%	64%
Friends	64%	65%	68%	70%
Large company/recognisable brand	31%	34%	44%	50%
Local support e.g. Online Centres; Local library, digital skills charity	36%	31%	34%	38%
None of these	3%	2%	1%	1%
Online information sources (e.g. YouTube)	62%	75%	82%	85%
Other	2%	1%	3%	1%
School	18%	20%	32%	38%
Self-taught	62%	82%	81%	83%
Through work	38%	46%	61%	62%

Appendix. **Listed demographics available across either transactional or survey sample, split by digital engagement segments, 2021**

			VERY LOW	LOW	HIGH	VERY HIGH
Transactional sample (n = 999,149)		UK average	29%	11%	41%	19%
		Benefit claimant	34%	9%	34%	23%
	Gender	Female	30%	10%	40%	20%
		Male	28%	11%	43%	19%
	Age	18-24	6%	4%	54%	36%
		25-29	5%	4%	52%	38%
		30-39	9%	6%	54%	32%
		40-49	17%	9%	51%	22%
		50-59	29%	13%	45%	13%
		60-69	44%	17%	32%	7%
		70-79	64%	17%	17%	2%
		80+	82%	12%	6%	0%
	Nation	Wales	33%	10%	39%	17%
		Scotland	30%	11%	40%	18%
		England	28%	11%	42%	19%
	Annual Income	<£20,000	41%	12%	37%	11%
		£20-30,000	29%	10%	43%	18%
		£30-40,000	23%	10%	45%	22%
		£40-50,000	21%	10%	44%	25%
		£50-60,000	21%	10%	44%	25%
		£60-70,000	21%	10%	44%	26%
		>£70,000	19%	10%	42%	29%
Survey Sample (n = 2,703)		UK average	15%	10%	51%	24%
		Living with impairments	23%	12%	42%	23%
		Office workers (junior, intermediate and higher managerial)	8%	9%	55%	28%
		Manual workers (unskilled, semi-skilled, skilled)	15%	8%	52%	26%
		Unemployed or off work due to long term illness	18%	13%	44%	25%
		Had to quarantine	9%	9%	53%	29%
		Had to shield	24%	10%	45%	21%
		Furloughed/change in employment status	11%	8%	52%	29%
		Had to support family member unable to work	14%	8%	48%	30%

Lloyds Bank UK Consumer Digital Index 2021

Join the conversation:

- The report and other content can be found online: **lloydsbank.com/consumerdigitalindex**
- Please refer to our website for appendices, national and regional data and helpful links and resources
- Please get in touch at: **DigitalSkillsInclusion@lloydsbanking.com**
- For more information on the Lloyds Bank Academy please visit: **lloydsbankacademy.co.uk**
- Join the conversation: **#ConsumerDigitalIndex** **@LloydsBankNews**

Please contact us if you would like this information in an alternative format such as Braille, large print or audio CD.

Great care has been taken to ensure that the information used here cannot be in any way traced to a specific individual. This report has used aggregated data across social and demographic groups to highlight the trends and insights that will help consumers, charities and UK Government to understand more about our nation's digital and financial inclusion landscape.

Lloyds Banking Group is a financial services group that incorporates a number of brands including Lloyds Bank. More information on Lloyds Banking Group can be found at lloydsbankinggroup.com.

LLOYDS BANK

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Issue date: May 2021

ANNEX 3

Essential Digital Skills Report 2021

Third Edition – Benchmarking the Essential Digital Skills of the UK

LLOYDS BANK

The 2021 Essential Digital Skills report measures the fundamental digital tasks needed to access the online world, as well as the digital skills needed for life and work. This is the third measure of its kind.

Join the conversation:
#EssentialDigitalSkills
#ConsumerDigitalIndex
@LloydsBankNews

DigitalSkillsInclusion@lloydsbanking.com

Contents

Executive summary

Stephen Noakes

Retail Transformation Managing Director,
Lloyds Banking Group

LLOYDS BANK

"There are 1.9 million fewer people completely offline than before the pandemic"

It has been fifteen months since we last connected over the Essential Digital Skills results. In May 2020, the scale and persistence of Covid-19 was not yet understood. We were not to know that we would be plunged into lockdown multiple times and that our 'new normal' would continue into 2021 and assumedly 2022.

At the time of publication, last year's Essential Digital Skills survey shone a light on the pre-pandemic state of the nation. It revealed the challenging backdrop to a world where digital was becoming ever necessary; for working from home, for connecting with friends and family, for essential services and eventually for Government initiatives like Track and Trace.

This year's data – over one year on – illustrates the impact of lockdown on both the digital divide and the workforce. And, as you might expect, it has had an impact on our very research itself. Due to lockdown constraints, this year our survey of over 4,000 people across the UK, has been conducted with adults aged 18+ and for the first time had to be done via telephone rather than face-to-face.

10 million reasons to prioritise digital skills support in the UK today

At a headline level, the last year has seen digital adoption remain broadly flat. An estimated 41.9 million adults in the UK today have the Essential Digital Skills they need for day-to-day life. They are able to communicate, transact, problem solve, stay safe online and handle information.

The headline data indicates that one-fifth, (21%) of our population, circa 11.0 million, are digitally disadvantaged, lacking Essential Digital Skills for Life. With 91% of this group (c.10.0 million) lacking the Foundation Level, it indicates that the biggest hurdle to climb is the fundamentals themselves.

The number of UK adults with the Foundation Level has returned back **to the 2019 baseline**

- c.10.0 million are not able to access the Internet themselves and lack the most basic digital tasks
- c.6.5 million cannot connect to Wi-Fi by themselves
- c.4.9 million cannot turn on a device and log into any accounts or profiles they have by themselves.

The data indicates that, given we are measuring the extent to which people can undertake key tasks by themselves, the impact of isolation has meant many people have not been able to maintain the required skills. This is a point of reflection for us all – digital proficiency, and learning overall, requires ongoing support for millions across the UK; we must ensure support is not a one off, but continuous lifelong learning is in place.

In line with previous years, the estimated 10.0 million lacking the Foundation Level are most likely to be people in three distinct groups; those aged 65+, people with impairments and those with no formal qualifications. But while we create personas, we must understand it is targeted interventions across where these groups intersect, that are key areas for action. From the end of October, we will be providing open-sourced interactive data tables, from this year's survey, enabling you to toggle between different fields and demographic groups to suit your needs.

The headline view does, however, mask that there has been progress in digital inclusion. **There are around 1.9 million fewer people who are digitally excluded than before the pandemic.** There have been remarkable efforts from digital champions, community partners and personal networks. Many rapid response initiatives were able to deploy devices, data and support to people remotely against all the odds during the pandemic, so it is very encouraging to see the digitally excluded group shrinking in size.

One-third of the workforce yet to power up

The work data paints an altogether different picture. In just one year, **an estimated 5.6 million more working adults have the skills needed to thrive in UK workplaces.** 64% now have Essential Digital Skills for Work, with around 6.1 million fewer working adults having zero workplace digital skills. Overall, our workforce is improving, and **importantly skillsets are not just diversifying, they are deepening;** more people are able to undertake more tasks independently – indicating greater confidence as well as capability.

We cannot rest on our laurels – in total **circa 11.8 million (36%) of the workforce lack Essential Digital Skills for Work.** 8% of the workforce lack the Foundation Level (the very fundamentals of connecting to the Internet) and whilst a further 7% have achieved this level, they lack any workplace digital skills. This indicates that a number of workers still need the very essentials of digital skills before they can thrive in an increasingly digital UK.

Reflecting on who are the employees most likely to need support – the data indicates these are workers aged 55-64, individuals working part-time, those in the service sector, and those with no formal qualifications. This year's insight also shines a light on the gender digital divide with women not making the same gains at work in terms of their digital skills. As ever, the dynamics of sector variations across regions in the UK mean that some geographies are pre-determined to have differing digital abilities. For employees, however, the type of industry they work in and their organisation's size remains a key determiner.

This report does not hold all the information. The 2021 Consumer Digital Index* brings to life the attitudinal data and human motivations and stories. Community impact projects like 'Power 2 Connect' are constantly telling the real individual stories that should be our motivators for doing more.

I hope this report provides policymakers, employers and community organisations with the evidence needed to create a truly digitally-enabled workforce and an inclusive society.

In the last 12 months, there are c.1.9 million fewer people who are digitally excluded

c.11.0 million lack the digital skills needed for everyday life – 91% (c.10.0 million) of whom are missing the most basic digital skills

64% (c.20.9 million) of working adults now have EDS for work – c.5.6 million more adults have the skills needed to thrive in UK workplaces

c.11.8 million (36%) working adults still lack the digital skills needed for work

The 2021 Consumer Digital Index, the first in this report series released in May 2021, brings to life the attitudinal and behavioural data on digital and financial capability – read to find out more*

* lloydsbank.com/banking-with-us/whats-happening/consumer-digital-index.html

Foreword

Supported by

Department for Education

Alex Burghart MP
Minister for Skills
Department for Education

Department for Digital, Culture Media & Sport

Chris Philp MP
Minister for Technology and the Digital Economy
DCMS

We would like to thank Lloyds Bank for their continued support for digital skills in the UK and for this year's Essential Digital Skills report.

Essential Digital Skills are crucial to accessing and getting on in work, taking up opportunities for further learning and participating in our digital society, including accessing vital services and staying connected. We know that most jobs now need these skills and that a significant proportion of vacancies cannot be filled without them. This report tells us that more people are online than ever before and that the UK workforce is the most digitally skilled it has ever been, with 5.6 million more now having the Essential Digital Skills for Work. This will unlock opportunities for every single one of those people.

Despite this fantastic improvement, we know there is still progress to be made. There are still ten million people lacking the Foundation Level tasks, such as opening an Internet browser or connecting to Wi-Fi. We must continue to build on the progress made this year, ensuring all adults can gain the digital skills needed to participate in modern life, access further study, and find and progress in work. For these reasons, this is a government utterly committed to raising the UK's digital know-how.

The digital entitlement, which we introduced in August 2020, allows adults to boost their digital skills by studying Essential Digital Skills qualifications for free. We have also committed to making Essential Digital Skills training more accessible and flexible – building on recent innovations in online learning, such as The Skills Toolkit, which offers a wide range of free online courses in Essential Digital Skills, as well as AI, coding, and cybersecurity.

Over the last year we have seen how access to technology makes a huge difference to people's lives. That is why we launched our £2.5 million Digital Lifeline Fund, providing tablets preloaded with data and free tech support to over 5,000 people with learning disabilities, helping them to connect online, access services, and seek employment.

We know that Essential Digital Skills provide a pathway to gaining higher level skills, and we are continuing to invest in the advanced technical digital skills that the economy needs.

For example, we are expanding Skills Bootcamps across the country, offering free, flexible courses in job-specific skills – including software development, digital marketing, and data analytics – and providing a fast-track to an interview with a local employer. Our Free Courses for Jobs offer supports eligible adults to access over 400 fully funded Level 3 courses, including digital qualifications in areas such as cybersecurity, coding, network architecture, and systems support.

There are now 25 digital apprenticeships, from Level 3 to Degree Apprenticeship, covering a range of roles including cybersecurity, software development and AI, providing the digital skills training that individuals and employers need. At Level 4 and 5, the first approved Higher Technical Qualifications in digital occupations, such as cybersecurity technologist, will be ready for teaching from September 2022.

For 16–19-year-olds, digital T Levels offer a prestigious, high-quality technical option at Level 3, supporting progression to occupations such as software development. But it is not just occupations in the digital sector where good digital skills are needed, the relevant digital skills are built into every T Level qualification.

There will be different priorities and needs in different areas, and we are continuing to support the establishment of Local Digital Skills Partnerships in Local Enterprise Partnership or Combined Authority areas. These bring together local cross-sector stakeholders on the design, development, and delivery of digital skills programmes to upskill the workforce, tackle digital inclusion and raise awareness of the importance of digital skills.

We are delighted that Lloyds Bank continue to engage with this vital work and are grateful for their active membership in the Digital Skills Partnership.

"Together we can make the digital age accessible to everyone"

The Essential Digital Skills Framework

In 2018, The Tech Partnership, Lloyds Bank and the Department for Education consulted with over 350 cross-sector organisations, to establish a new baseline for digital skills that UK citizens need for work and everyday life (the framework prior to this was Basic Digital Skills).

The creation of this baseline is led by Lloyds Bank in partnership with Ipsos MORI. It has become a framework for an annual study tracking year-on-year changes in digital skills and assessing the range of online tasks that people in the UK are able to perform.

On behalf of Lloyds Bank, Ipsos MORI interviewed a sample of 4,129 participants aged 18+ in the UK (Great Britain and Northern Ireland) via their telephone Omnibus between 12th March and 25th April 2021. Quotas were set by age, gender, working status, property tenure, region and device ownership. This ensured interviews were conducted with a sample representative of the UK population aged 18+.

It should be noted that due to the impact of Covid-19, this year's Essential Digital Skills survey was carried out by telephone, rather than face-to-face. This means some caution should be taken when making exact comparisons with previous years. As far as possible, all questions have been asked in exactly the same way as previous years.

The data is weighted to represent the known population of this audience. This report includes population estimates from the survey data based on ONS 2020 mid-year estimates for the UK. Full details of the range of extrapolation based on the margin of errors are available online in the Technical note*.

Results are based on a large and representative sample, however once particular sub-groups are explored in more detail, for example by region or age, sample sizes become much smaller. Therefore, greater movement between research years (2019-2021) is needed to ensure statistical significance (95% confidence level), and that the results are indicative of the real world. Directional changes that are not statistically significant are still likely to be indicative of what is truly happening.

For more information on the methodology and sample sizes, refer to *pages 51-54* in the Appendix

The change in methodology from the face-to-face interviews used in previous years to telephone interviews has changed the ages represented by the survey.

In previous years the research has surveyed those aged 15+, however for 2021 the sample represents adults 18+. Therefore data from 2019 and 2020 included in this report have been re-calculated on a sample of 18+ to ensure direct comparability.

These data points are likely to differ from those reported in the Lloyds Bank Essential Digital Skills reports for 2019 and 2020 which were based on those 15+. Only the data points featured in this report should be used for comparison purposes.

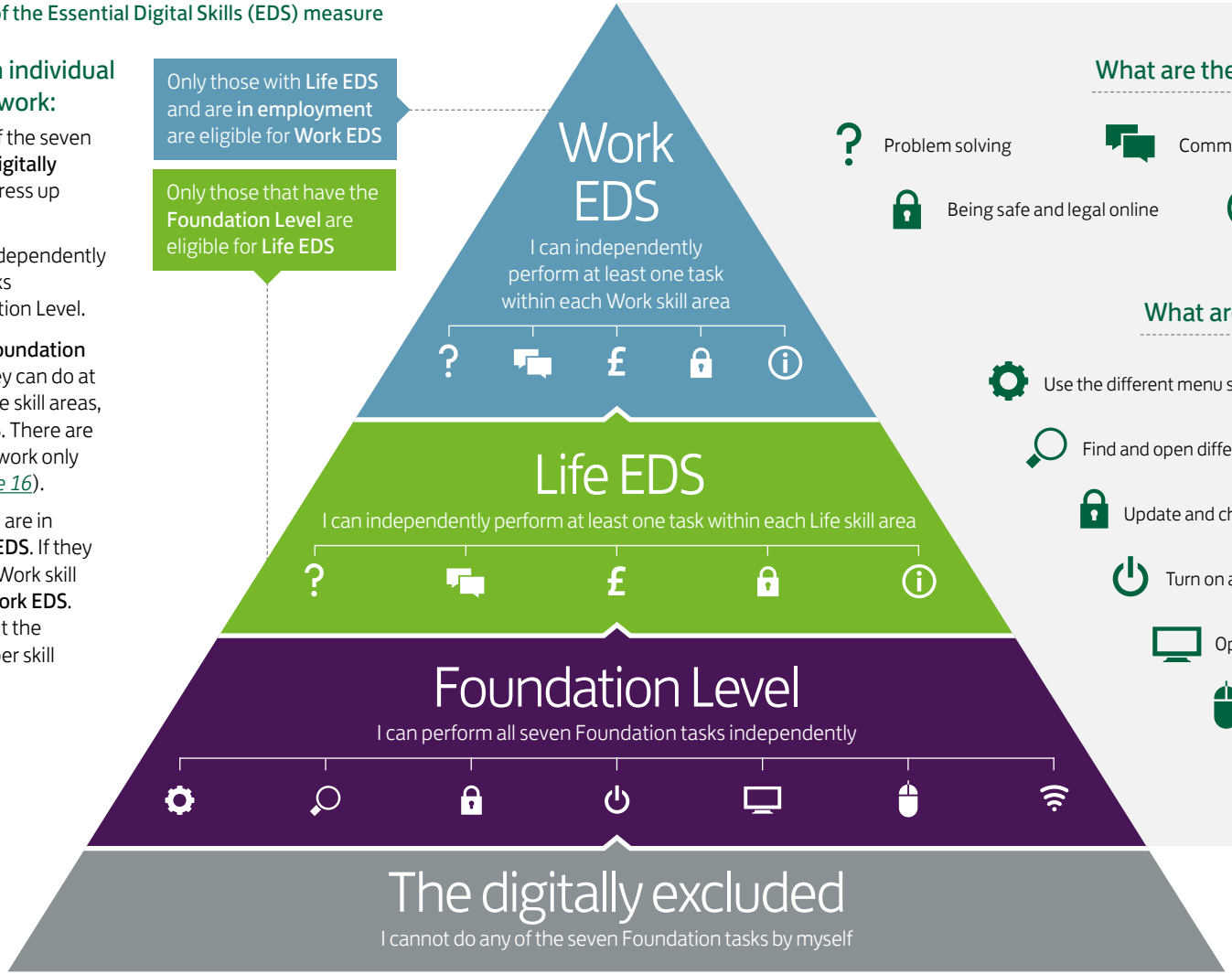
* lloydsbank.com/assets/media/pdfs/banking_with_us/whats-happening/210922-lloyds-ipsos-moriessential-digital-skills-technical-note.pdf

The Essential Digital Skills Framework

Figure 1. **Simplified representation of the Essential Digital Skills (EDS) measure**

Figure 1 demonstrates how an individual progresses through the framework:

1. Firstly, adults who cannot do any of the seven Foundation tasks are considered **digitally excluded** and are ineligible to progress up the framework.
2. Secondly, adults must be able to independently complete all seven Foundation tasks (*see page 10*) to attain the Foundation Level.
3. Thirdly, only those who have the **Foundation Level** are eligible for **Life EDS**. If they can do at least one task in each of the five Life skill areas, they are classed as having **Life EDS**. There are 29 Life tasks in total, but the framework only requires one task per skill (*see page 16*).
4. Lastly, only those with Life EDS and are in employment are eligible for **Work EDS**. If they can do one task in each of the five Work skill areas they are classed as having **Work EDS**. There are 17 Work tasks in total, but the framework only requires one task per skill (*see page 24*).



Key terminology

Due to the nuances of the framework, a number of key terminology have been defined to clarify the different definitions within the framework and how this relates to the tasks, skills and levels.

Level

There are three levels within the Essential Digital Skills Framework:

- The Foundation Level
- Life Essential Digital Skills (EDS)
- Work Essential Digital Skills (EDS)

Skills

The same five skills areas are used within Life and Work EDS:

- Communicating
- Handling information and content
- Transacting
- Problem solving
- Being safe and legal online

Tasks

There are specific tasks that demonstrate an individual's proficiency across different levels:

- Seven tasks within Foundation (also referred to as fundamental tasks)
- 29 tasks within Life
- 17 tasks within Work

Glossary Term	Definition	Level Summary
Without the Foundation Level	I do not have the Foundation Level – I can do 0-6 of the Foundation tasks by myself	There are seven Foundation tasks that comprise the Foundation Level. An individual needs to perform all seven tasks without assistance to have the Foundation Level and advance to the next step of the framework (Life EDS). **They cannot progress to Life EDS unless they have the Foundation Level.**
No Foundation tasks or Digitally Excluded	I cannot do any of the seven Foundation tasks by myself	
Partial Foundation Level	I can do 1-6 of the Foundation tasks by myself	
The Foundation Level	I can do all seven Foundation tasks by myself	
Without Life EDS	I do not have Life EDS – this means I am either without the Foundation Level (can do 0-6 of the Foundation tasks by myself) or I have the Foundation Level and have only 0-4 of the Life skills	There are 29 Life tasks in total, split across five skill areas: Communicating, Handling Information and Content, Transacting, Problem Solving and Being Safe and Legal Online. Once they have attained the Foundation Level, an individual needs to perform at least one task within each of the five Life skill areas without assistance. This is Life EDS. All 29 Life tasks are not required to have Life EDS. **Partial Life Skills allows an individual to progress to Partial Work Skills. However, they cannot progress to having Work EDS unless they have all five Life Skills (Life EDS).**
Zero Life Skills	I do not have any of the five Life skills – this means I cannot do any of the 29 Life tasks (I already have the Foundation Level)	
Partial Life Skills	I have 1-4 of the five Life skills – this means I can do at least one task in 1-4 of the five Life skill areas (I already have the Foundation Level)	
Life EDS or Essential Digital Skills for Life (EDS for Life)	I have all five Life skills – this means I can do at least one task in each of the five Life skill areas	
Without Work EDS	I do not have Work EDS – this means I either do not have the Foundation Level (can do 0-6 of the Foundation tasks by myself) or I have the Foundation Level and have only 0-4 of the Work skills (I may have Life EDS or be without Life EDS)	There are 17 Work tasks in total, split across five Work skill areas: Communicating, Handling Information and Content, Transacting, Problem Solving and Being Safe and Legal Online. An individual **needs to be in employment** to qualify for Work EDS. Once they have attained the Foundation Level and Life EDS, an individual needs to perform at least one task within each of the five Work skill areas without assistance. This is Work EDS. **An individual may have Partial Life Skills which allows them to progress to Partial Work Skills. All 17 Work tasks are not required to have Work EDS.**
Zero Work Skills	I do not have any of the five Work skills – this means I cannot do any of the Work tasks (I may have Life EDS or be without Life EDS but do have the Foundation Level)	
Partial Work Skills	I have 1-4 of the Work skills – this means I can do at least one task in 1-4 of the five Work skill areas and I also have the corresponding Life skill (I may have Life EDS or be without Life EDS but do have the Foundation Level)	
Work EDS or Essential Digital Skills for Work (EDS for Work)	I have all five Work skills – this means I can do at least one task in each of the five Work skill areas, and I also have Life EDS and the Foundation Level	

1

Essential Digital Skills – the Foundation Level

This chapter explores the most basic digital tasks needed to access the online world.

c.42.9 million

(81%) have the Foundation Level, a return to baseline year results

c.10.0 million

(19%) do not have the Foundation Level and are unable to complete all seven tasks

c.1.9 million

more adults are now online and able to complete some of the fundamental digital tasks

Essential Digital Skills – the Foundation Level

To have the foundations of Essential Digital Skills, is to be able to access the Internet by yourself. A number of things must be true for this to be the case, including an individual being able to use a device, connect to a Wi-Fi network and create and update passwords (there are seven tasks in total). In the UK today in 2021, c.10.0 million people (19%) are unable to do this. c.2.8 million people (6%) are completely digitally excluded (are able to do zero Foundation tasks) and unable to participate in a digital world.

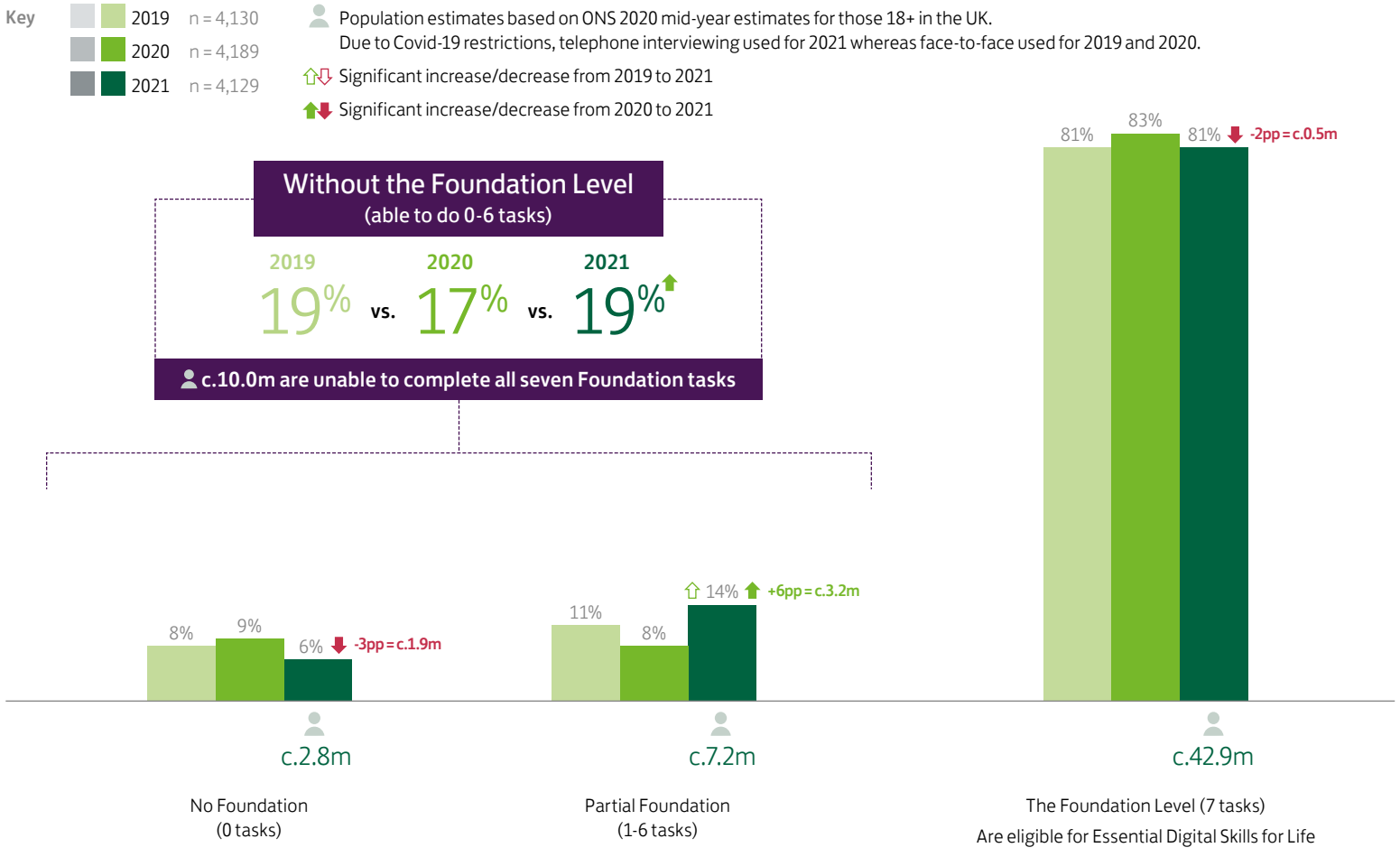
For more information on the profile of the digitally excluded, *see Appendix A*

More people are online than ever before

Overall the data indicates that whilst the amount of people who have the Foundation Level remains relatively flat year-on-year, this masks the fact that c.1.9 million (plus three percentage points) more people are now showing basic digital abilities, which is also demonstrated in the 2021 Lloyds Bank Consumer Digital Index* (1.5 million more people are now online).

In addition, an estimated 7.2 million (14%) are now able to do 1-6 tasks (an increase of six percentage points or c.3.2 million in the last year). Although fewer are digitally excluded and from the Consumer Digital Index data we know that more are online, this is still a group who need support as they cannot do the full suite of fundamental tasks and are on the cusp of having the Foundation Level.

Figure 2. **Proportion of adults 18+ that can do the listed number of the Foundation Level tasks (being able to do all seven Foundation tasks is a prerequisite to EDS for Life), 2019, 2020 and 2021**



Caveat: The proportion of those with the Foundation Level has declined, however due to the increased population size this group is larger in absolute terms.

*Consumer Digital Index 2021, lloydsbank.com/consumerdigitalindex

Foundation task-level view

Figure 3 shows the ability of UK adults to carry out each of the fundamental tasks. Compared to 2020, being able to connect to a Wi-Fi network remains one of the tasks that fewer UK adults can do by themselves (87% in 2020 and 2021). Given lockdown restrictions, it is feasible that people have perhaps not needed to connect to new and different Wi-Fi networks as often.

Tasks that those with Partial Foundation are the least likely to be able to do

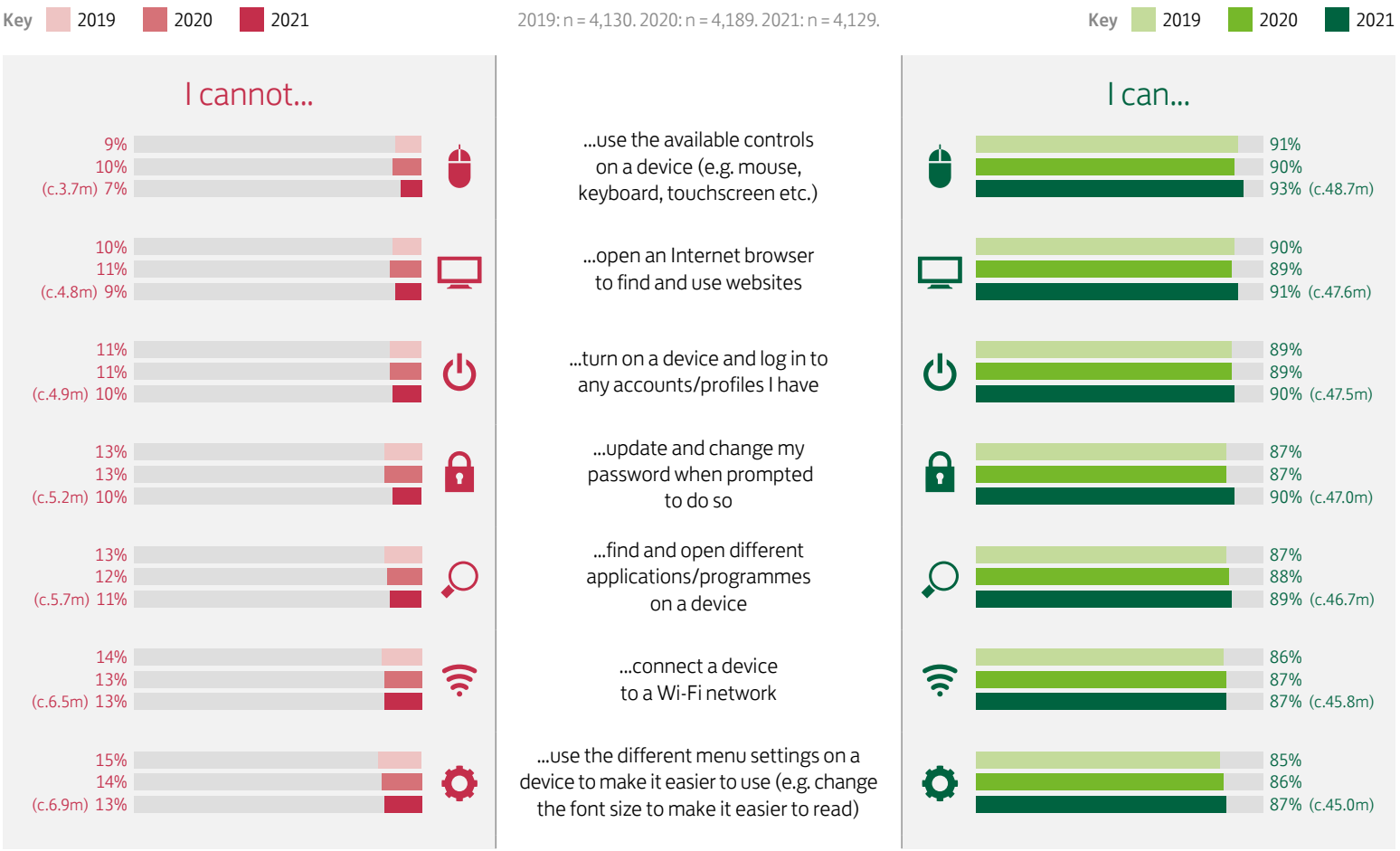
Considering those who can do 1-6 tasks, the tasks they are the least likely to be able to do are:

- Find and open different applications on a device
- Connect a device to a Wi-Fi network
- Use different menu settings to improve accessibility

Indicating these are the key barriers for someone being able to use the Internet by themselves.

Foundation Level tasks are the gateway to digital skills, and it is important that as many UK adults as possible can perform these tasks independently. There is an important role for charities, government and organisations to provide adequate encouragement, support, motivation and training to help those less digitally skilled, particularly the digitally excluded in these fundamental skills.

Figure 3. **Proportion of adults 18+ who can/cannot do each of the seven Foundation tasks (prerequisite to EDS for Life and Work), 2019, 2020 and 2021**



Numbers in brackets are population estimates based on ONS 2020 mid-year estimates for those 18+ in the UK

Due to Covid-19 restrictions, telephone interviewing used for 2021 whereas face-to-face used for 2019 and 2020.

Fewer adults have the foundations needed for Essential Digital Skills

In 2021, an estimated 42.9 million people (81%), can do all seven Foundation tasks, two percentage points lower than last year. This sees a return to levels seen in 2019. Given the increase amongst those with Partial Foundation (1-6 tasks), people have potentially moved from having the Foundation Level to Partial Foundation.

In the past year, whilst restrictions have been in place, a lack of regular face-to-face support from others who may have assisted people with their digital skills, could have encouraged a lack of confidence in completing the tasks by themselves.

East Midlands sees a step change in digital ability

Figure 4 shows how the regions compare to the rest of the UK in terms of those who can do all seven tasks. London (84%), South East (83%), East Midlands (82%) and North East (82%) are slightly ahead of the UK average (81%). Wales continues to have the lowest proportion of adults with basic digital ability. The East Midlands has significantly improved since it ranked bottom alongside Wales in 2020.

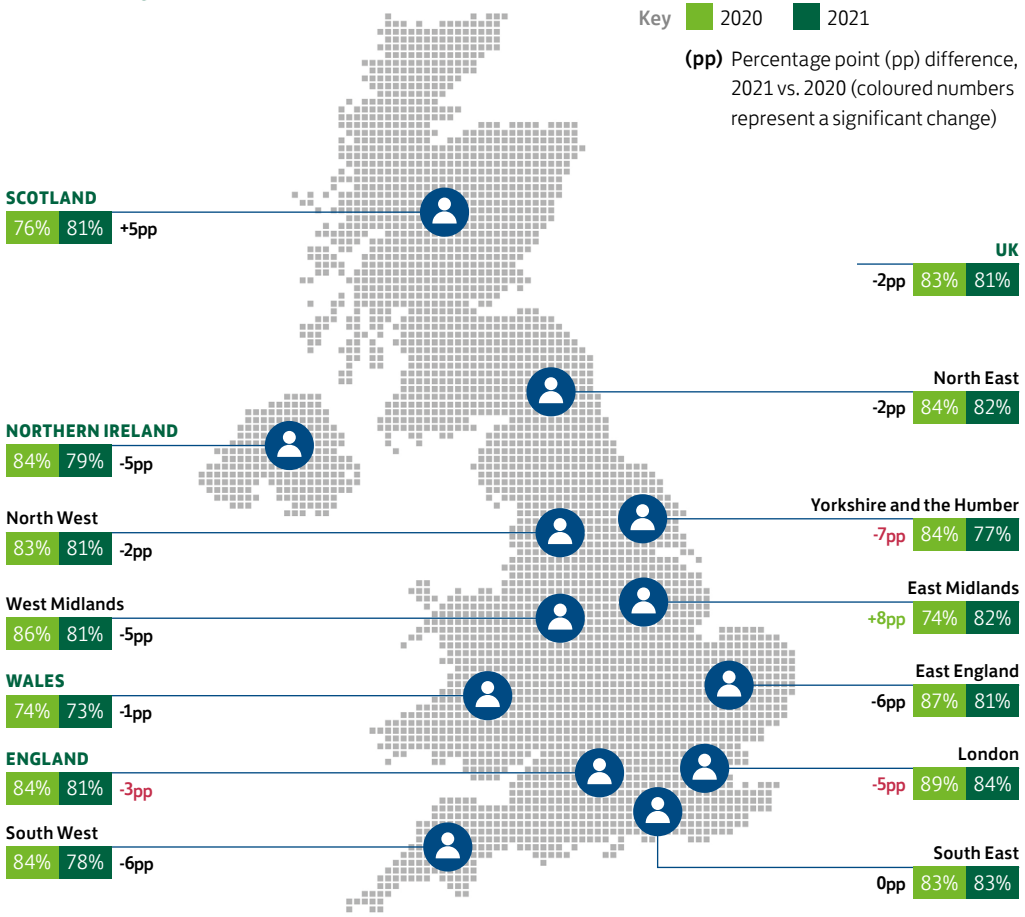
Across the three-year data trend, fluctuations are seen. For example, 2019 saw Scotland at 83%, moving to 76% in 2020 and resting at 81% this year (*Appendix 1*). Several regions and nations have also seen a decline year-on-year, the most noticeable being Yorkshire and the Humber (minus seven percentage points), London (minus five percentage points) and England (minus three percentage points). Once an individual has achieved the Foundation Level, perhaps it needs to be practiced and maintained as digital skills are not a fixed state (this was also demonstrated in the 2021 Lloyds Bank Consumer Digital Index, page 10).

Most regions report fewer with the Foundation Level, but in contrast also report fewer adults who are digitally excluded.

As seen in the UK overall, in most regions fewer adults now have the Foundation Level than in 2020. However, exploring the data further (*Appendix 2*), in both England and Scotland, fewer are digitally excluded (able to do zero Foundation tasks) than reported in 2020. This is seen in particular in the East Midlands, North West and South East. In most regions, more adults are now able to do at least one Foundation task but not all seven (Wales is an exception, where it is stable).

For more information on Partial Foundation across the regions, refer to *Appendix 3*.

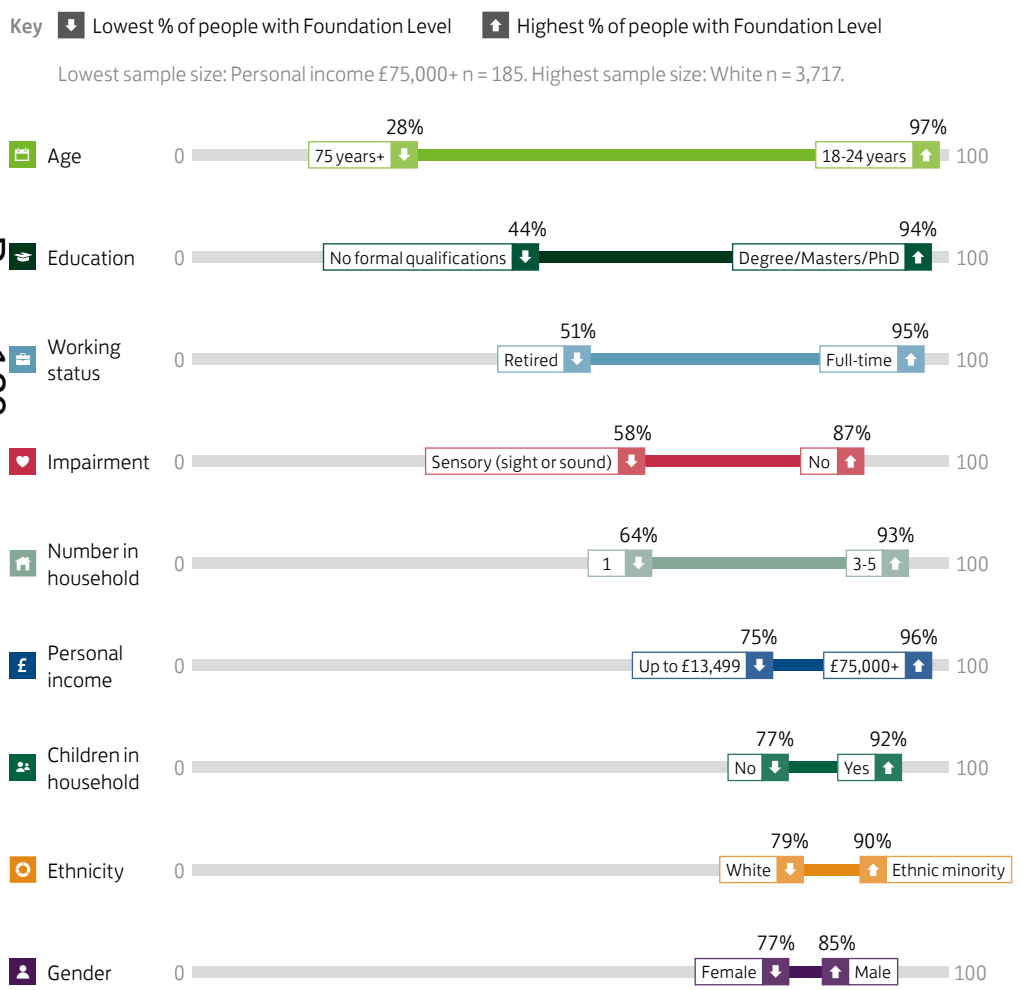
Figure 4. **Proportion of adults 18+ that have the Foundation Level (can do all seven tasks), split by nation and region, 2020 and 2021**



Lowest sample size: Northern Ireland n = 147. Highest sample size: England n = 3,458.

Due to Covid-19 restrictions, telephone interviewing used for 2021 whereas face-to-face used for 2020

Figure 5. **Proportion of adults 18+ across different demographics that have the Foundation Level, 2021**



Age remains the greatest correlating factor

Figure 5 shows the proportion of adults who have the Foundation Level across a range of demographic groups, highlighting those who are the most and least likely to have all seven tasks.

Age continues to retain the greatest correlation with having the Foundation Level, ranging from just 28% of those 75+ to nearly all 18-24-year-olds (97%). As seen in previous years, education and working status are also highly correlated. Those with a university qualification and those working full time are the most likely to be able to do all seven tasks.

The skills gap by age has grown

Compared to 2020, the proportion of those 75+ with the Foundation Level has decreased by five percentage points (*Appendix 4*). Given the pandemic lockdown, this means c.3.7 million people aged 75+ have been unable to access or use the Internet by themselves. Those aged 18-24 with the Foundation Level has decreased by two percentage points, meaning c.0.1 million fewer younger adults are able to progress to Life EDS.

In order to close the gap, the focus should be on those tasks which those aged 75+ are least likely to be able to do:

- Connecting devices to a Wi-Fi network (41% can)
- Using different menu settings to make devices easier to use (44% can).

High educational attainment amongst older adults helps reduce the gap

Focusing on those aged 65+, of whom 49% have the Foundation Level (*Appendix 5*), it becomes apparent that educational attainment within this age group is linked to having improved digital skills; 75% of those 65+ with a university degree have the Foundation Level compared to just 42% without a university degree (*Appendix 6*). Similarly, 97% of 18-34-year-olds with a university degree have the Foundation Level, compared to a significantly lower 93% among those without higher level qualifications. Educational attainment within each age group therefore plays a key role.

Those with vocational qualifications have lower levels of digital exclusion

Stability is seen since 2019, amongst those with vocational qualifications who have the fundamental digital skills. However, in 2021, 4% of this group are completely digitally excluded compared to 9% in 2020, suggesting this group is upskilling and digital access is improving (*Appendix 7*).

Those who live alone are less likely to have the Foundation Level

Only 64% of those who live alone have the fundamental digital skills, compared to 87% living in a household of two or more. Those in a household of 3-5 people are the most likely to have these skills (93%) (*Appendix 8*).

Those 65+ are more likely to live alone, however when you exclude this group the skills gap persists. 84% of those under 65 and living alone have the Foundation Level, compared to 92% of those under 65 living in a multi-person (2+) household. This suggests that overall, those in a multi-person household benefit from having others around them to initially support and develop the confidence to carry out the fundamental digital skills independently.

Multiple demographic groups impact digital skills

As seen on *page 45* those from an Ethnic minority group are more likely to have the Foundation Level than those from a White background. Ethnic Minorities are less likely to live alone than those from a White ethnic group (19% vs. 29% respectively)*, hence household size and ethnicity are inter-linked and both correlate with being able to carry out the fundamental digital tasks.

Those who live alone are more likely to be aged 65+, retirees and identify as having an impairment (6% of UK adults), than those who live with others (*Appendix 9*). These are all demographic groups which individually are associated with a lower likelihood of having the Foundation Level. Of those 65+ who are retired, live alone and have an impairment, just under one-third (31%) of this group have the Foundation Level (compared to the 49% of over-65s in general), indicating the impact of intersectionality on digital skills.

The profile of the digitally excluded

The role of intersectionality is further demonstrated if we compare the profile of those who are digitally excluded (unable to do any of the seven Foundation tasks) compared to those with Partial Foundation (*see Appendix 10*).

Those who can do zero Foundation tasks are more likely to be (compared to those who have Partial Foundation):

- Aged 75+
- The lowest social grades (DE)
- Not working
- Living alone
- Having no formal education
- Living with a sensory impairment that affects their day-to-day lives

Lack of Internet and device access is not solely behind digital exclusion

Looking at the group who are unable to do any of the seven Foundation tasks, the data reveals that some do have Internet access and digital devices at their disposal. 28% have Internet access and whilst this is significantly lower than those with one to six Foundation tasks (91%), it indicates that providing Internet access does not necessarily mean people will go online (*see Appendix 11*). Over one-fifth (22%) of the digitally excluded group have a smartphone, tablet or PC/laptop in their home, and therefore have the equipment to live in a digital world, yet still have none of the seven fundamental tasks deemed necessary to do so.

Access alone is not enough. Understanding why those who have the equipment to access the Internet, yet still cannot do the most fundamental digital tasks, is not included within our data set. However, in a period when digital access has been crucial, it does raise the question as to whether they have enough support and know-how to 'go online'. Motivation, confidence, as well as perceived ability, are likely to be key reasons behind this and are as important to consider, as the provision of Internet access.

There is an opportunity for mobile network providers, handset and device manufacturers to partner with digital skills specialists to provide more support, guidance and encouragement to perform these tasks. This could provide the step change needed for those lacking the fundamental skills from access to inclusion.

*ONS April 2019: ethnicity-facts-figures.service.gov.uk/uk-population-by-ethnicity/demographics/families-and-households/latest

2

Essential Digital Skills for Life

This chapter explores the digital skills that are needed for everyday life.

c.41.9 million

(79%) have Essential Digital Skills for Life

c.11.0 million

(21%) lack the Essential Digital Skills needed for everyday life

c.40.5 million

(76%) can use video and communication tools like FaceTime and Skype

Essential Digital Skills for Life

To be considered as having Essential Digital Skills for Life, an individual must be able to do all seven Foundation Level tasks, as well as demonstrating ability in each of the five Life skill categories. Please *see page 7* for a description of the Essential Digital Skills framework.

EDS for Life remains stable year-on-year

As shown in figure 6, in 2021, in addition to the c.10.0 million adults who don't have the Foundation Level, there are also c.1.0 million who don't have EDS for Life. Compared to 2020, c.2.0 million more people now have the digital skills needed for everyday life.

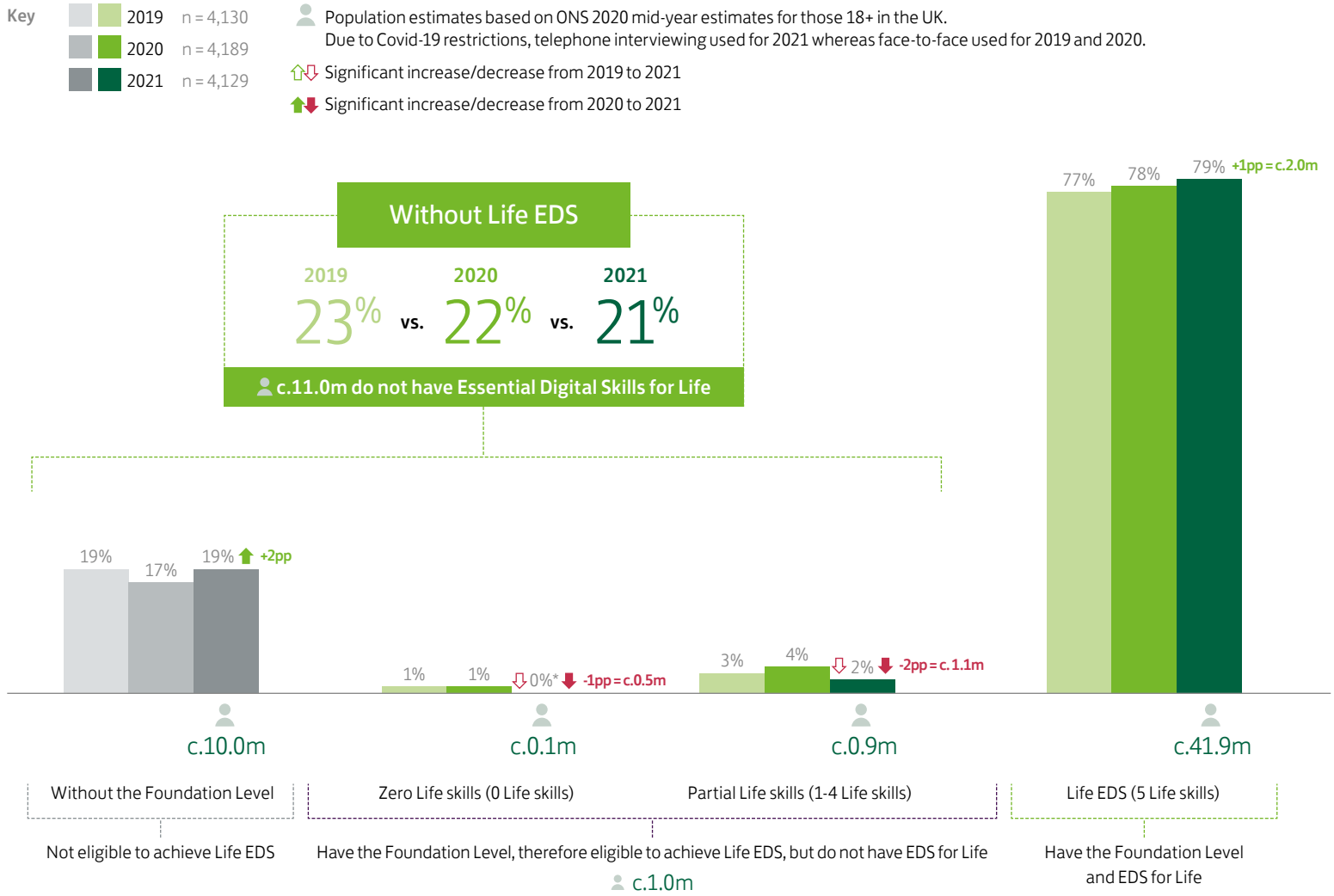
Compared to both 2019 and 2020, there are significantly fewer adults with Zero Life or Partial Life skills. As there are more people lacking the Foundation Level, it indicates that in the last 12 months, some people with Zero/Partial Life skills have become unable to do the fundamental tasks online independently.

As with the digitally excluded (zero Foundation tasks), those lacking Essential Digital Skills for Life are more likely to be either female, aged 65+ or living alone.

c.41.9 million
(79%) UK adults **have** Essential Digital Skills for Life

c.11.0 million
(21%) UK adults **lack** Essential Digital Skills for Life

Figure 6. **Proportion of adults aged 18+ and their level of Essential Digital Skills for Life, 2019, 2020 and 2021**



* Zero life skills data for 2021 is less than 1%, but greater than 0

The 29 Life tasks

Figure 7. **Proportion of adults 18+ who can do the listed 29 Life tasks across the five Life skills, 2019, 2020 and 2021**

Communicating — 80% c.42.8 million

I can communicate with others digitally using email or other messaging applications (e.g. WhatsApp or Messenger)
77%
79%
80% (+1pp) c.42.3 million

I can share documents with others by attaching them to an email
77%
78%
78% (0pp) c.41.3 million

I can set up an email account
77%
79%
77% (-2pp) c.41.0 million

I can communicate with others using video tools (e.g. FaceTime or Skype)
71%
74%
76% (+2pp) c.40.5 million

I can use word processing applications to create documents (e.g. a CV or a letter)
75%
77%
75% (-2pp) c.39.8 million

I can post content on social media platforms (e.g. Facebook, Instagram or Snapchat) for example messages, photographs, video etc.
70%
74%
72% (-2pp) c.38.3 million

£ Transacting — 80% c.42.5 million

I can set up an account online that enables me to buy goods or services (e.g. Amazon account, eBay, John Lewis etc.)
76%
78%
78% (0pp) c.41.4 million

I can use credit/debit cards or other forms of online payment to buy goods/services online (e.g. PayPal, WorldPay)
76%
78%
78% (0pp) c.41.3 million

I can access and use public services online, including filling in forms (e.g. vehicle tax, voting registration, ordering repeat prescriptions, booking doctor appointments)
75%
77%
77% (0pp) c.41.1 million

I can upload documents and photographs when this is required to complete an online transaction
74%
77%
76% (-1pp) c.40.3 million

I can manage my money and transactions online securely, via websites or Apps (e.g. bank account)
72%
76%
75% (-1pp) c.40.1 million

? Problem solving — 79% c.42.3 million

I can use the Internet to find information that helps me solve problems
78%
79%
79% (0pp) c.42.0 million

I can use online tutorials, web chat, FAQs and forums to solve problems
70%
72%
70% (-2pp) c.37.3 million

I can use online tutorials, web chat, FAQs and forums to improve my skills in using the Internet and digital apps/products/services
68%
72%
67% (-5pp) c.35.5 million

Please *see Appendix 12* for those who **cannot** do the Life tasks

Top bar: 2019 n = 4,130
Centre bar: 2020 n = 4,189
Bottom bar: 2021 n = 4,129

2021 estimated population based on ONS 2020 mid-year estimates for those 18+ in the UK.

(pp) Percentage point (pp) difference, 2021 vs. 2020 (coloured numbers represent a significant change).

Due to Covid-19 restrictions, telephone interviewing used for 2021 whereas face-to-face used for 2019 and 2020.

The 29 Life tasks

Figure 7. **Proportion of adults 18+ who can do the listed 29 Life tasks across the five Life skills, 2019, 2020 and 2021**

Handling information and content

80% **c.42.6** million

I can use search engines to find the information I'm looking for (e.g. search for news using a browser such as Chrome, Internet Explorer or Safari)

78%
80%
80% (0pp) c.42.4 million

I can recognise what information or content may, or may not, be trustworthy on websites/apps

74%
77%
76% (-1pp) c.40.2 million

I can organise my information and content using files and folders (either on my device, across multiple devices, or on the Cloud)

72%
75%
74% (-1pp) c.39.4 million

I can use the Internet to stream or download entertainment content (e.g. films, music, games or books)

72%
76%
74% (-2pp) c.39.3 million

I can use bookmarks to save and retrieve websites and information

71%
74%
72% (-2pp) c.38.0 million

I can store information online and access content from a different device (e.g. using the Cloud)

67%
72%
69% (-3pp) c.36.6 million

Being safe and legal online

80% **c.42.8** million

I can respond to requests for authentication (e.g. reactivate an account when I've forgotten my password)

77%
78%
78% (0pp) c.41.6 million

I can recognise and avoid suspicious links in email, websites, social media messages and pop-ups and know that clicking on these links is a risk

76%
77%
78% (+1pp) c.41.6 million

I am careful with what I share online as I know that online activity produces a permanent record that can be accessed by others

77%
78%
78% (0pp) c.41.5 million

I can keep the information I use to access my online accounts secure, by using different and secure passwords for websites and accounts

76%
78%
78% (0pp) c.41.3 million

I make sure not to share or use other people's data or intellectual property without their consent

76%
77%
75% (-2pp) c.40.2 million

I can assess the risks and threats involved in carrying out activities online and act accordingly

73%
75%
75% (0pp) c.39.7 million

I can identify secure websites by looking for the padlock and 'https' in the address bar

73%
76%
74% (-2pp) c.39.4 million

I can set privacy settings on my social media and other accounts

73%
75%
72% (-3pp) c.38.6 million

I can update my computer security systems when necessary to prevent viruses and other risks

71%
74%
72% (-2pp) c.38.4 million

To see the trend of the five Life skills across 2019, 2020 and 2021, please *refer to Appendix 13*.

Please *see Appendix 12* for those who **cannot** do the Life tasks

Top bar: 2019 n = 4,130
Centre bar: 2020 n = 4,189
Bottom bar: 2021 n = 4,129

2021 estimated population based on ONS 2020 mid-year estimates for those 18+ in the UK.

(pp) Percentage point (pp) difference, 2021 vs. 2020 (coloured numbers represent a significant change).

Due to Covid-19 restrictions, telephone interviewing used for 2021 whereas face-to-face used for 2019 and 2020.

Fewer people can do all 29 Life EDS tasks

Figure 8 also highlights that c.4.0 million fewer people in 2021 have the ability to do all of the Life tasks (from 52% to 43%). It is not necessary to complete all 29 tasks in order to have Life EDS, but it is helpful to understand the movements and depth of skill.

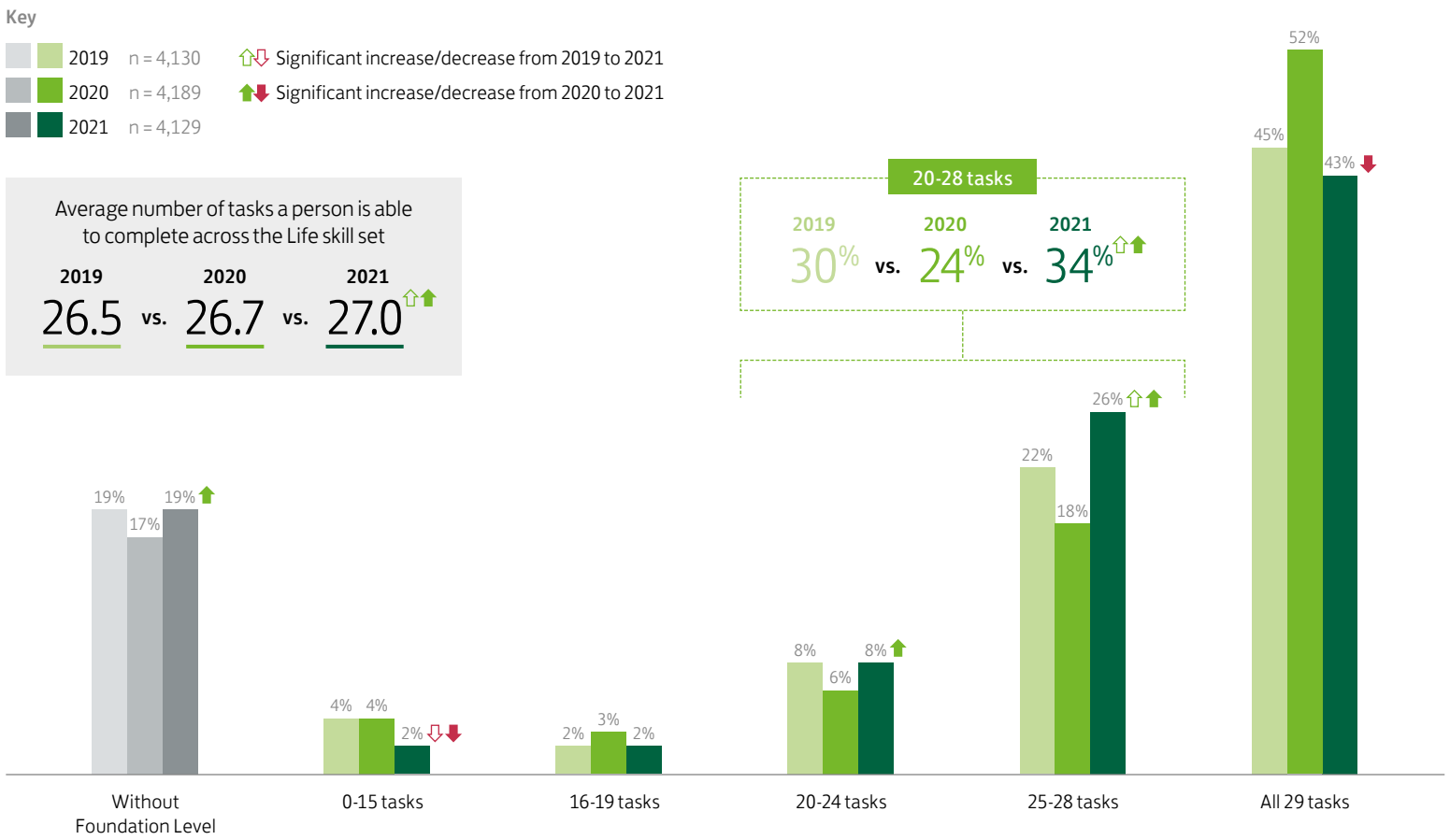
Compared to those with 20-28 tasks, people with all 29 tasks have a higher propensity of being:

- Males
- Ages 18-34
- Those with a university degree

See Appendix 14 for more details.

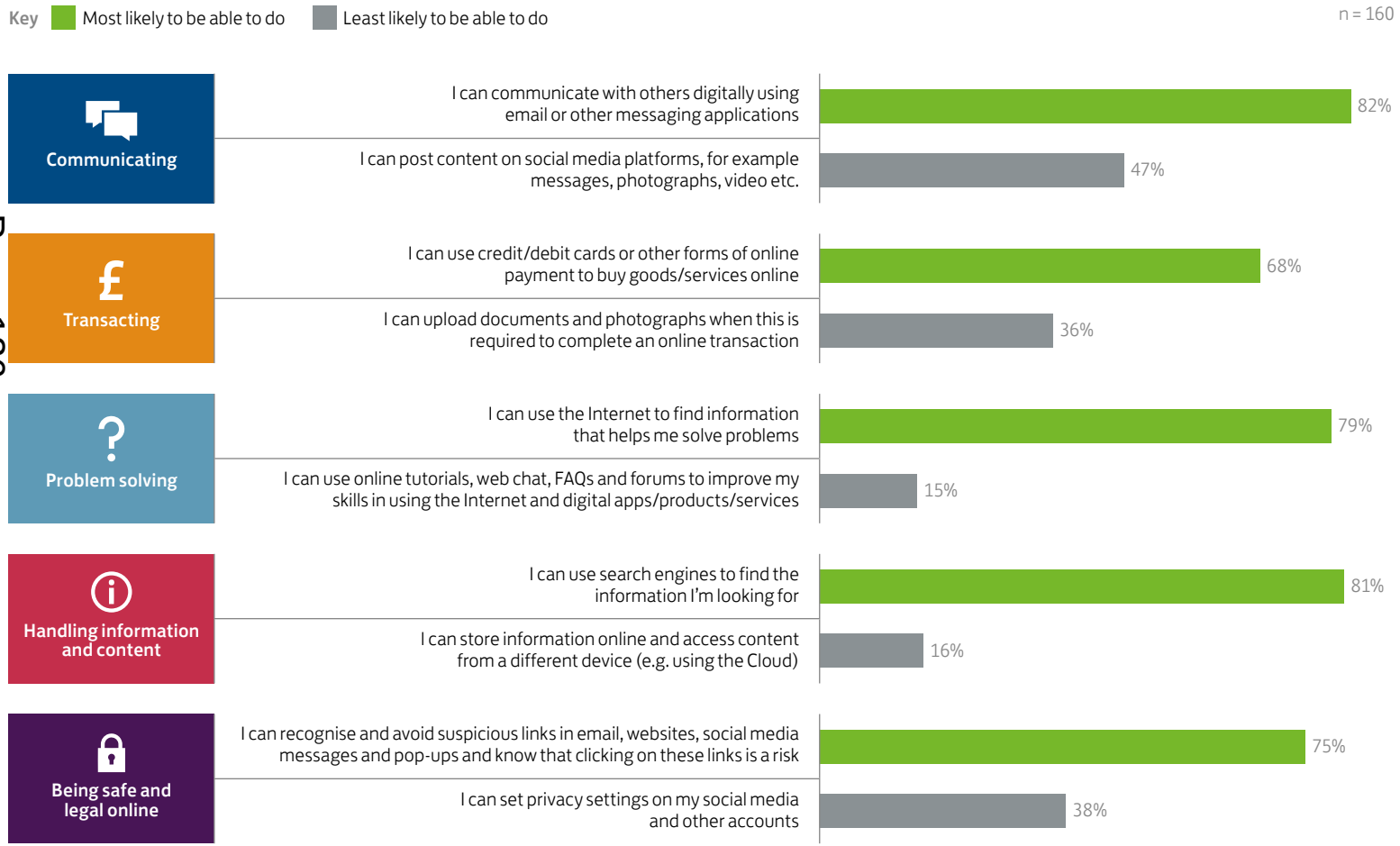
The decline in those who can do all 29 Life tasks is driven by both males and females and is seen across all age groups and levels of working status. As displayed in *figure 7*, there are six tasks that have declined significantly compared to 2020, driving this change.

Figure 8. **Proportion of adults 18+ who can do the listed number of tasks within Life EDS, 2019, 2020 and 2021**



Due to Covid-19 restrictions, telephone interviewing used for 2021 whereas face-to-face used for 2019 and 2020.

Figure 9. **Proportion of adults 18+ with ability to do 1-19 Life tasks, and the tasks they are most and least likely to be able to do within each Life skill**



Identifying the Life tasks that are the hardest to attain

The top ranking tasks in each Life skill area, are the tasks that the most people can do. These act as the gateway tasks to achieving the skill, as being able to complete one task, results in having the skill.

Amongst people who can do a relatively low number of Life tasks (1-19), the gateway tasks to achieving each Life skill (and therefore EDS for Life) can be done by at least three-quarters of this group. Transacting is the exception where, at most, two-thirds are able to do the top ranking task in this skill area (see figure 9 for task).

Despite the overall transacting skill sitting at a comparable level to the others, the transacting tasks are the hardest tasks to attain for this group.

For the full set of Life tasks that this group can do, please *refer to Appendix 15*.

Essential Digital Skills for Life by region

Figure 10 shows the proportion of adults in each region that have Life EDS compared to the UK average (79%). The furthest behind are Wales (71%), the South West (75%) and Yorkshire and The Humber (75%). Conversely, London and the South East have the highest proportion with Life EDS (82%) and East England and the North East (80%) are also slightly ahead of the UK average.

The East Midlands shows significant improvement

Life EDS at a UK average has remained stable compared to 2020 (increasing by just one percentage point) and this is the case across most regions. Four of the twelve regions report a directional increase of at least three percentage points. On the other hand, five regions report at least a three-percentage point decrease.

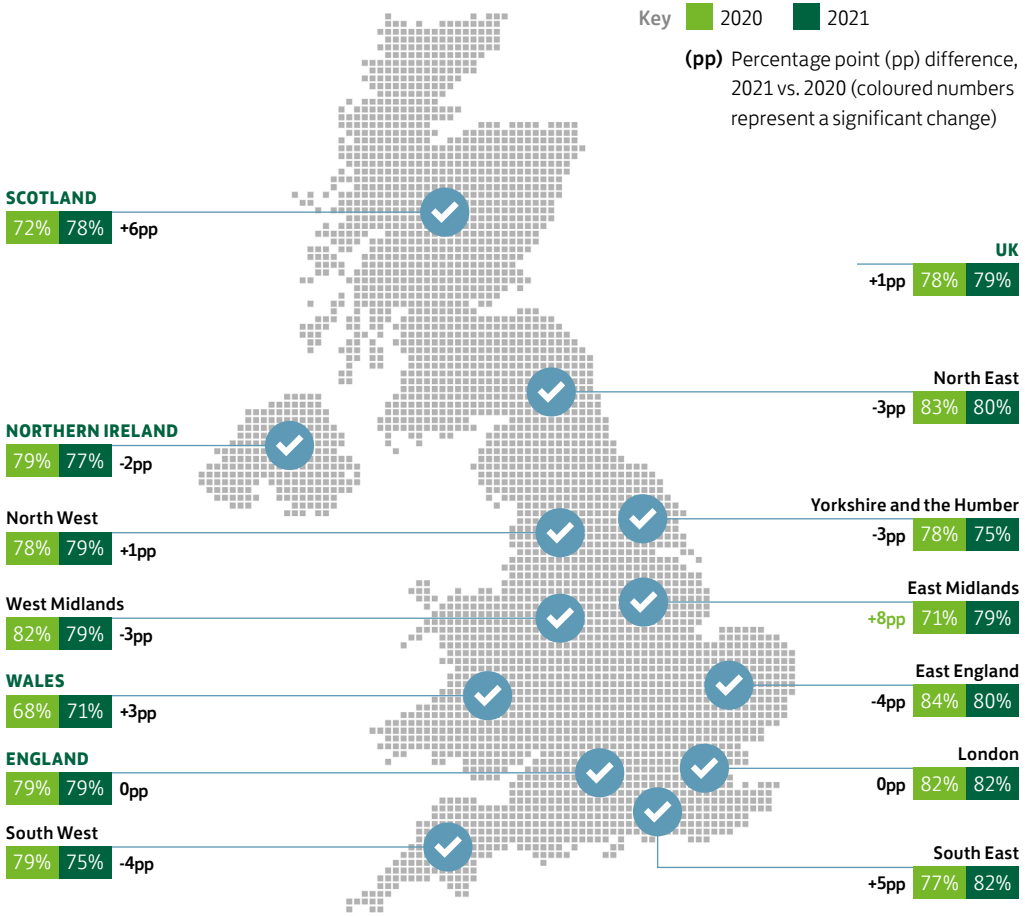
Only the East Midlands reports a significant change, with an increase of eight percentage points relative to 2020 (from 71% to 79%). This mirrors the trends seen at the Foundation Level (*see page 12*). As a result the East Midlands moves from the bottom two regions in 2020, along with Wales, to being on par with England and the wider UK average.

The ability to do each of the 29 Life tasks has increased for the East Midlands, with the biggest improvements seen for:

	2021	2020
Communicating with others digitally using email or other messaging applications (e.g. WhatsApp or Messenger)	81%	69%
Managing my money and transactions online securely, via websites or apps (e.g. bank account)	78%	66%
Communicating with others using video tools (e.g. Facetime or Skype)	76%	61%
Posting content on social media platforms (e.g. Facebook, Instagram or Snapchat) for example messages, photographs, video etc.	72%	60%

For the full list of 29 Life tasks that the East Midlands can do, please *refer to Appendix 16*.

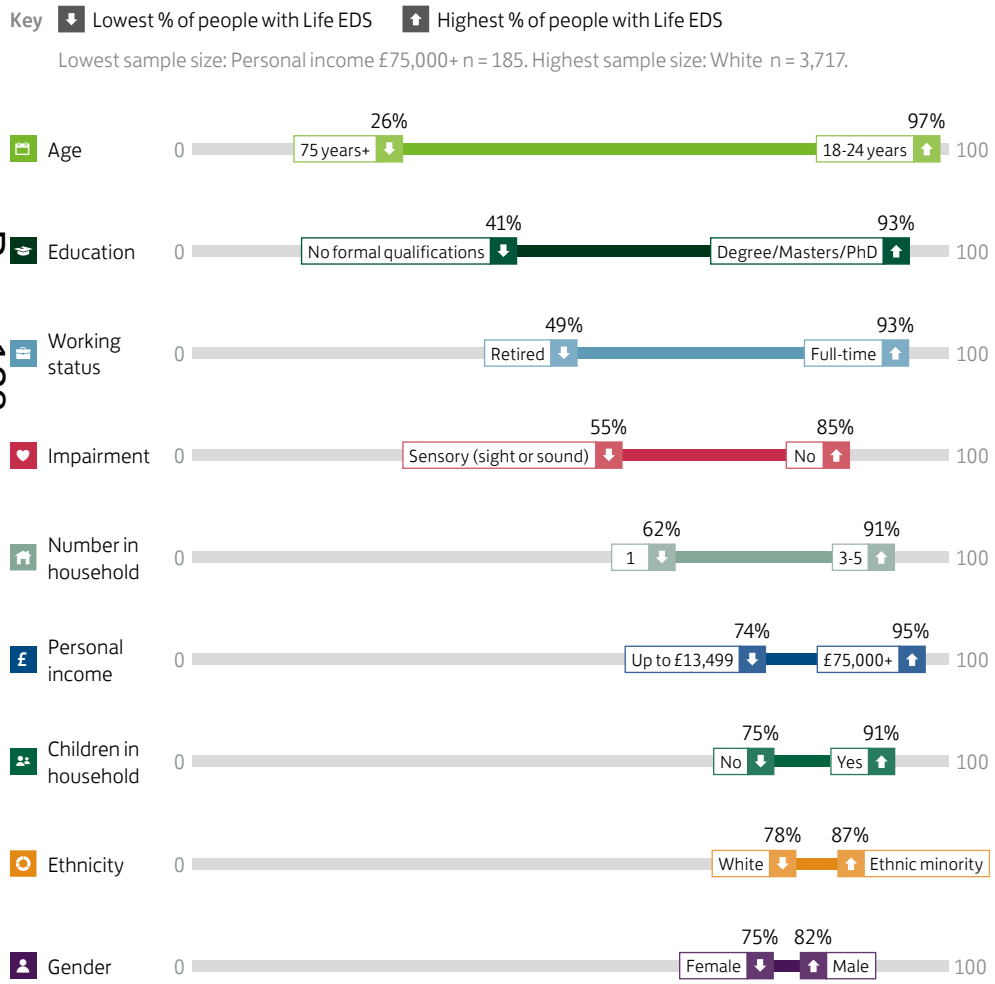
Figure 10. **Proportion of adults 18+ that have Life EDS, split by nation and region, 2020 and 2021**



Lowest sample size: Northern Ireland n = 147. Highest sample size: England n = 3,458.

Due to Covid-19 restrictions, telephone interviewing used for 2021 whereas face-to-face used for 2020

Figure 11. **Proportion of adults 18+ across different demographics that have Life EDS, 2021**



Age and education continue to correlate the most with Life EDS

Figure 11 shows the proportion of adults who have Life EDS across a range of demographic groups and highlights the populations at either end of the spectrum. In line with previous studies, age, education and working status are the greatest determiners of having EDS for Life. The correlation with education and Life EDS is similar to that seen for the Foundation Level, which further illustrates education is key to having digital skills at the most basic level, as well as having digital skills for life.

The age skills gap has widened further

The skills gap between those least likely (75+) and most likely (18-24) to have Life EDS, has increased from 68 percentage points to 71 percentage points, similar to the Foundation Level. This is a result of fewer of those aged 75+ having Life EDS this year (26% compared to 28% in 2020), whilst those aged 18-24 have improved slightly (96% to 97%) (*Appendix 17*).

The Foundation Level is the biggest barrier for those without Life EDS

As highlighted on *page 16*, there are c.11.0 million adults (21%) without Life EDS. The biggest obstacle facing this group is their lack of fundamental digital tasks, as c.10.0 million of this group are without the Foundation Level and can only complete 0-6 Foundation tasks (those without the Foundation Level are represented within the without Life EDS group).

Who are the c.11.0m without Life EDS?

To improve the effectiveness of interventions, this data brings to life the likely profile of this group. There are significant differences for the c.11.0 million when compared to the UK average, such as:

- 9-in-10 are from a White background (91%), compared to 86%, UK average
- Nearly three-quarters (73%) do not work, compared to 39%, UK average
- Over half (59%) are aged 65 or older, compared to 24%, UK average
- Half (52%) are living with at least one impairment, compared to 32%, UK average
- Just under half (45%) have no formal qualification, compared to 16%, UK average
- One-quarter (24%) earn at least £13,500 per annum, compared to 48%, UK average

3

Essential Digital Skills for Work

This chapter explores the digital skills that are needed in the workplace.

c.20.9 million

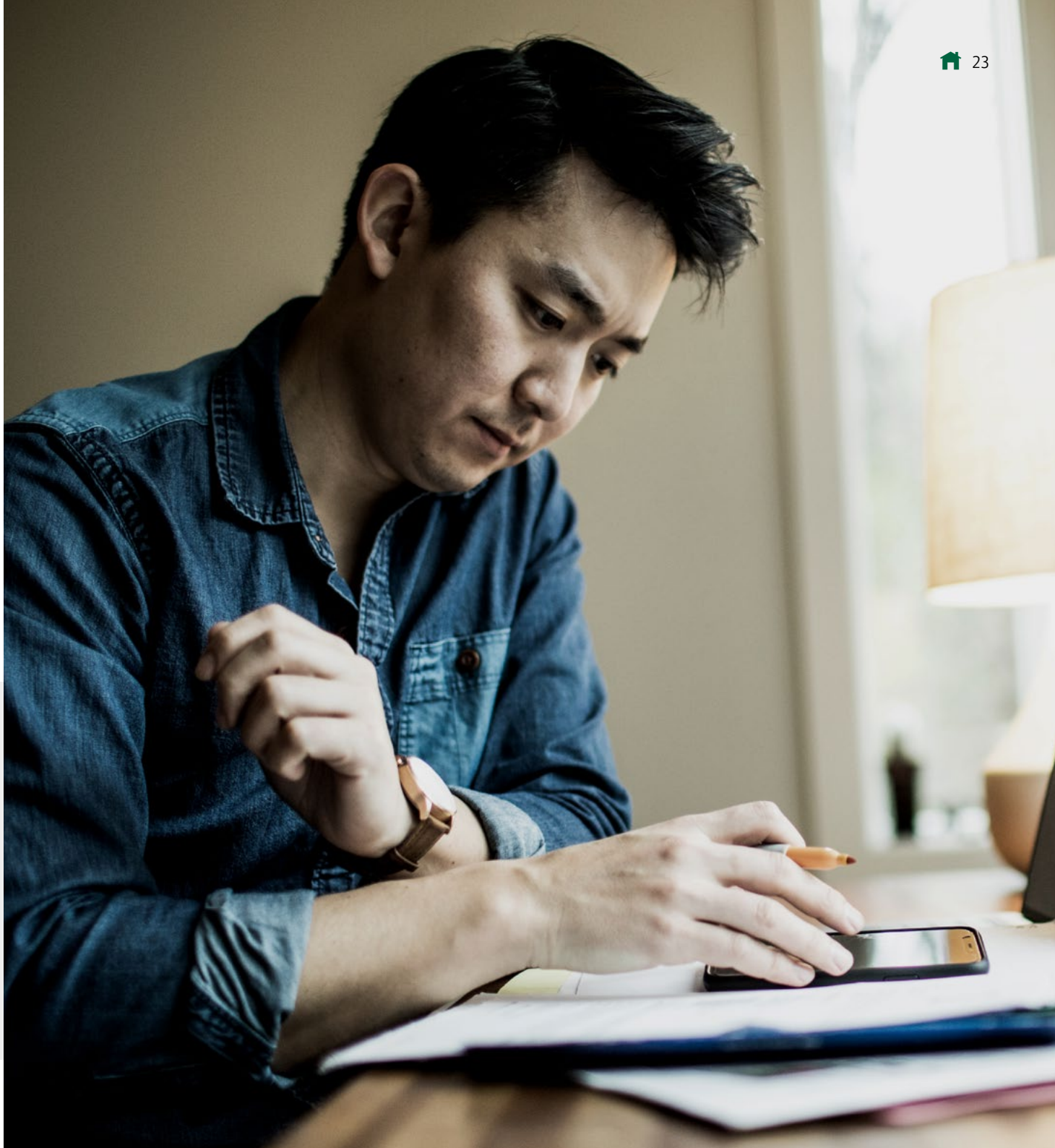
64% of working adults have the Essential Digital Skills for work

c.5.6 million

Since 2020, there are c.5.6 million more working adults that now have the digital skills needed in the workplace

c.11.8 million

36% of working adults still don't have the digital skills required for work



Essential Digital Skills for Work

Having Essential Digital Skills for Work has become even more crucial in the last year. The impact of the pandemic has resulted in many people working virtually, and service providers and businesses moving their interactions online for the first time, or in different ways. Please *see page 7* for a description of the Essential Digital Skills framework.

c.5.6 million more of the UK workforce have EDS for Work compared to 2020

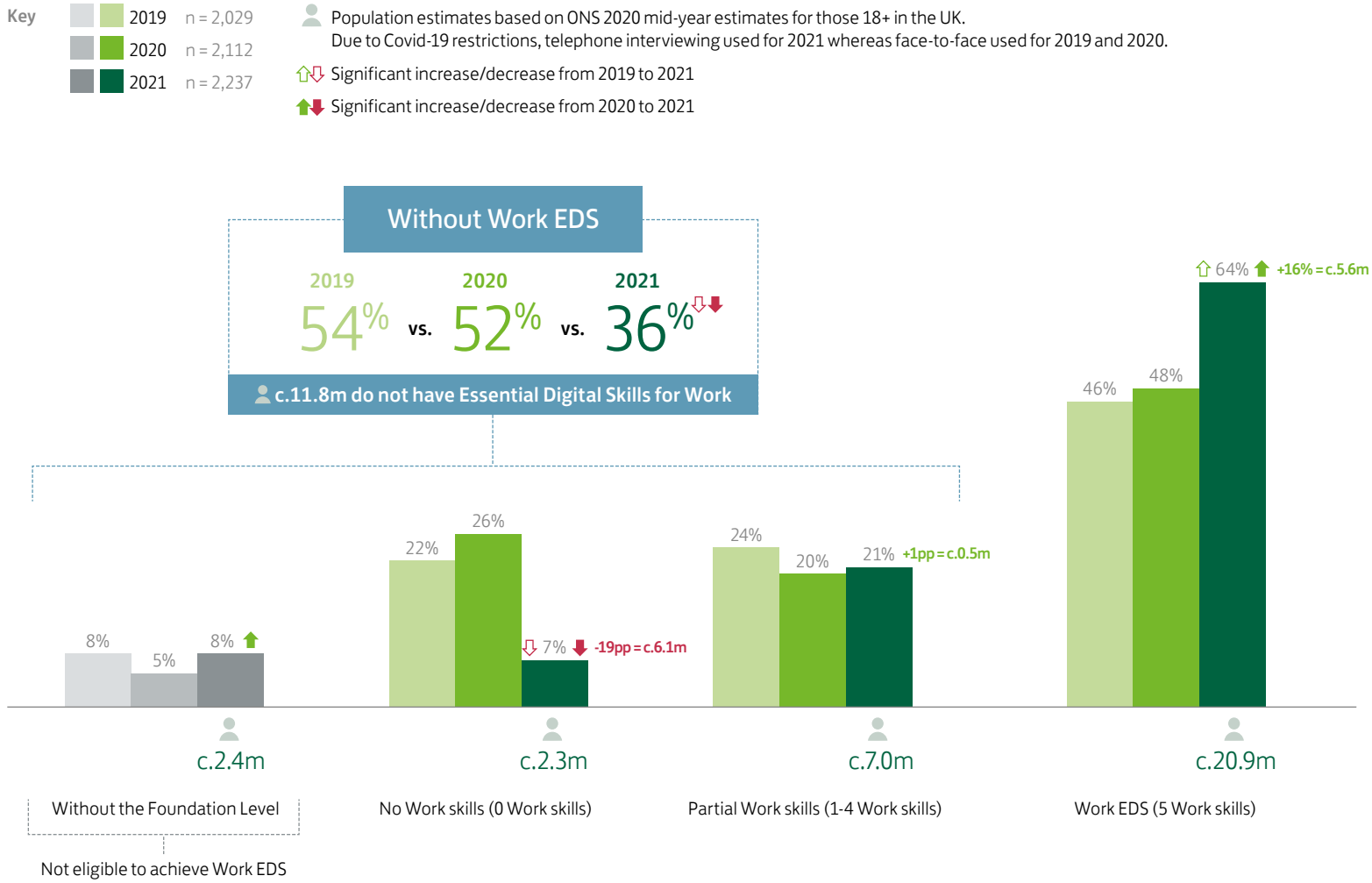
Figure 12 shows that 64% (c.20.9 million) of the UK working population have Work EDS, a significant increase of 16 percentage points from 2020. This is a very positive trend in a year where ways of working have been hugely disrupted by restrictions implemented due to the pandemic.

c.20.9 million
64% of UK working adults **have** Essential Digital Skills for Work

c.11.8 million
36% of UK working adults are **without** Essential Digital Skills for Work

For more information on the profile of those with zero workplace digital skills, *see Appendix 17a*

Figure 12. **Proportion of working adults aged 18+ and their level of Essential Digital Skills for Work, 2019, 2020 and 2021**

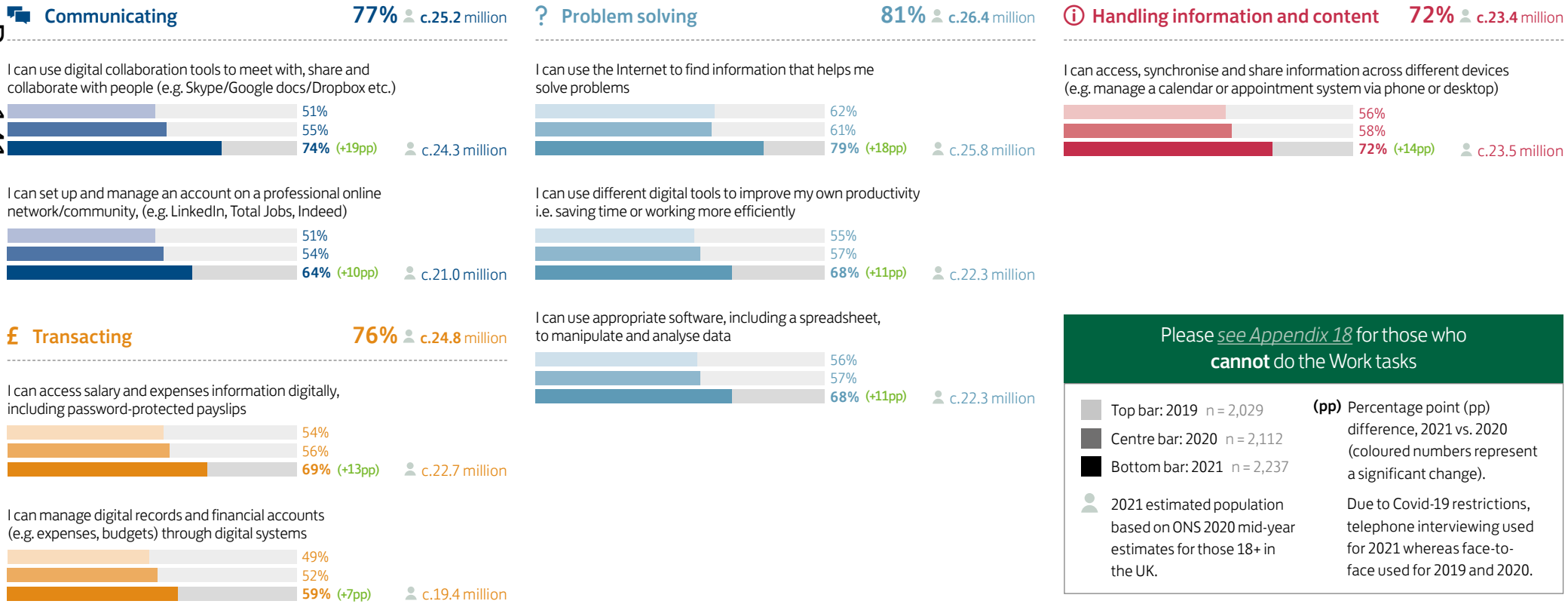


The 17 Work tasks

Significantly more people in the UK workforce can undertake key tasks at work

The pandemic has accelerated digital adoption in the UK workplace, resulting in the most digitally advanced workforce to date. The data on subsequent pages outlines the 17 key digital work tasks the UK workforce are able to undertake, all of which have improved significantly.

Figure 13. **Proportion of working adults 18+ who can do the 17 listed tasks across the five Work skills, 2019, 2020 and 2021**



Please *see Appendix 18* for those who **cannot** do the Work tasks

Top bar: 2019 n = 2,029
Centre bar: 2020 n = 2,112
Bottom bar: 2021 n = 2,237

2021 estimated population based on ONS 2020 mid-year estimates for those 18+ in the UK.

(pp) Percentage point (pp) difference, 2021 vs. 2020 (coloured numbers represent a significant change).

Due to Covid-19 restrictions, telephone interviewing used for 2021 whereas face-to-face used for 2019 and 2020.

The 17 Work tasks

Figure 13. **Proportion of working adults 18+ who can do the 17 listed tasks across the five Work skills, 2019, 2020 and 2021**

Being safe and legal online

83% **c.27.3** million

I make sure not to share or use other people's data or intellectual property without their consent

61%
60%
78% (+18pp) c.25.7 million

I can recognise and avoid suspicious links in email, websites, social media messages and pop-ups and know that clicking on these links is a risk

59%
59%
78% (+19pp) c.25.6 million

I can keep the information I use to access my online accounts secure, by using different and secure passwords for websites and accounts

60%
59%
76% (+17pp) c.25.0 million

I can respond to requests for authentication (e.g. reactivate an account when I've forgotten my password)

61%
60%
76% (+16pp) c.24.9 million

I can identify secure websites by looking for the padlock and 'https' in the address bar

58%
57%
76% (+19pp) c.24.9 million

I am careful with what I share online as I know that online activity produces a permanent record that can be accessed by others

59%
60%
76% (+16pp) c.24.8 million

I can assess the risks and threats involved in carrying out activities online and act accordingly (e.g. use security software)

58%
58%
73% (+15pp) c.23.9 million

I can update my computer security systems when necessary to prevent viruses and other risks

52%
55%
62% (+7pp) c.20.3 million

I can set privacy settings on my social media and other accounts

50%
53%
60% (+7pp) c.19.7 million

Please *see Appendix 18* for those who **cannot** do the Work tasks

Top bar: 2019 n = 2,029
Centre bar: 2020 n = 2,112
Bottom bar: 2021 n = 2,237

2021 estimated population based on ONS 2020 mid-year estimates for those 18+ in the UK.

(pp) Percentage point (pp) difference, 2021 vs. 2020 (coloured numbers represent a significant change).

Due to Covid-19 restrictions, telephone interviewing used for 2021 whereas face-to-face used for 2019 and 2020.

To discover more about the Work related tasks, visit the Essential Digital Skills interactive data tables (due for release end of October).

To see the trend of the five Work skills across 2019, 2020 and 2021, please *refer to Appendix 19*.

Fewer UK working adults have no Essential Digital Skills for Work

There are c.6.1 million fewer UK working adults (19 percentage point drop) who are unable to do any of the Work Skills. There are only c.2.3 million (7%) of the workforce unable to do any of the 17 work tasks (0 tasks).

The group lacking any Essential Digital Work Skills are (for more information *see Appendix 20*):

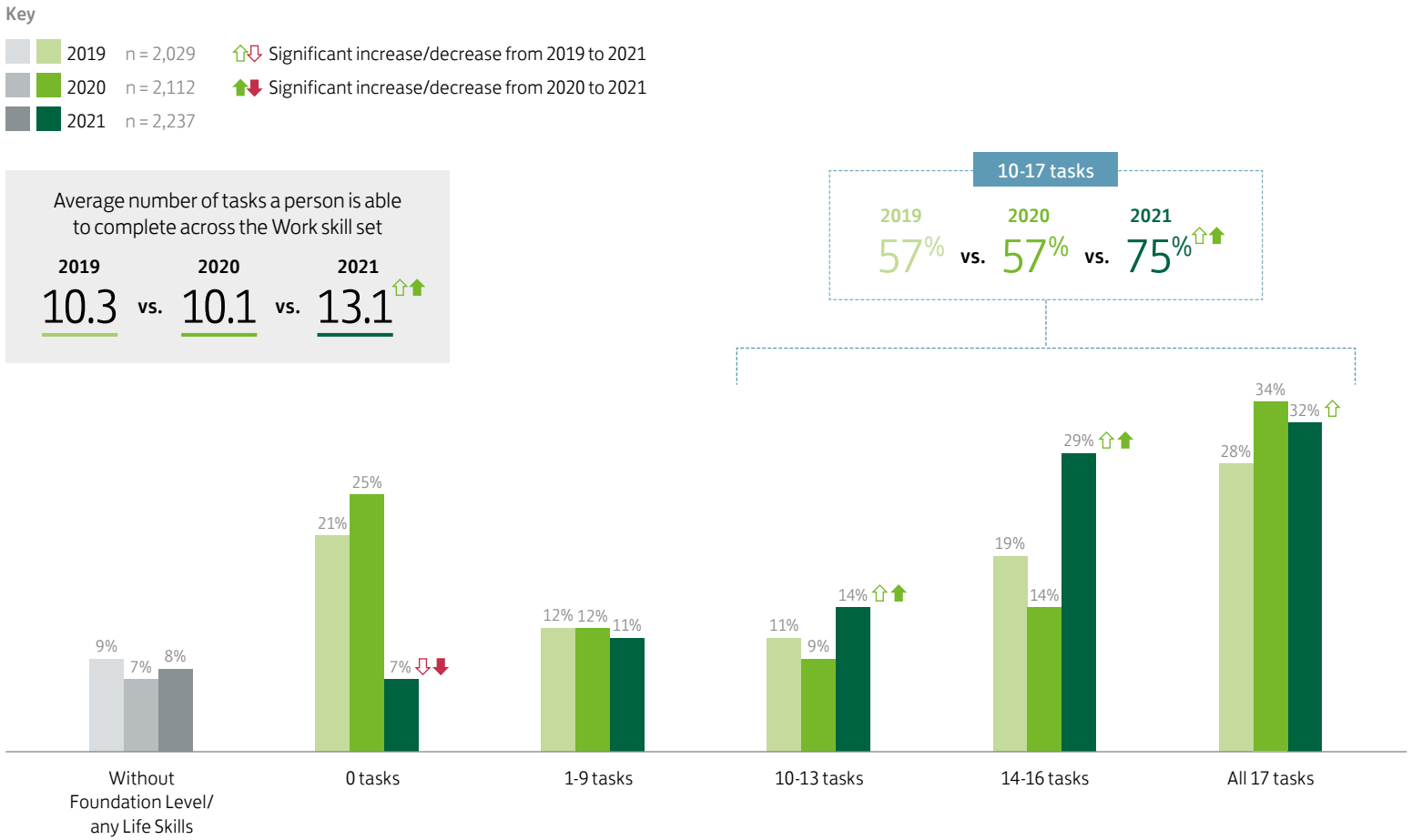
- Older (aged 55-64)
- Work part-time
- Work in the service industry
- Either have no formal qualifications or GCSE/O-Level/CSE as their highest level of educational attainment

The workforce is building its digital proficiency

As well as improvements in Work EDS overall and improved ability to do each of the individual 17 Work tasks, the total number of average tasks an individual can complete has also significantly increased to 13.1 out of 17, from 10.1 in 2020.

A significant proportion of working adults are now able to do ten or more digital tasks (75% versus 57% in 2020, figure 14). c.6.3 million more of the working population can now do at least ten Work tasks (an increase of 18 percentage points).

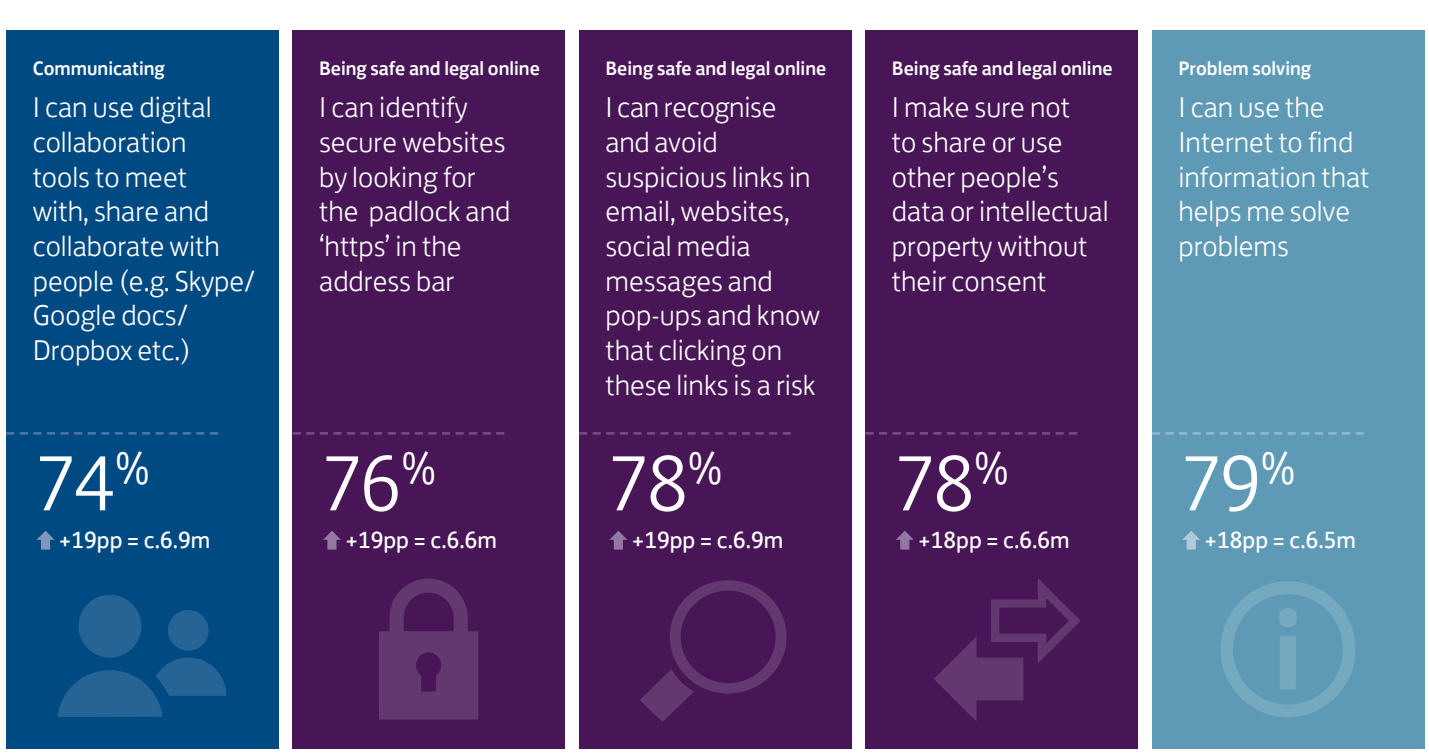
Figure 14. **Proportion of working adults 18+ who can do the listed number of tasks within Work EDS, 2019, 2020 and 2021**



Due to Covid-19 restrictions, telephone interviewing used for 2021 whereas face-to-face used for 2019 and 2020.

The UK workforce has made progress to being safe and legal online

Some of the key tasks that the UK workforce are better able to do, with improvements of at least 18 percentage points are:



Video calls and digital collaboration has formed part of the fabric of the working day for many workers since the pandemic, and improvements on this task were perhaps to be expected. It is also encouraging that three of the top five improvements are from the Being Safe and Legal Online skill area, as online scams have been at an all-time high throughout the pandemic*.

As seen with the Foundation Level, digital tasks are likely to be fluid. Whilst some people have had to work from home for the first time, key workers may have worked in the same manner they did pre-pandemic, and furloughed workers may have had varied working experiences. Employers and support organisations should encourage and signpost their colleagues to free digital skills training – for example the Lloyds Bank Academy**.

* ft.com/content/e820cc8a-090c-4632-95f3-cb295d3d31ad

** Lloyds Bank Academy: lloydsbankacademy.co.uk

Significant improvement in Work EDS seen across all super-regions

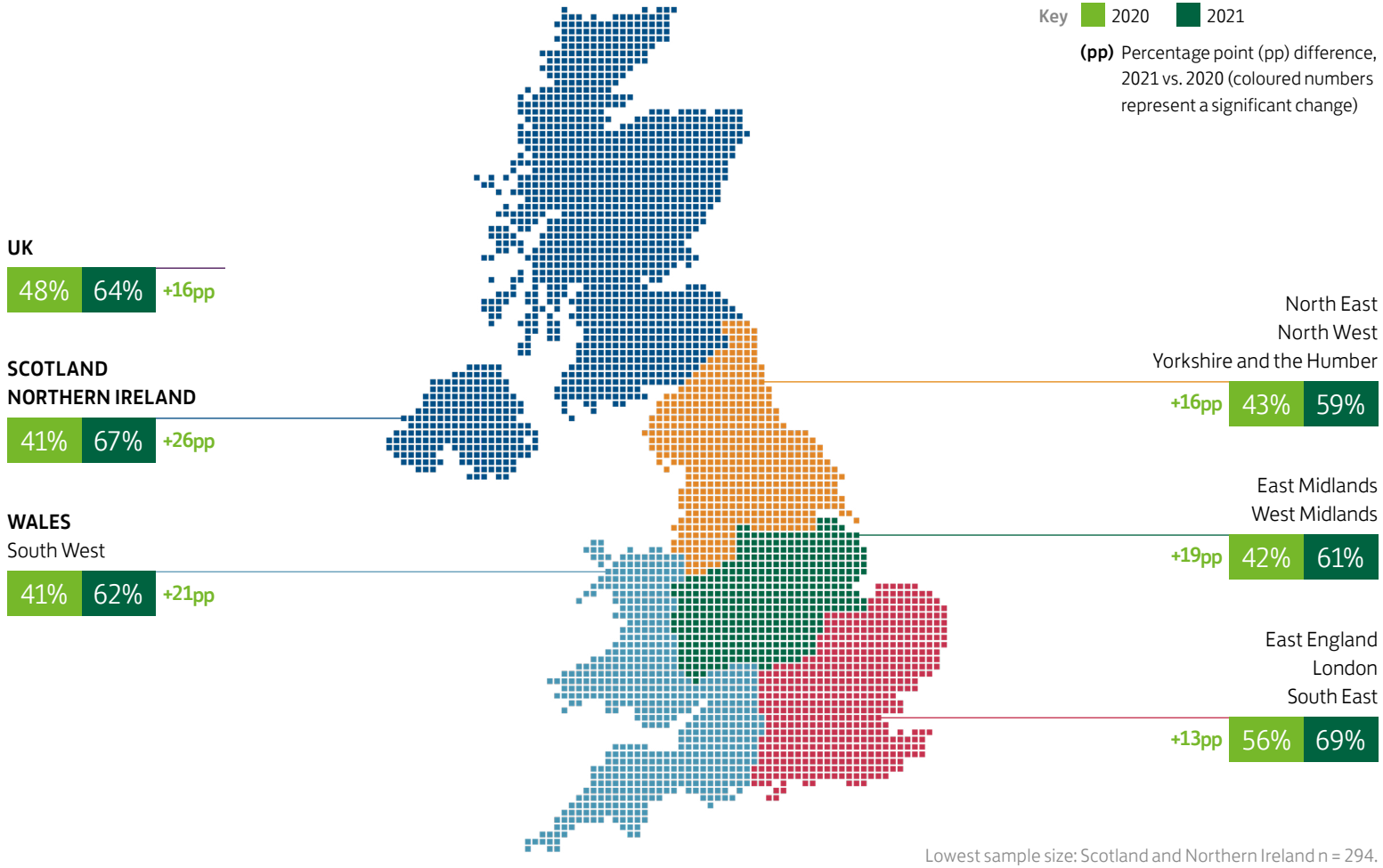
Figure 15 shows the proportion of working adults with Work EDS in each of the defined 'super-regions'*. The super-regions are aggregations of closely located regions within the UK and have been created to allow a regional lens of the Work EDS data.

All of the super-regions mirror the overall UK picture, with significantly more working adults having Work EDS in 2021. East England, London and the South East were the only super-region ahead of the UK average in 2020. Whilst it remains ahead of the UK average (by five percentage points) the super-region comprising Scotland and Northern Ireland is also ahead (by three percentage points).

Encouragingly, the two super-regions furthest behind last year, the South West and Wales along with Scotland and Northern Ireland, report the greatest increases and have made even greater progress in terms of Work EDS than other parts of the UK.

In 2020, the gap between the lowest and highest regions in terms of Work EDS was 15 percentage points, however with the strong improvements seen across the board, this has halved (eight percentage points), helping to close the workplace digital skills gap across regions.

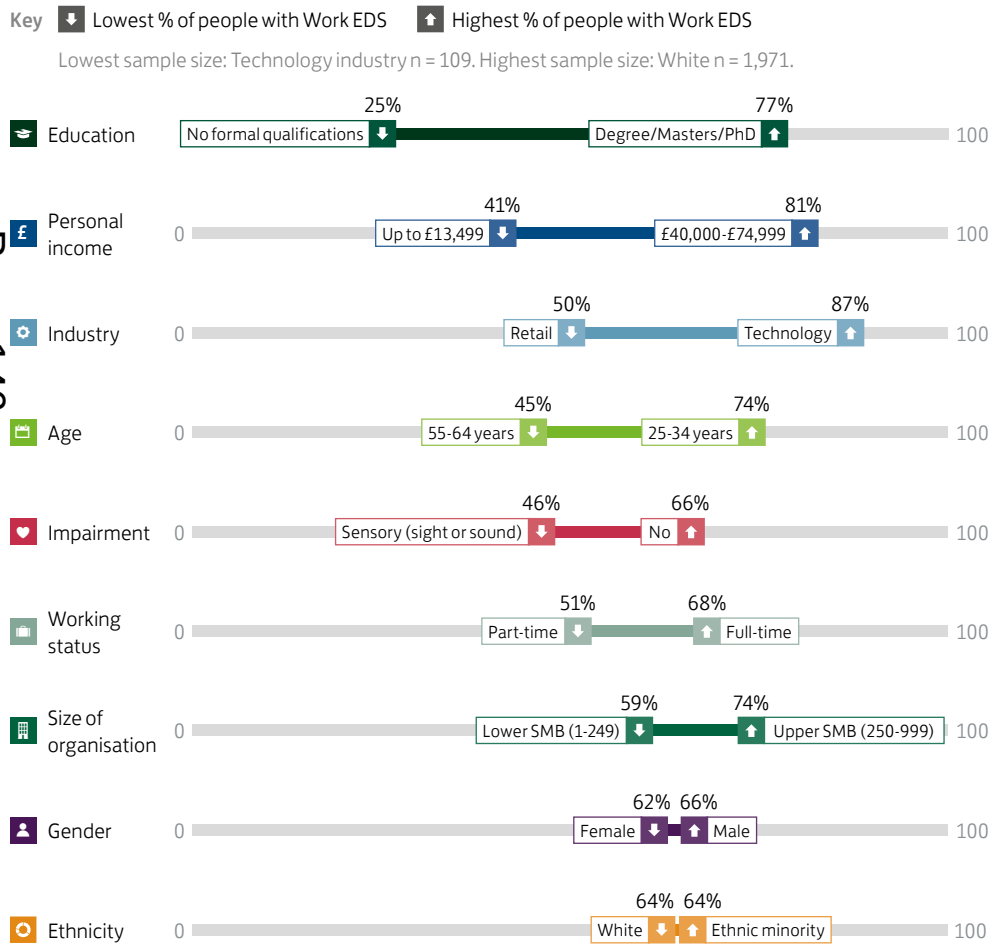
Figure 15. **Proportion of working adults 18+ that have Work EDS, split by super region, 2020 and 2021**



Lowest sample size: Scotland and Northern Ireland n = 294.
Highest sample size: East England, London and South East n = 792.
Due to Covid-19 restrictions, telephone interviewing used for 2021 whereas face-to-face used for 2020.

*At the individual region level, sample sizes become too small when looking just at the working population.

Figure 16. **Proportion of working adults 18+ across different demographics that have Work EDS, 2021**



An individual's education level is the biggest correlating factor – not age

Figure 16 shows different demographics and associated sub-groups within the working population, with the highest and lowest proportion of adults with Work EDS. This indicates someone's likelihood of having EDS for Work and the most polarised demographics.

Education, income and industry have the greatest correlation with an individual's ability to have Work EDS.

Although an uplift in Work EDS is seen across all demographic groups, the rate of percentage increase differs between sub-groups and for some demographics the skills gap is widening. The greatest uplift for Work EDS was seen for 18-24-year-olds (*Appendix 21*).

The workforce has a widening age skills gap

Compared to last year, there was an increase of 24 percentage points in those aged 25-34 with Work EDS. This increase is eight times higher than seen for 55-64s (increase of three percentage points). Consequently, the skills gap between the two age groups has widened (from eight to 29 percentage points) (*Appendix 22*).

A key age group for focus are workers aged 45+. Below this age, seven-in-ten (73%) have Work EDS, but this tails off and continues to decline with age. Many workplaces have a diverse workforce and this older age group should not be forgotten and present a tangible group to target for upskilling.

Work EDS has almost doubled amongst entry age workers

In 2020, Work EDS for those aged 18-24 (37%) was similar to those aged 65+ (35%) meaning many young people were starting their careers with limited digital skills for the workplace. However, in 2021, for the 18-24-year-olds, Work EDS has almost doubled to 70% who are now in close proximity to the most highly skilled age group (25-34). Necessity is potentially behind these big improvements for the youngest workers, as they start their working lives and are thrown into the very different working environments due to the pandemic.

Males are at an advantage with the greatest improvement in Work EDS

In 2021, 66% of working males have Work EDS, jumping from 47% in 2020 (*Appendix 23*). Females have also seen a 12-percentage point improvement, resulting in 62% of females having full EDS. The balance between the genders has shifted; females used to lead over males by three percentage points (50% versus 47% in 2020). Now they are four percentage points behind men. This could be due to factors such as childcare responsibilities falling unevenly upon females during the pandemic*, with females also more likely to have been furloughed**.

Exploring the data further, presence of children in the home further exacerbates the digital disadvantage to females in the workplace. However, at the Foundation Level and EDS for Life, this actually levels the playing field for men and women (*Appendix 23a*).

* ipsos.com/ipsos-mori/en-uk/half-mothers-say-they-have-taken-more-childcare-responsibilities-their-partners-during-lockdown

** wbg.org.uk/analysis/hmrc-data-prompts-concern-of-gender-furlough-gap/

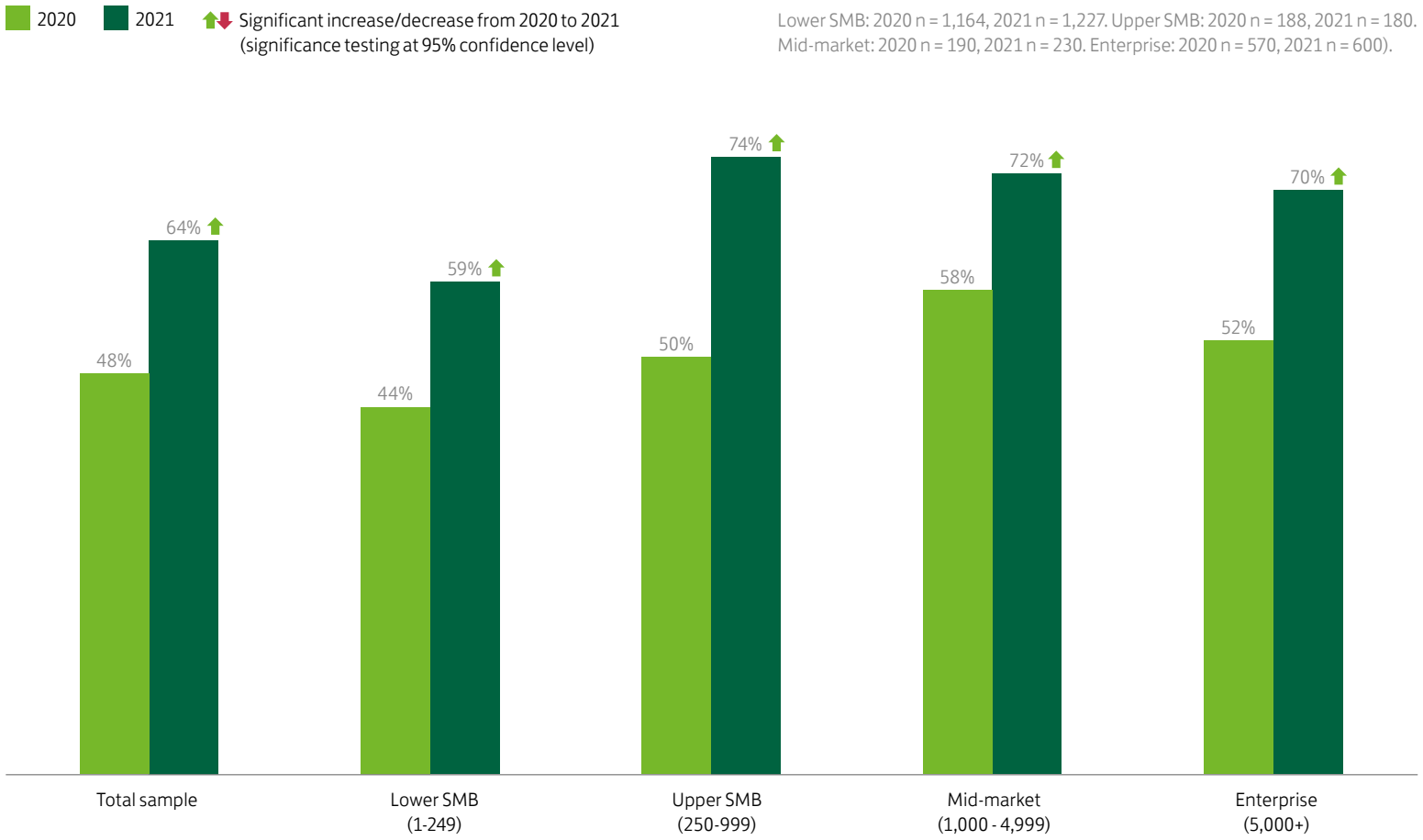
Due to Covid-19 restrictions, telephone interviewing used for 2021 whereas face-to-face used for 2019 and 2020.

Smaller organisations show significant improvement

People working at small or microbusinesses are least likely to have essential workplace digital skills. The tasks they're least likely to be able to do are managing digital records and financial accounts (e.g. expenses, budgets) through digital systems (56%), setting privacy settings on my social media and other accounts (57%), setting up and managing an account on a professional online network/community, (e.g. LinkedIn, Total Jobs, Indeed) (60%) and updating my computer security systems when necessary to prevent viruses and other risks (60%).

In contrast, organisations of 250-999 employees have seen the biggest shift. In 2020 50% of them had EDS for Work, this year it is 74%. The data indicates that the group with the least amount of annual change is organisations sized 1,000 to 4,999 – indicating that more focus on digital upskilling or support needs to be offered.

Figure 17. **Proportion of working adults aged 18+ and their level of Essential Digital Skills for Work, split by organisation size, 2020 and 2021**



Due to Covid-19 restrictions, telephone interviewing used for 2021 whereas face-to-face used for 2020.

Tech industries continue to lead for Work EDS

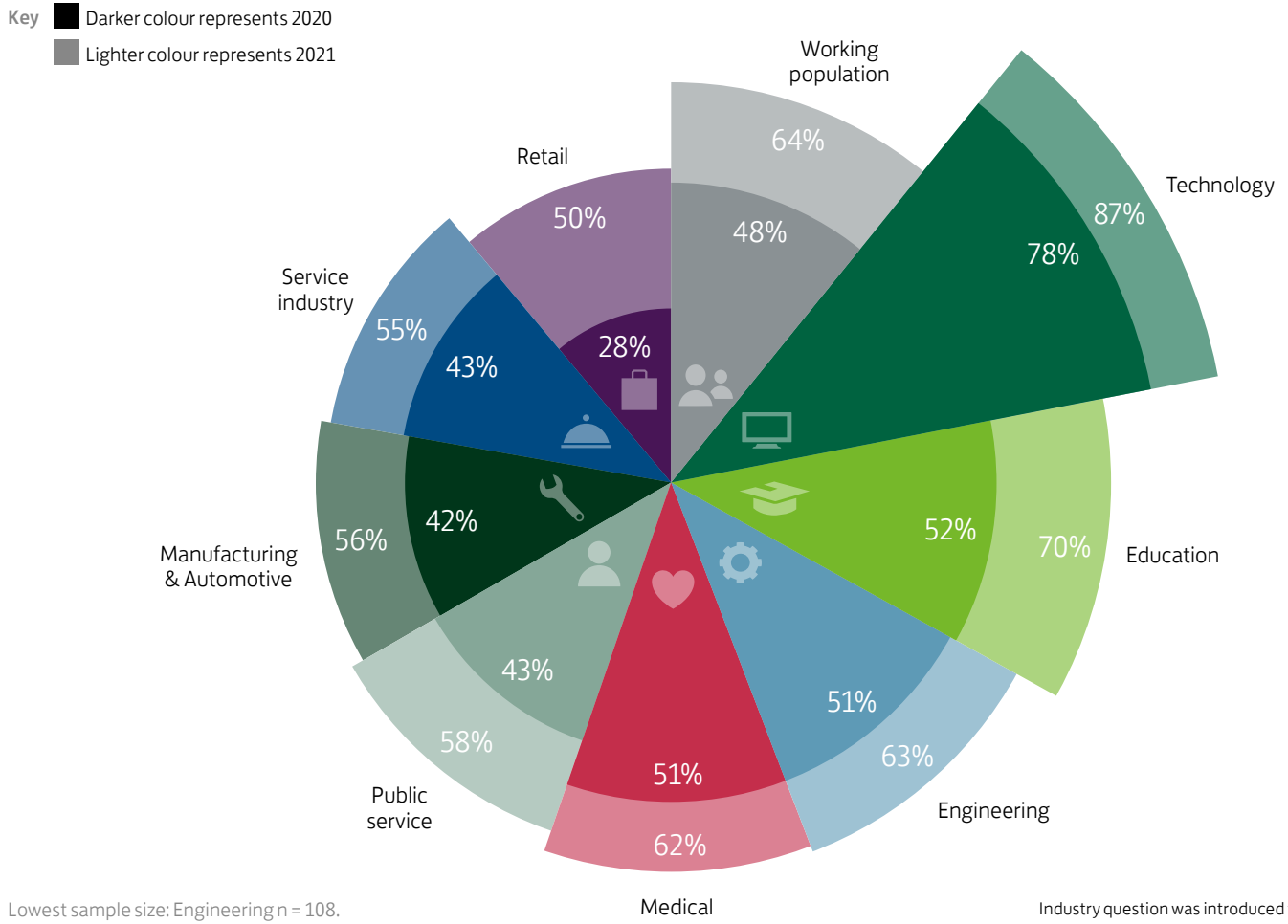
Figure 18 shows all industries have seen an uplift in Work EDS. Compared to the average of the UK working population (64%), those working in technology (87%) and education (70%) are ahead. While those who work in retail (50%), the service industry (55%), and manufacturing and automotive (56%) are the furthest behind.

Those working in retail or manufacturing and service industries are more likely to lag behind in those tasks that fall under the Communicating, Transacting and Problem Solving skills. Whereas those who work in the service industry are more likely to lag behind on Being Safe and Legal Online tasks.

However the tech industries have seen the least improvement year-on-year

Tech industries have seen a modest improvement in comparison, but remain ahead with the highest levels of Work EDS. This may be a result of the industry already having a high level of digital skills, or there was potentially less disruption to their way of working if they were already set up for remote working.

Figure 18. **Proportion of working adults 18+ that have Work EDS, split by industry, 2020 and 2021**



Lowest sample size: Engineering n = 108.
Highest sample size: Education n = 302.

Industry question was introduced to EDS questionnaire in 2020 so data is not available for 2019. Analysis by industry is done amongst the industries with a robust enough base size to be able to compare data for 2021 and 2020.

The retail industry has almost doubled its digital capability in the last year (up 22 percentage points) but continues to be last

Three million people are employed in retail in the UK as of 2019*, the country's biggest private sector employer. Many frontline retail staff have been furloughed due to the pandemic prompting closures of non-essential businesses. As a result of the pandemic there has also been an impetus for retailers to move online.

Those working in retail are no longer an outlier and are much closer to other industries than in 2020. The gap between the lowest performing sectors has narrowed to five percentage points (from fourteen percentage points) between retail and the service industry.

The age profile of those in retail is balanced from those aged 18-24 (20%) to those aged 55-64 (19%). This indicates that the improvements are not solely driven by younger people.

Other industries such as Service, Manufacturing and Automotive and Public Service are just above Retail but have not made as significant progress for Work EDS in the last year, so mustn't be forgotten when tailoring and targeting support. It is also of note that despite the pandemic, only 62% of the Medical industry have EDS for Work – tailored support for this area could benefit those who are in most need.

Retail show the greatest improvements for Work EDS – an increase of 22 percentage points

Marked improvements for those working in education, a sector highly disrupted by the pandemic

Figure 18 shows a strong improvement of 18 percentage points for those working in Education. The past year has necessitated that educators transition from a physical classroom to a virtual model almost overnight, a feat which may have required digital upskilling.

Those working in Public Service have also shown a strong improvement, but they remain behind the UK average. Those whose work spans across Education and Public Service are the most likely to claim that they have improved their digital ability in the last 12 months (*see Appendix 24* for definition and likelihood of each sector to claim their have improved their digital ability in the last 12 months).

The Communicating Work skill has improved the most pan-industry

Although working from home became more common for workers during the pandemic, it was not a practice adopted by all**. Despite this, communicating has been crucial and it is the only Work skill to significantly increase across all eight industries.

The Communicating skill consists of two tasks and the task of being able to use digital collaboration tools to meet with, share and collaborate with people (e.g. Skype/Google docs/Dropbox etc.) is the only task where ability has increased significantly across all industries. The task of being able to set up and manage an account on a professional online network/community, (e.g. LinkedIn, Total Jobs, Indeed) significantly increased for three industries: Retail, the Service industry and Manufacturing and Automotive. These are the industries with the lowest levels of Work EDS, but also acutely affected by job losses*** since the pandemic began in the UK. It's plausible that in this environment these workers have upskilled and are using professional online networks to seek work. Despite their marked improvements, these three industries are still behind other industries for both tasks (*see Appendices 25 and 26*).

* researchbriefings.files.parliament.uk/documents/SN06186/SN06186.pdf

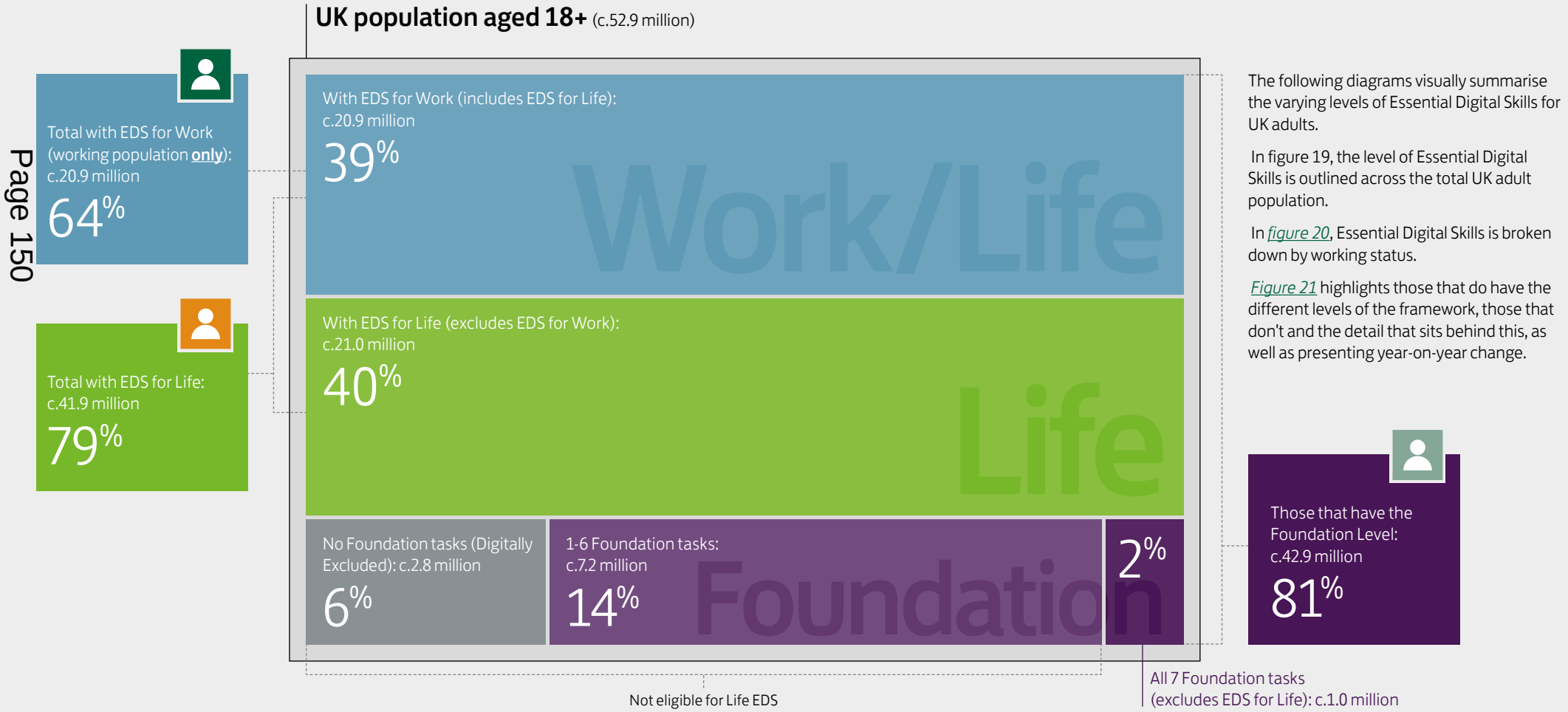
** theguardian.com/world/2021/may/17/home-working-doubled-during-uk-covid-pandemic-last-year-mostly-in-london

*** news.sky.com/story/coronavirus-crisis-where-jobs-have-been-lost-across-the-uk-12029604

Population diagrams

Figure 19. **Proportion of total UK adult population aged 18+ (c.52.9 million) split by Work and Life EDS or Foundation tasks they are able to do, 2021**

n = 4,129



The following diagrams visually summarise the varying levels of Essential Digital Skills for UK adults.

In figure 19, the level of Essential Digital Skills is outlined across the total UK adult population.

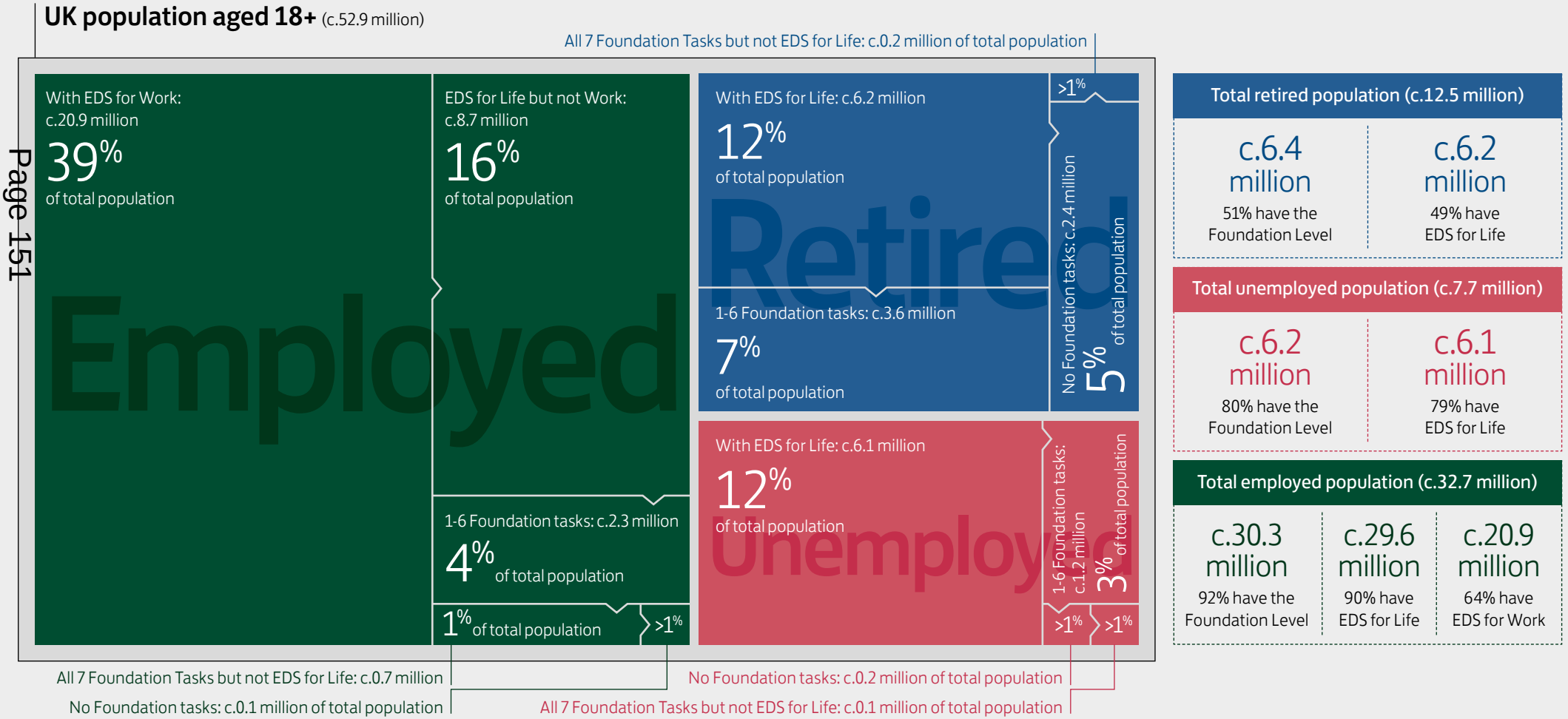
In *figure 20*, Essential Digital Skills is broken down by working status.

Figure 21 highlights those that do have the different levels of the framework, those that don't and the detail that sits behind this, as well as presenting year-on-year change.

All populations extrapolated from ONS mid-year 2020 estimates of 52.9 million people aged 18+ in the UK (100%).

Figure 20. **Proportion of total UK adult population aged 18+ (c.52.9 million) split by Work and Life EDS or Foundation tasks they are able to do, 2021**

n = 4,129



All populations extrapolated from ONS mid-year 2020 estimates of 52.9 million people aged 18+ in the UK (100%). Population numbers sum to 52.7 million rather than 52.9 million due to rounding.

Figure 21. **Proportion of adults 18+ who do or do not have the Foundation Level, Life EDS or Work EDS, 2021**

All populations extrapolated from ONS mid-year 2020 estimates of 52.9 million people aged 18+ in the UK (100%).
Due to Covid-19 restrictions, telephone interviewing used for 2021 whereas face-to-face used for 2019 and 2020.

*But have Foundation Level

4

Spotlights

This section focuses on different demographics and their digital skills. Spotlights on those 65+, having an impairment, ethnicity and working groups are explored in more detail.

Spotlight on those aged 65+

Key takeaways

- Almost half of all people 65+ now have EDS for Life and Work.
- Over one-third of those 65+ believe their digital skills have improved in the last year.
- Driven by progress within tasks in the 'Communicating' skill, over half have been more able to stay in touch with family and friends, during a time when social distancing and government restrictions allowed for little else.
- There are also now fewer aged 65+ who are completely digitally excluded.
- Tasks such as adjusting menu settings and connecting to Wi-Fi are the two hardest tasks for this group to achieve.
- It is apparent that those aged 75+ are driving this lower skill level.

Age is a key correlating factor for digital skills uptake. Compared to 2020, similar numbers of those 65+ have the Foundation Level and Essential Digital Skills for Life (49% and 47% respectively). Lower levels of digital skills amongst those 65+ are driven by the oldest age group (75+) with just over one-quarter having the Foundation Level (28%) and a similar proportion having Life EDS (26%).

c.1.0 million fewer aged 65+ are digitally excluded; 80% now online

Importantly, there are significantly fewer aged 65+ (c.1.0 million) who are digitally excluded (unable to do any of the Foundation tasks). Last year 29% were digitally excluded, this year it is 20%.

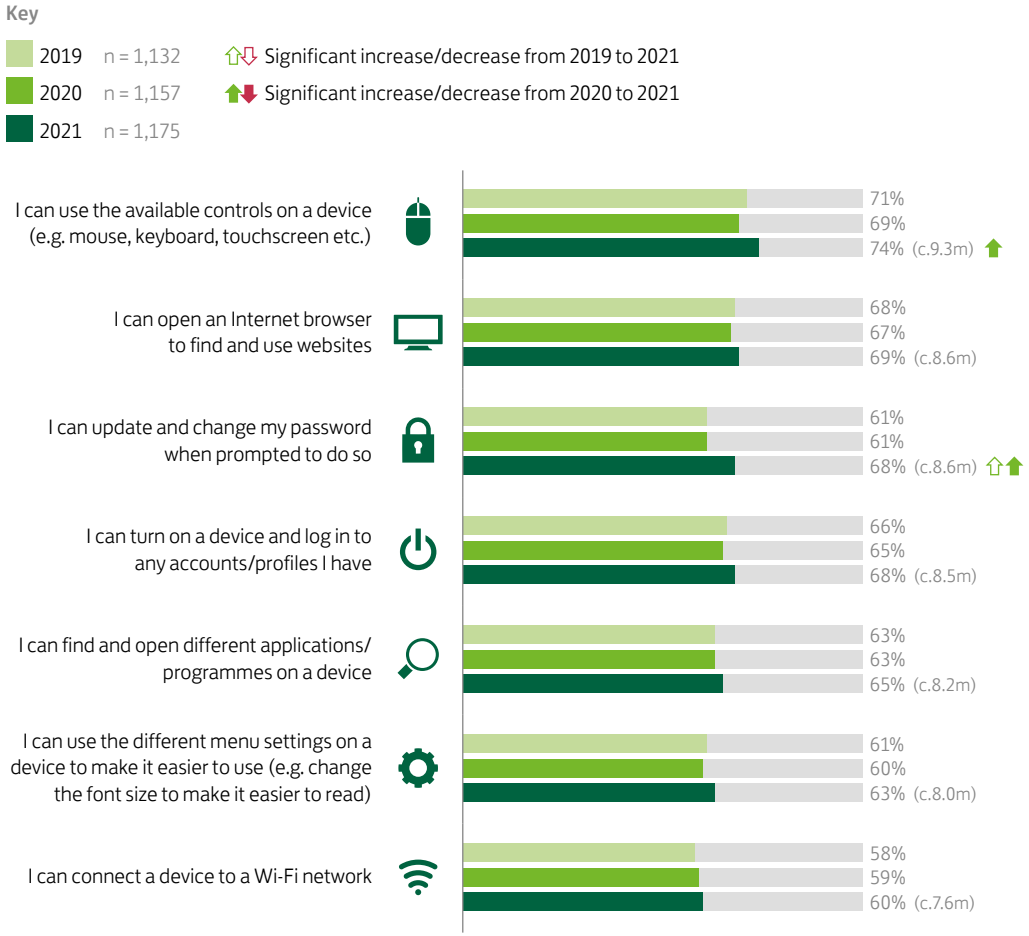
Although only half (49%, c.6.2 million) of those 65+ have the Foundation Level, c.1.5 million more people are able to undertake at least some of the fundamental digital tasks independently (*see Appendix 27*).

A greater number the 65+ age group can:

Use the available controls on a device (e.g. mouse, keyboard, touchscreen etc.): c.9.3 million	74% ↑ 69%
Update and change my password when prompted to do so: c.8.6 million	68% ↑ 61%

Barriers to achieving the Foundation Level are not purely down to lack of access to the Internet. Six in ten (60%) of those 65+ have a smartphone, and whilst this group are more likely to be able to do each of the Foundation tasks (a lead of at least 19 percentage points), there is still room for improvement. Connecting to Wi-Fi and adjusting menu settings are also the two hardest tasks for this group to achieve (figure 22).

Figure 22. **Proportion of adults 65+ that can do each of the seven Foundation Level tasks (prerequisite to EDS for Life and Work), 2019, 2020 and 2021**



Due to Covid-19 restrictions, telephone interviewing used for 2021 whereas face-to-face used for 2019 and 2020.

16% of those 65+ only lack the ability to do one or two tasks

For one-sixth of this age group, only one or two activities stand in the way of them having the full range of Foundation tasks. Having conducted analysis on the group of people who are lacking the ability to do one to two tasks, the activities they are least likely to be able to do are:

Connect a device to a Wi-Fi network
54% (c.1.0 million)

Use different menu settings to improve accessibility
67% (c.1.4 million)

58% of those 65+ have been more able to keep in touch with friends and family

Even amongst those 65+ and living alone, at least half (53%) claim they have been more able to keep in touch with friends and family. The greatest uplift in ability amongst those 65+ compared to before the pandemic in 2019 are seen for tasks that fall into the Communicating skill.

Those 65+ are almost twice as likely to have a visual impairment than those aged 18-64, so learning to adjust menu settings on a device could make their digital life easier

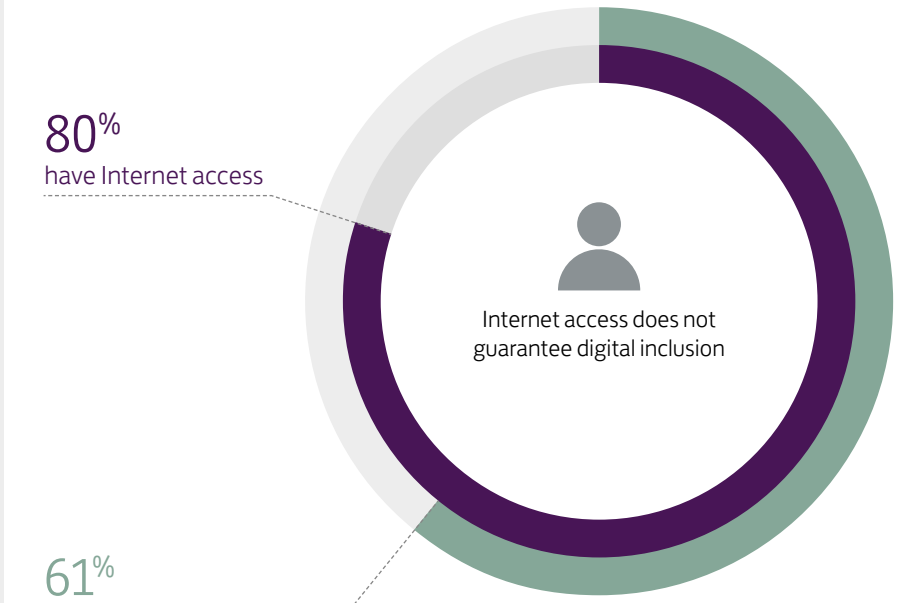
Compared to before the pandemic more aged 65+ can now communicate with others digitally using email or other messaging applications, or communicate with others using video tools (both up four percentage points from 2019)

Those 65+ who have a smartphone: n = 774

Can connect a device to a Wi-Fi network
82%

Can use different menu settings to improve accessibility
83%

Figure 23. **Proportion of those 65+ who have Internet access and the Foundation Level, 2021** n = 1,012



Spotlight on those with an impairment

Key takeaways

- Impairments are leading to a digital disadvantage at all levels, and that disadvantage is compounded for those who have multiple impairments.
- Whilst there has been progress, people with vision and hearing disabilities have the lowest level of digital skills.
- Whilst c.3.7 million more people with an impairment have improved their capability in the last year, one-third of people with an impairment do not have the Foundation Level.
- Of the c.11.0 million people who do not have EDS for Life, more than half are living with an impairment.
- The most challenging tasks are adjusting menu settings and connecting to Wi-Fi networks (23% and 22% respectively can't do).
- When it comes to Work EDS, 30% more people with an impairment have EDS for Work, however the challenge of staying safe and legal online persists.
- Those with an impairment under the age of 35 have improved Work EDS at five times the rate of those over the age of 35 with an impairment.

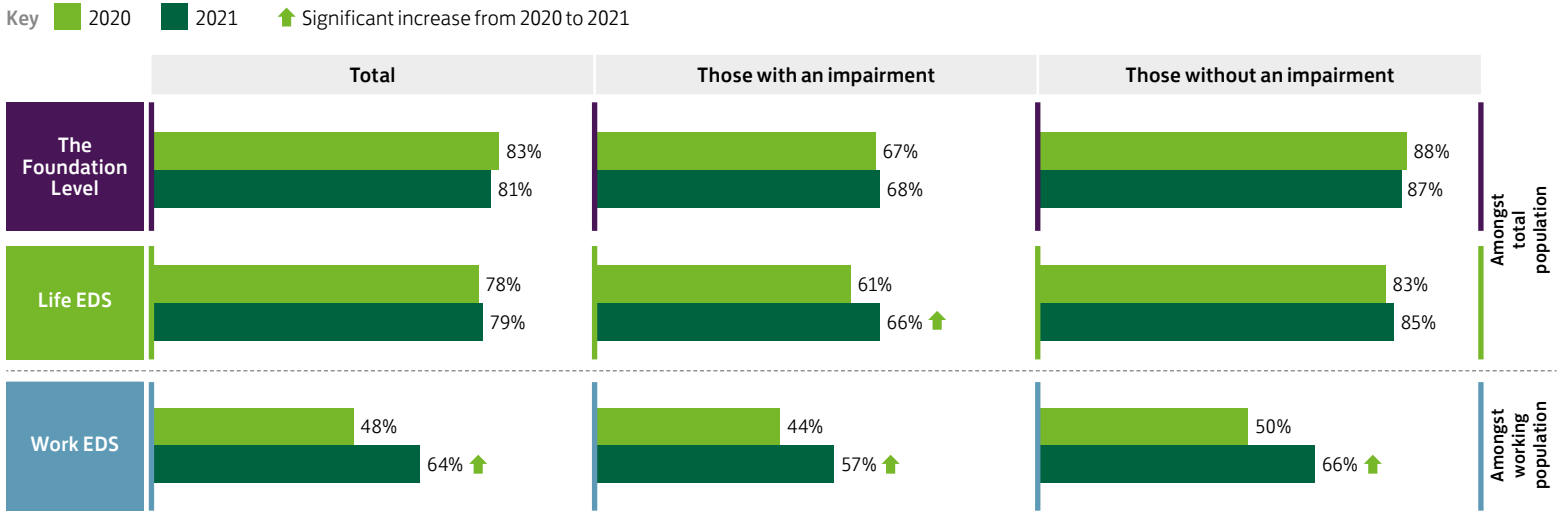
According to the survey, in the UK today, there are c.17.1 million adults who identify as having an impairment*. The data shows that people with an impairment are less likely to have digital skills at all levels than people without. Those with an impairment are 28% less likely to have the digital skills needed for everyday life. However compared to 2020, more people with an impairment now have Internet access (an increase of five percentage points, equivalent to c.5.1 million more).

Double the difference

Between 2020 and 2021, there is an increase of five percentage points for people with an impairment who have attained Essential Digital Skills for Life. This compares to two percentage points for those without an impairment (see figure 24).

People with an impairment are 28% less likely to have digital skills at the Foundation and Life levels

Figure 24. **Proportion of adults 18+ with and without an impairment, who have the Foundation Level, Life EDS or Work EDS, 2020 and 2021**



Total (2020 n = 4,189, 2021 n = 4,129. Working population: 2020 n = 2,112, 2021 n =2,237). Those with any impairment* (Total: 2020 n = 1,092, 2021 n = 1,368. Working population: 2020 n = 323, 2021 n = 485). Those with no impairment (Total: 2020 n = 2,958, 2021 n = 2,713. Working population: 2020 n = 1,725, 2021 n = 1,728).

* For details of the impairment question, please *see page 52*. Any impairment includes addiction, sensory, physical, learning or memory, mental health and social or behavioural.
Impairment question was introduced to EDS questionnaire in 2020 so data is not available for 2019

Due to Covid-19 restrictions, telephone interviewing used for 2021 whereas face-to-face used for 2020

Figure 25. **Proportion of adults 18+ in the UK with and without an impairment who can do the listed Foundation Level tasks, 2021**

	Without impairment	With impairment	Mental health	Learning or memory	Physical	Sensory
No Foundation (0 tasks)	3%	10%	4%	9%	13%	15%
Partial Foundation (1-6 tasks)	9%	22%	19%	25%	26%	26%
Foundation Level (7 tasks)	87%	68%	77%	67%	61%	58%
FOUNDATION TASKS						
I can use the available controls on a device (e.g. mouse, keyboard, touchscreen etc.)	96%	87%	93%	89%	83%	81%
I can open an Internet browser to find and use websites	94%	84%	90%	85%	79%	75%
I can turn on a device and log in to any accounts/profiles I have	94%	83%	90%	85%	80%	75%
I can update and change my password when prompted to do so	94%	81%	89%	81%	77%	74%
I can find and open different applications/programmes on a device	93%	80%	88%	82%	77%	72%
I can connect a device to a Wi-Fi network	92%	78%	85%	78%	72%	69%
I can use the different menu settings on a device to make it easier to use (e.g. change the font size to make it easier to read)	92%	78%	82%	76%	72%	69%

Have impairment: n = 1,368. Mental health: n = 451. Learning or memory: n = 541.
Physical: n = 856. Sensory: n = 494. Without impairment: n = 2,713.

One-third (32%) of people with an impairment lack Foundation Digital Skills

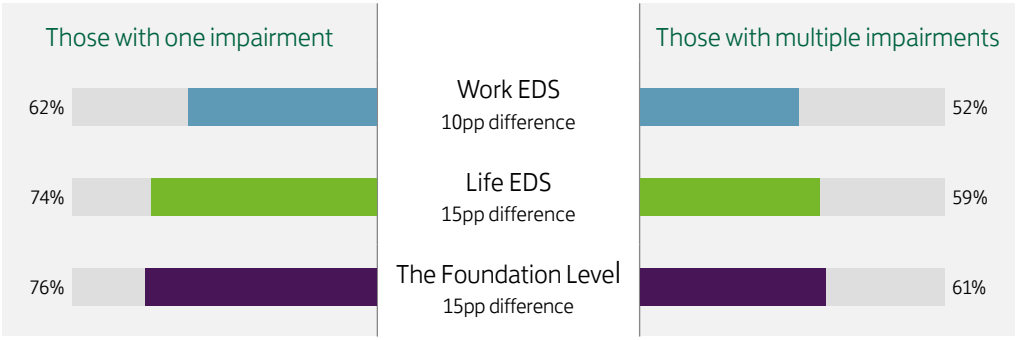
As seen in figure 25, adults with an impairment are less likely to be able to do each of the Foundation Level tasks than those without an impairment. In particular being able to connect to a Wi-Fi network and being able to use menu settings to make devices easier to use, are the skills they are most likely to lack. For more information on various types of sensory impairment and the Foundation tasks, *see Appendix 28*.

People with multiple impairments are the most digitally disadvantaged

More than half (56%) of adults with an impairment report having more than one condition that affects their day-to-day lives. This figure relates to 18% of adults aged 18+ in the UK. Those with just one impairment are more likely to have digital skills at all levels of the framework, than those with multiple conditions (see figure 26), although the skills gap is smaller for Work EDS. With a focus on the working environment, employees with multiple impairments are most likely to struggle with the transacting, problem solving and being safe and legal online skills, compared to those with just one impairment, with a lag of at least nine percentage points. In terms of life skills, those with multiple impairment are equally disadvantaged across all skill areas (*Appendix 29*).

Having multiple impairments therefore presents a focus area for further support to improve accessibility.

Figure 26. **Proportion of adults 18+ with one or multiple impairments who have the Foundation Level, Life EDS and Work EDS, 2021**



Those with one impairment: n = 592. Those with multiple impairments: n = 776.

Figure 27. **Proportion of the UK aged 18+ with an impairment who can do the listed Work tasks, 2021**

Key: Communicating; Handling information and content; Transacting; Problem solving; Being safe and legal online

	2020 n = 323	2021 n = 485
I can use digital collaboration tools to meet with, share and collaborate with people (e.g. Skype/Google docs/Dropbox etc.)	51%	68%
I can set up and manage an account on a professional online network/community, (e.g. LinkedIn, Total Jobs, Indeed)	48%	58%
I can access, synchronise and share information across different devices (e.g. manage a calendar or appointment system via phone or desktop)	55%	66%
I can access salary and expenses information digitally, including password protected payslips	52%	65%
I can manage digital records and financial accounts (e.g. expenses, budgets) through digital systems	46%	51%
I can use the Internet to find information that helps me solve problems	57%	73%
I can use appropriate software, including a spreadsheet, to manipulate and analyse data	52%	61%
I can use different digital tools to improve my own productivity i.e. saving time or working more efficiently	53%	58%
I make sure not to share or use other people's data or intellectual property without their consent	57%	73%
I can recognise and avoid suspicious links in email, websites, social media messages and pop ups and know that clicking on these links is a risk	57%	70%
I can keep the information I use to access my online accounts secure, by using different and secure passwords for websites and accounts	54%	70%
I am careful with what I share online as I know that online activity produces a permanent record that can be accessed by others	56%	70%
I can respond to requests for authentication (e.g. reactivate an account when I've forgotten my password)	56%	70%
I can identify secure websites by looking for the padlock and 'https' in the address bar	53%	70%
I can assess the risks and threats involved in carrying out activities online and act accordingly (e.g. use security software)	53%	67%
I can update my computer security systems when necessary to prevent viruses and other risks	48%	55%
I can set privacy settings on my social media and other accounts	48%	52%

c.2.3 million more disabled workers have EDS for Work

The number of people with an impairment with Work Essential Digital Skills has increased significantly by c.2.3 million in 2021 – 57% now have Work EDS compared to 44% in 2020 (*see figure 24*).

Under-35s have improved Work EDS at five times the rate of those aged 35+

One of the groups with the most noticeable digital progress is that of younger working-age people. There has been an increase of 27 percentage points in terms of working adults under 35 with an impairment who now have workplace skills. Amongst this group for those over 35, there has been an increase of just five percentage points.

The skills gap is not uniform – tasks concerning Being Safe and Legal Online are much weaker for those with an impairment

Delving into the five Work skills, people both with and without an impairment have kept pace on tasks in the Communicating and Problem Solving skills. However, those without an impairment show stronger improvements for the other Work skills (Transacting, Handling Information and Content and Being Safe and Legal Online).

For each of the 17 individual Work tasks, those with an impairment are on average nine percentage points behind. The skills gap is greatest for being able to use different digital tools to improve their own productivity i.e. saving time or working more efficiently – 58% of working adults with an impairment can do this lagging behind by 13 percentage points.

For working adults with an impairment, there are gaps of at least ten percentage points for the following tasks (compared to working adults without an impairment):

70% are able to recognise and avoid suspicious links in email, websites, social media messages and pop-ups and know that clicking on these links is a risk

61% can use appropriate software, including a spreadsheet, to manipulate and analyse data

52% can set privacy settings on their social media and other accounts

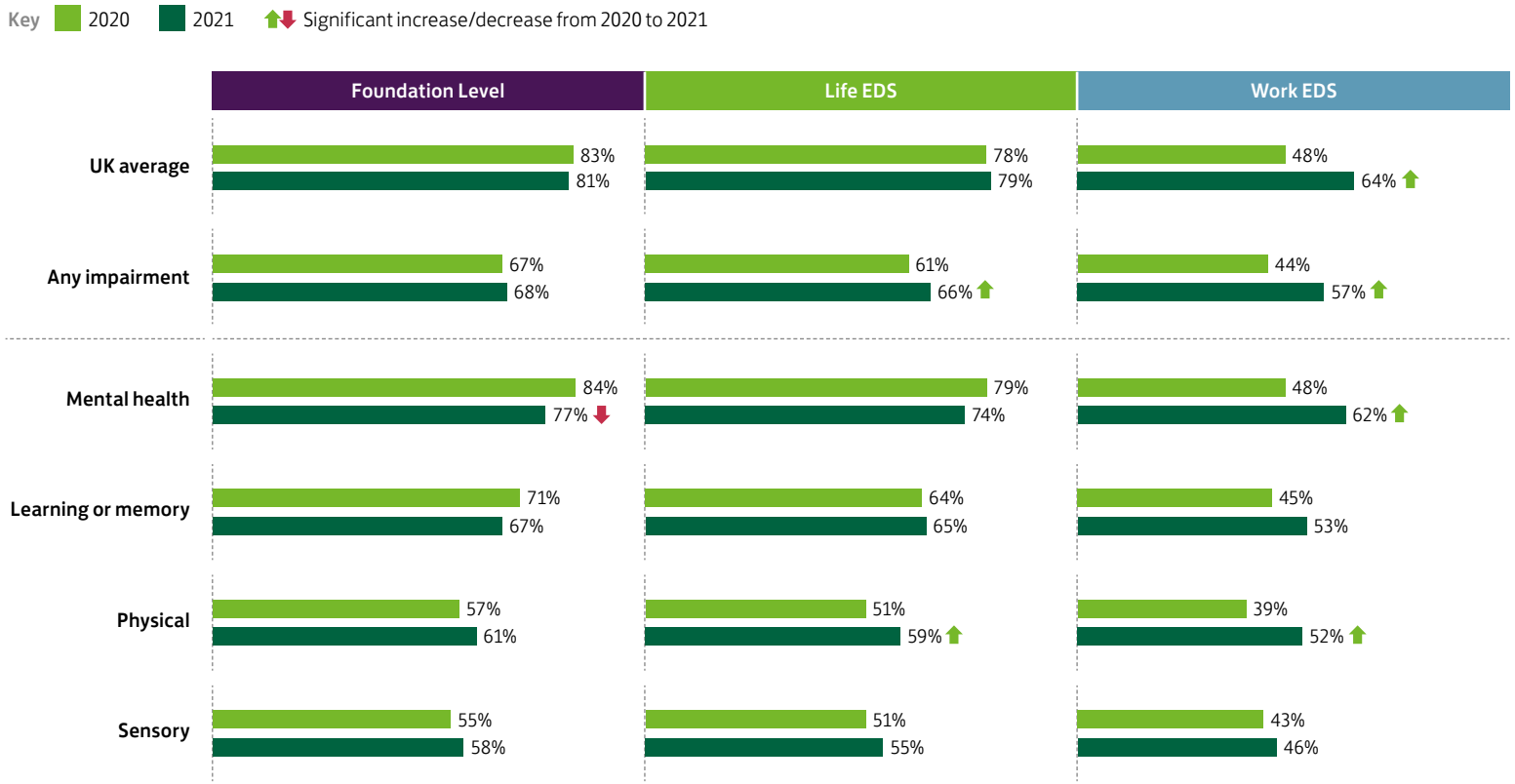
51% can manage digital records and financial accounts (e.g. expenses, budgets) through digital systems

This indicates the skills gap is not completely uniform and to narrow the impairment skills gap, focus should centre on these tasks (*see Appendix 30*).

The following section explores the digital capabilities of people with different forms of impairment. In line with the FCA Financial Lives Survey*, the data has been categorised to better understand the different needs of people living with mental health challenges, physical impairments, sensory and visual impairments.

Whilst Work EDS has improved for all impairment groups, those with a sensory impairment lag behind and require focused work-based support

Figure 28. **Proportion of those aged 18+ with different impairments who have Foundation Level, Life and Work EDS 2020 and 2021**



All adults: Those with any impairment 2021: 2020 n = 1,092, 2021 n = 1,368. Any sensory impairment: 2020 n = 330, 2021 n = 494. Any physical impairment: 2020 n = 600, 2021 n = 856. A learning or memory impairment: 2020 n = 265, 2021 n = 541. A mental health condition: 2020 n = 336, 2021 n = 451.

Working adults: Those with any impairment 2021: 2020 n = 323, 2021 n = 485. Any sensory impairment: 2020 n = 80**, 2021 n = 162. Any physical impairment: 2020 n = 115, 2021 n = 237. A learning or memory impairment: 2020 n = 76**, 2021 n = 190. A mental health condition: 2020 n = 144, 2021 n = 182.

* fca.org.uk/publications/research/financial-lives

**Caution: Low base size

Due to Covid-19 restrictions, telephone interviewing used for 2021 whereas face-to-face used for 2020

Pandemic working has seen millions of workers with mental health conditions improve their digital skills

The impact of the pandemic on mental health has been widely discussed. Research conducted by UK mental health charity Mind, indicates that more than two-thirds of adults with mental health problems have reported their mental health worsening during lockdown*. Mind suggest that as a direct consequence of the pandemic, many without previous experience of mental health problems may now develop them. The Centre for Mental Health predicts this could be up to as many as ten million people needing new or additional mental health support as a direct consequence of the crisis**.

In this data set, there are now four percentage points more people in the UK with a mental health condition (compared to 7% in 2020). In particular there has been an increase of seven percentage points in terms of 18-24 year olds living with this type of impairment. 75% of 18-24 year olds with a mental health condition also have one or more other impairments, typically associated with lower levels of digital skills.

Despite this, adults with a mental health condition are overall more likely to have digital skills at each stage of the framework (in comparison to those with other impairments). Across the last year, workers with mental health conditions have seen an increase of 14 percentage points in the essential digital skills needed for work, the largest improvement compared to other impairment types.

Those with a physical impairment have seen marked improvements

Amongst adults with a physical impairment*** the Foundation Level is trending upwards and has increased by four percentage points with strong improvements for Life EDS and Work EDS (up eight and thirteen percentage points respectively).

As noted on *page 40*, those with an impairment have significantly improved in terms of Life EDS and adults with physical impairments are behind this uplift, especially those with stamina, breathing or fatigue conditions (*Appendix 31*).

Those with a sensory impairment report the lowest level of digital skills

Figure 25 indicates that relative to other types of impairment, those adults with a sensory impairment† are the least likely to have the Foundation Level. However they have improved significantly across four of the fundamental tasks in 2021.

These adults split into Hearing and Vision impairments (note, a person can feature in both). Just over half of adults with a hearing impairment have the Foundation Level – the lowest sub-group. Those with a visual impairment are more likely to have the Foundation Level, this still lags 17 percentage points behind those without an impairment (*Appendix 32*).

Those with a sensory impairment are also the least likely to have both Life EDS and Work EDS.

* mind.org.uk/media-a/5929/the-mental-health-emergency_a4_final.pdf?

** centreformentalhealth.org.uk/sites/default/files/publication/download/CentreforMentalHealth_COVID_MH_Forecasting3_Oct20_0.pdf

*** A condition or illness affecting mobility, dexterity, stamina, breathing or fatigue that affects their ability to do day-to-day activities

† A condition or illness related to their hearing or vision that affects their ability to do day-to-day activities

Spotlight on ethnicity

Over the last few years, ethnic minority groups have shown continued improvements, and 2021 is no different. Adults in ethnic minority groups remain more likely to have the Foundation Level, Life and Work skills, as well as being able to complete more tasks within each of the skills compared to White ethnic groups.

Ethnic minorities show the greatest improvement for digital skills

Those from an ethnic minority group continue to lead on the fundamental digital skills. Although the proportion of all UK adults with the Foundation Level has dropped overall, this increased for those from an ethnic minority group. A higher proportion of ethnic minority groups have Essential Digital Skills in 2021, whilst the White ethnic population shows stability. This increased level of digital skills is mirrored in the workplace – 64% of ethnic minority employees have the digital skills needed for work today.

In each year to date, the proportion of adults from an ethnic minority group who have the Foundation Level has been ahead of those from the White ethnic group. This is even more evident in 2021 with the gap widening to 11 percentage points, driven by improvements amongst ethnic minorities (up six percentage points).

It is important to note that the make-up of the ethnic population within this sample skews more towards the younger age groups, and age as we have seen is highly correlated with digital skills*. However even when isolating the data to those aged 25+, the same patterns are seen.

56% more ethnic minority workers have the digital skills needed for the workplace, compared to 2020

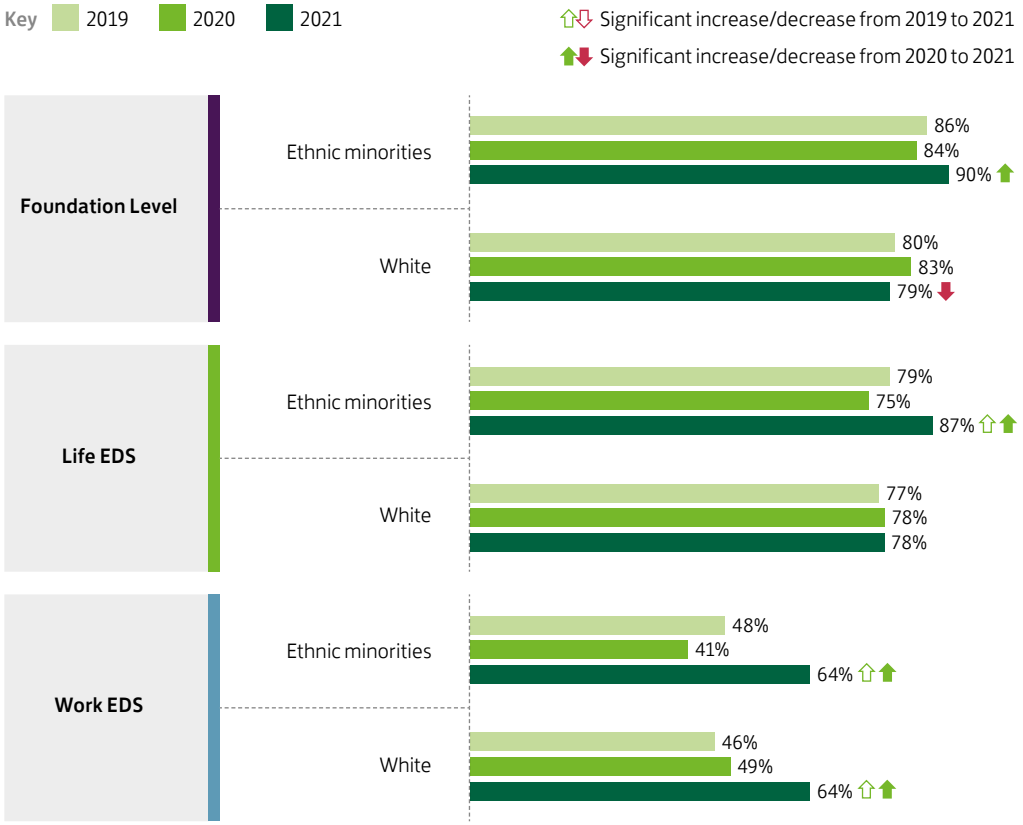
When it comes to workplace digital skills, in 2020 working adults from ethnic minority groups lagged behind the White ethnic group (41% and 49% respectively). However, in 2021 working adults across White and ethnic minority backgrounds are now on a par (both 64%).

In just one year, there has been a 50% increase in the proportion of ethnic minority workers who have Essential Digital Skills for Work (a higher increase than seen with the White ethnic group).

There are fewer ethnic minorities with no work skills compared to those from a White ethnic background

At the other end of the spectrum, there are also fewer workers from an ethnic minority background with zero workplace digital skills (*Appendix 33*).

Figure 29. **Proportion of adults 18+ from an ethnic minority or White ethnic group that have the Foundation Level, Life EDS and Work EDS, 2019, 2020 and 2021 (Work EDS expressed as proportion of working adults)**



Ethnic minorities: 2019 n = 471, 2020 n = 533, 2021 n = 388. White: 2019 n = 3,647, 2020 n = 3,646, 2021 n = 3,717. Working ethnic minorities: 2019 n = 255, 2020 n = 304, 2021 n = 251. Working White: 2019 n = 1,768, 2020 n = 1,804, 2021 n = 1,971.

* ethnicity-facts-figures.service.gov.uk/uk-population-by-ethnicity/demographics/age-groups/latest

Due to Covid-19 restrictions, telephone interviewing used for 2021 whereas face-to-face used for 2019 and 2020.

Spotlight on working groups

Throughout the pandemic, digital transformation in the workplace in the UK has accelerated. However, the impact of this distribution is asymmetric – not all working groups or industries have been affected equally.

In this chapter, digital skills will be explored amongst workers who work part-time compared to full-time.

Full-time workers are most likely to have digital skills

This year working adults continue to exhibit greater digital skills compared to those not working. Working adults have a lead of 29 percentage points over non-workers for the Foundation Level. Those who work are also more likely to have Life EDS than non-workers (90% and 61% respectively). Once in the workplace, those employed full time are the most likely to have Work EDS (68%) compared to part-time workers (51%) and the self-employed (61%). As shown on pages 12 and 21 , in terms of digital ability the retired are on the lowest end of the spectrum.

In previous years, those who are self-employed had the highest levels of Work digital skills than full- and part-time workers. However, in 2021 Work EDS is highest for those in full-time employment. Perhaps the impact of the pandemic has had a disproportionate effect on the self-employed, particularly for those without the support of a team – over a third of those who are self-employed work by themselves (35%).

Part-time workers are at a digital disadvantage, but demographic profile plays a role

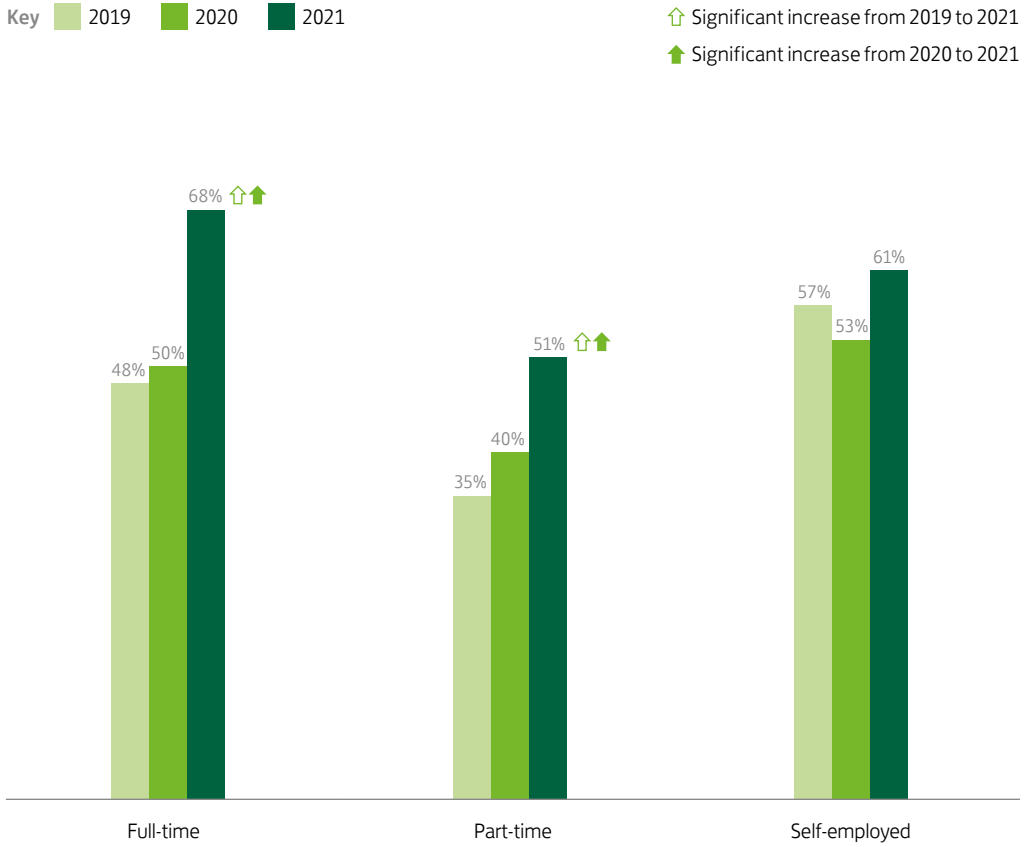
Part-time workers and the self-employed are similar in terms of attaining the Foundation Level and Life EDS (*Appendix 34*). In comparison to full-time workers, those working part-time are more likely to be female, older, have an impairment and have no formal qualifications – all attributes are correlated with lower digital ability amongst the total sample. Part-time workers are also more likely to work in the retail and service industries. Perhaps these roles are weighted towards the frontline and may provide less exposure to technology or opportunities to acquire digital skills for Work.

There are c.6.1 million fewer in the UK workforce with zero Work skills

The proportion of people with no Work skills, but the basic Foundation Level, has seen a sharp drop of 19 percentage points (c.6.1 million), (*page 24*) demonstrating there are now many more people equipped with some of the skills needed in the workplace. This still leaves c.2.3 million workers with no work skills despite having the fundamental skills.

Figure 30 shows Work EDS has increased across all working groups. However, the level of improvement is seven percentage points higher amongst full-time workers compared to part-time workers, meaning that part-time workers are at an even greater digital disadvantage in 2021. Equal opportunities for training across both industry and working status are vital.

Figure 30. **Proportion of working adults 18+ that have Work EDS, split by working status, 2019, 2020 and 2021**



Full-time: 2019 n = 1,305, 2020 n = 1,380, 2021 n = 1,499. Part-time: 2019 n = 485, 2020 n = 462, 2021 n = 392. Self-employed: 2019 n = 239, 2020 n = 270, 2021 n = 346.

Due to Covid-19 restrictions, telephone interviewing used for 2021 whereas face-to-face used for 2019 and 2020.

Calls to action

Make the most of this moment in time

With civil society healing, UK Government considering post-pandemic recovery and organisations refreshing workforce strategies, it is imperative that we take the opportunity to embed digitisation and capability building as a golden thread.

Organisations often reflect on digital skills as separate to leadership skills, communication skills and technical training. In fact, using digital tools and services is intrinsic to everyone's life and work in the UK today. Broader sustainability goals around regional regeneration, environmental sustainability and supporting poverty, can only be achieved if people in the UK have the confidence and capability to harness digital. Given the volumes of UK citizens lacking essential digital skills for life and work, there is still a necessity for dedicated focus. A sign of true progress will be when digital skills and inclusion are truly, systemically embedded.

10 million reasons to act now

The data shows that an estimated 10 million adults in the UK today are at risk of digital exclusion and therefore exclusion from wider society as we know it. If they do try and go online, their lack of skills could put them at risk of online harms.

These people are vulnerable today. It is an absolute priority that these vulnerable groups are identified, engaged with and ultimately given the capability and confidence to safely interact and thrive in an online world.

Build it and they will (not) come

Across industry and digital skills providers, there are numerous resources and opportunities for people to upskill. However, our Consumer Digital Index survey data reinforces that despite the limitations of lockdown, it was still only for core reasons and clear outcomes that people were upskilling digitally. For example, 28% of the UK population were motivated through needing to work from home and 18% upskilled to keep in touch with friends and family.

As such support should anchor onto outcomes, end goals and 'hook' UK citizens with what they will be able to do instead of promoting digital skills as an end result. We all need to spend more time on the 'route to market' and working together to incentivise and implement real change.

Thank you to our Partners

Lloyds Bank Essential Digital Skills Report 2021

Join the conversation:

- The report and other content can be found online: **lloydsbank.com/consumerdigitalindex**
- Please refer to our website for appendices, national and regional data and helpful links and resources
- Please get in touch at: **DigitalSkillsInclusion@lloydsbanking.com**
- For more information on the Lloyds Bank Academy please visit: **lloydsbankacademy.co.uk**
- Join the conversation: **#EssentialDigitalSkills #ConsumerDigitalIndex @LloydsBankNews**

Please contact us if you would like this information in an alternative format such as Braille, large print or audio CD.

Great care has been taken to ensure that the information used here cannot be in any way traced to a specific individual. This report has used aggregated data across social and demographic groups to highlight the trends and insights that will help consumers, charities and UK Government to understand more about our nation's digital and financial inclusion landscape.

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Essential Digital Skills Report 2021 Appendix

Essential Digital Skills methodology

Sample

Ipsos MORI interviewed 4,129 participants aged 18+ years in the UK (Great Britain and Northern Ireland) via their telephone Omnibus. Data are weighted to represent the UK population in terms of age, social grade, region and working status within the gender variable and additional profiles on tenure and ethnicity using PAMCo data. Data are further weighted on device ownership using data derived from a robust national survey.

Fieldwork dates

12th March – 25th April 2021.

Fieldwork methodology

The Ipsos MORI telephone Omnibus (also known as CATIBUS), was used for the first time as the methodology for the Essential Digital Skills study. CATIBUS interviews a nationally representative sample of those aged 18+ in Great Britain. An additional sample of interviews in Northern Ireland was then conducted to ensure UK representivity (n=150). CATIBUS uses telephone interviewing to ensure no online bias, with responses entered directly into an electronic questionnaire by the interviewer conducting the interview.

The sample design incorporates a range of variables to ensure a robust, representative and consistent sample is achieved each week of fieldwork. CATIBUS uses a rigorous sampling method – robust samples of telephone leads are purchased from specialist business sample providers as well as Random Digit Dialling, and consumer sample lists of over ten million people in the UK which can be targeted locally and nationally. Approximately 60% of interviews are conducted on a mobile and 40% via landline.

Only a limited amount of corrective weighting is needed to adjust the results on the Omnibus survey so that they are in line with the national demographic profile.

Caveats to changing fieldwork methodology

In previous years, Ipsos MORI conducted the EDS survey through the face-to-face Omnibus (CAPIBUS) which was able to reach those aged 15+ in Great Britain and Northern Ireland. Due to the Covid-19 pandemic compromising the safety of respondents and interviewers and prompting local lockdowns throughout the UK, the survey was carried out by telephone, rather than face-to-face interviewing. This means some caution should be taken when making exact comparisons with previous years given mode effects may be in place. Having said that, the questions were asked in the same way.

As it was not possible to survey those aged 15-17 using a CATIBUS approach, any 2021 data collected through CATIBUS is not directly comparable to the EDS results reported in the 2019 or 2020 Consumer Index Report, as that data is based on a sample aged 15+. In order to make a direct comparison, the 2019 and 2020 data in this report have been recalculated based on a sample of adults 18+ with data re-weighted to represent the UK population 18+. Thus, all data in this 2021 Essential Digital Skills report is directly comparable to previous years but these data points may differ to those reported in the 2019 and 2020 Consumer Index Reports given the data have been re-calculated.

Both the CAPIBUS and CATIBUS approaches use quotas to ensure a broad spread of people are interviewed across the country. Typically, the sample agreeing to take part in a face-to-face interview comprises more people who don't have Internet access than those interviewed on the telephone. In a range of research studies conducted prior to the Covid-19 pandemic, the difference has been around 3 to 4 percentage points. Ipsos MORI sourced an industry-leading UK representative national survey that had a metric covering ownership of Internet-enabled devices in the household (i.e. smartphones, laptops/PCs and tablets). The survey had a sample of c.4,000 respondents aged 18+ and utilised face-to-face interviewing during the short window that this methodology was possible in Q3 2020 (post the initial UK Covid-19 lockdown in H1 2020) as well as interviews in January 2020 (pre Covid-19 pandemic in the UK). This data was used to create an extra weighting scheme that balanced the EDS 2021 telephone sample to the level of Internet-enabled device ownership that was reported in the study's face-to-face sample in Q3 2020. This helped to avoid any possible online bias as a result of the methodology change.

Essential Digital Skills calculation

The Essential Digital Skills report is based on data collected to help understand if people would be able to do a range of tasks in either a work setting or in their personal lives. These are grouped into six questions: Foundation, Communicating, Handling Information and Content, Transacting, Problem Solving and Being Safe and Legal Online.

To achieve the Foundation Level, you must be able to complete all of the seven 'tasks' included in this question.

To achieve any of the skills in a 'Life' context you only need to be able to complete one task from that skill question in your personal life, but you also must have the Foundation Level. If you have all five Life Skills (as well as Foundation), you are classed as having 'Life EDS'. Across all five Skills there are a total of 29 Life tasks.

If you are employed, for each of the Life Skills you have achieved, you are then able to achieve the equivalent work skill question, by being able to complete one task from that skill question in your working environment. As with Life EDS, if you can complete all five Work Skills then you have achieved Work EDS. Across all five Skills there are a total of 17 Work tasks.

In 2021, all questions and tasks concerning Essential Digital Skills remain unchanged.

UK representivity and population estimates

This report includes the numbers of adults 18+ that have been inferred to be in a particular group by extrapolating from our research data (for example, the number of those 18+ in the UK with all seven Foundation tasks is 81% which has been extrapolated to represent an estimated 42.9 million people). Total population figures are taken from the most recently published estimates provided by the Office for National Statistics (2020 mid-year stats for the UK). For the Essential Digital Skills data, percentages are applied to a population base aged 18+ (52,890,000). Total working population figures are taken from the most recently published estimates provided by the Office for National Statistics (2020 mid-year stats for the UK), weighted to the Labour Force Survey stats (Labour Force Study Aug-Oct 2020). For the Essential Digital Skills data, percentages are applied to a working population base aged 18+ (32,693,000). Sources can be found below:
ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/bulletins/annualmidyearpopulationestimates/mid2020

ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/timeseries/mgrz/lms

The technical appendices can be found here:
lloydsbank.com/assets/media/pdfs/banking_with_us/whats-happening/210922-lloyds-ipsos-mori-essential-digital-skills-technical-note.pdf

Whilst every care has been taken to ensure the robustness of our data, our data accuracy is limited by its sample size, and therefore there is a margin of error that exists around any figures reported. All significance testing is calculated at the 95% confidence level, with the 95% confidence interval to be used for all population extrapolations. This means that the population size of any group lies in a range which has been calculated and included in this set of appendices. For example, it is reported on *page 10* that 81% of UK adults (estimated 42.9 million people) have all seven Foundation tasks; however, the true population value will be ±1.2 with a 95% confidence interval. Thus, there is 95% confidence that the correct figure is between 42.0 million and 43.3 million.

Impairment classification

The following question was put to the respondents in the survey to establish impairment status:

'Do any of these condition(s) or illness(es) affect your ability to carry out day-to-day activities? Select all that apply'

1. Addiction, e.g. drugs, alcohol, gambling
2. Vision, e.g. blindness or partial sight
3. Hearing, e.g. deafness or partial hearing
4. Mobility, e.g. walking short distances or climbing stairs
5. Dexterity, e.g. lifting and carrying objects, or using a keyboard
6. Learning, understanding or concentrating
7. Memory, e.g. forgetting conversations or appointments
8. Mental health e.g. depression, anxiety, obsessive compulsive disorder (OCD)
9. Stamina, breathing or fatigue
10. Socially or behaviourally (associated with a mental health condition, or with a developmental disorder like autism or ADHD (attention deficit hyperactivity disorder))
11. None of these conditions severely affect my ability to carry out day-to-day activities

99. Don't know
97. Prefer not to say

In the report, nets were created such that "Has any impairment" is a combination of any impairments (codes 1-10); "Sensory (sight or sound)" is a combination of vision and hearing (codes 2 or 3), "Physical" is a combination of mobility, dexterity and stamina, breathing or fatigue (codes 4, 5 or 9) and "Learning or memory" is a combination of learning and memory (codes 6 or 7).

Ethnicity classification

The following question was asked to the respondents in the survey to establish a respondent's ethnicity group:

Which group do you consider yourself to belong to?

1. White – English / Welsh / Scottish / Northern Irish / British
2. White – Irish
3. White – Gypsy or Irish Traveller
4. White – Any other White background
5. Mixed – White and Black Caribbean
6. Mixed – White and Black African
7. Mixed – White and Asian
8. Mixed – Any other Mixed / multiple ethnic background
9. Asian/Asian British – Indian
10. Asian/Asian British – Pakistani
11. Asian/Asian British – Bangladeshi
12. Asian/Asian British – Chinese
13. Asian/Asian British – Any other Asian background
14. Black/Black British – African
15. Black/Black British – Caribbean
16. Black/Black British – Any other Black / African / Caribbean background
17. Arab
18. Any other ethnic group

Don't know

Refused

In the report, nets were created such that "White" is a combination of White ethnic groups (codes 1-4) and "Ethnic minorities" refers to Black, Asian and minority Ethnic groups (codes 5-18). Note that the ethnic minorities group does not include White minorities such as Irish Travellers.

Employment classification

The following question was put to the working respondents in the survey to understand their workplace:

Which of the following best describes the industry your company operates in?

1. Telecommunications
2. Technology
3. CPG / FMCG
4. Retail
5. Financial services
6. Not-for-profit
7. Manufacturing & Automotive
8. Travel
9. Media & Advertising
10. Government
11. Education
12. Medical
13. Public service
14. Engineering
15. Service industry
16. Something else (specify) [FIXED]

Internet access

The following question was asked to the respondents in the survey to understand how they access the Internet:

Which of these best describes your use of the Internet? Please include all use of the Internet, including sending and receiving emails

1. Several times a day
2. Around once a day
3. 4 or 5 times a week
4. 2 or 3 times a week
5. Around once a week
6. 2 or 3 times a month
7. Around once a month
8. Less than around once a month
9. Never but you have access
10. Never but you do not have access

In the report, a net was created such that "Has Internet access" is a combination of codes 1-9.

Claimed improvement in digital ability

The following questions were asked to the respondents in the survey to understand how they perceive that they have improved their use of the Internet and other online activities:

Thinking about accessing information on the Internet or through computers/laptops or other devices (e.g. tablet, smartphone) ... In the last 12 months, do you think your ability has improved?

1. Yes
2. No
3. Don't know

And still thinking about the last 12 months, which of the following apply to you?

1. You have used the Internet to access online promotions and deals to save money
2. You are able to help others to do more online
3. You are better able to manage your money online
4. You have been able to keep in touch with family and friends more
5. You feel more secure in your job and future career prospects
6. You have thought more about growing and progressing your career through digital training
7. None of these

Essential Digital Skills survey unweighted sample sizes

Pages 12 & 21

2021 Sample Sizes

East Midlands **260**
East England **362**
London **507**
North East **156**
North West **418**
South East **524**
South West **344**
West Midlands **335**
Yorkshire and the Humber **315**
Scotland **467**
Northern Ireland **183**
Wales **258**
England **3,221**
UK **4,129**

2020 Sample Sizes

East Midlands **287**
East England **380**
London **601**
North East **197**
North West **431**
South East **554**
South West **288**
West Midlands **327**
Yorkshire and the Humber **393**
Scotland **371**
Northern Ireland **147**
Wales **213**
England **3,458**
UK **4,189**

Page 13

75+ **464**
18-24 **368**
No formal qualifications **672**
University degree **1,519**
Retired **1,241**
Working full-time **1,499**
Sensory impairment **494**
No impairment **2,713**
No children in household **3,083**
Children in household **1,046**
Personal income <£13,499 **671**
Personal income £75,000+ **185**
Female **2,162**
Male **1,948**
White **3,717**
Ethnic minority **388**

Page 22

75+ **464**
18-24 **368**
No formal qualifications **672**
University degree **1,519**
Retired **1,241**
Working full-time **1,499**
Sensory impairment **494**
No impairment **2,713**
No children in household **3,083**
Children in household **1,046**
Personal income <£13,499 **671**
Personal income £75,000+ **185**
Female **2,162**
Male **1,948**
White **3,717**
Ethnic minority **388**
1 person in household **1,044**
3-5 people in household **1,500**

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2021 Sample Sizes

North East, North West and Yorkshire and the Humber **490**
East Midlands and West Midlands **357**
East England, London and South East **792**
South West and Wales **304**
Scotland and Northern Ireland **294**

2020 Sample Sizes

North East, North West and Yorkshire and the Humber **493**
East Midlands and West Midlands **276**
East England, London and South East **894**
South West and Wales **212**
Scotland and Northern Ireland **237**

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65+ **127**
25-34 **442**
No formal qualifications **144**
University degree **1,108**
Working part-time **392**
Working full-time **1,499**
Sensory impairment **162**
No impairment **1,728**
Personal income <£13,499 **189**
Personal income £40,000 - £74,999 **464**
Female **1099**
Male **1,128**
White **1,971**
Ethnic minority **251**
Retail **153**
Technology **109**
Lower SMB (1-249) **1,227**
Upper SMB (250-999) **180**

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2020 Sample Sizes

Technology **104**
Education **228**
Engineering **151**
Medical **208**
Public service **200**
Manufacturing & Automotive **118**
Service industry **301**
Retail **232**

2021 Sample Sizes

Technology **109**
Education **302**
Engineering **108**
Medical **206**
Public service **200**
Manufacturing & Automotive **127**
Service industry **218**
Retail **153**

The Foundation Level

Appendix A. **Profile of adults 18+ who are digitally excluded (Zero Foundation tasks), 2020 and 2021** *(click to return to page 10)*

Those with no Foundation tasks: 2020 n = 414, 2021 n = 203.

	2020	2021
Male	41%	32%
Female	59%	67%
18-54	10%	5%
55-64	16%	7%
65+	75%	87%
Not working	85%	95%
Working	15%	5%

Appendix 1. **Proportion of adults 18+ that have the Foundation Level (can do all 7 tasks), split by nation and region, 2019, 2020 and 2021** *(click to return to page 12)*

(pp) Percentage point (pp) difference (coloured numbers represent a significant change)

Lowest sample size: Northern Ireland n = 147. Highest sample size: England n = 3,458.

	2019	2020	2021	pp change 2021 vs. 2019	pp change 2021 vs. 2020
UK	81%	83%	81%	0pp	-2pp
England	81%	84%	81%	0pp	-3pp
Scotland	83%	76%	81%	-2pp	+5pp
Wales	74%	74%	73%	-1pp	-1pp
Northern Ireland	82%	84%	79%	-3pp	-5pp
East Midlands	80%	74%	82%	+2pp	+8pp
East England	78%	87%	81%	+3pp	-6pp
London	82%	89%	84%	+2pp	-5pp
North East	80%	84%	82%	+2pp	-2pp
North West	79%	83%	81%	+2pp	-2pp
South East	83%	83%	83%	0pp	0pp
South West	82%	84%	78%	-4pp	-6pp
West Midlands	79%	86%	81%	+2pp	-5pp
Yorkshire and the Humber	83%	84%	77%	-6pp	-7pp

Due to Covid-19 restrictions, telephone interviewing used for 2021 whereas face-to-face used for 2019 and 2020.

Appendix 2. **Proportion of adults 18+ that have No Foundation (can do 0 tasks), split by nation and region, 2020 and 2021** *(click to return to page 12)*

(pp) Percentage point (pp) difference (coloured numbers represent a significant change)

Lowest sample size: Northern Ireland n = 147. Highest sample size: England n = 3,458.

	2020	2021	pp change 2021 vs. 2020
UK	9%	6%	-3pp
England	9%	5%	-4pp
Scotland	14%	6%	-8pp
Wales	9%	9%	0pp
Northern Ireland	7%	11%	+4pp
East Midlands	15%	2%	-13pp
East England	8%	5%	-3pp
London	5%	5%	0pp
North East	11%	6%	-5pp
North West	9%	5%	-4pp
South East	11%	6%	-5pp
South West	9%	5%	-4pp
West Midlands	6%	5%	-1pp
Yorkshire and the Humber	9%	7%	-2pp

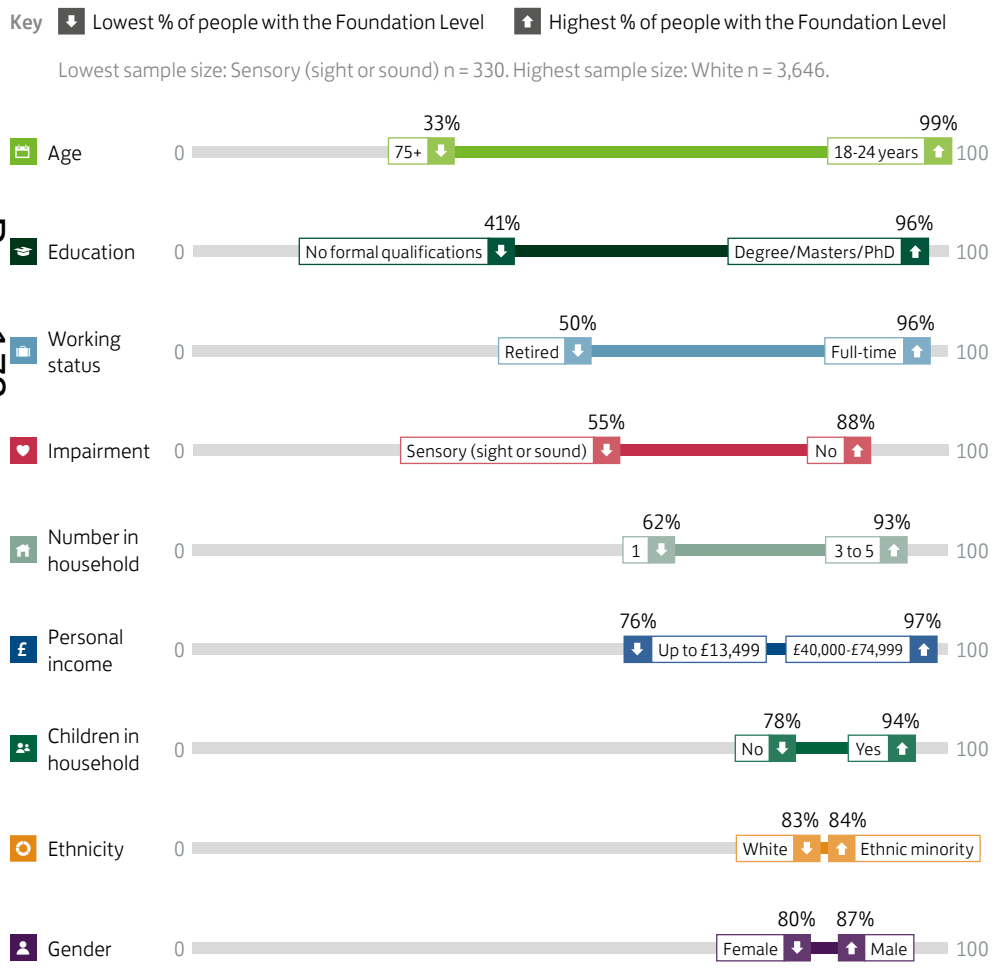
Appendix 3. **Proportion of adults 18+ that have Partial Foundation Level (can do 1-6 tasks), split by nation and region, 2020 and 2021** *(click to return to page 12)*

(pp) Percentage point (pp) difference (coloured numbers represent a significant change)

Lowest sample size: Northern Ireland n = 147. Highest sample size: England n = 3,458.

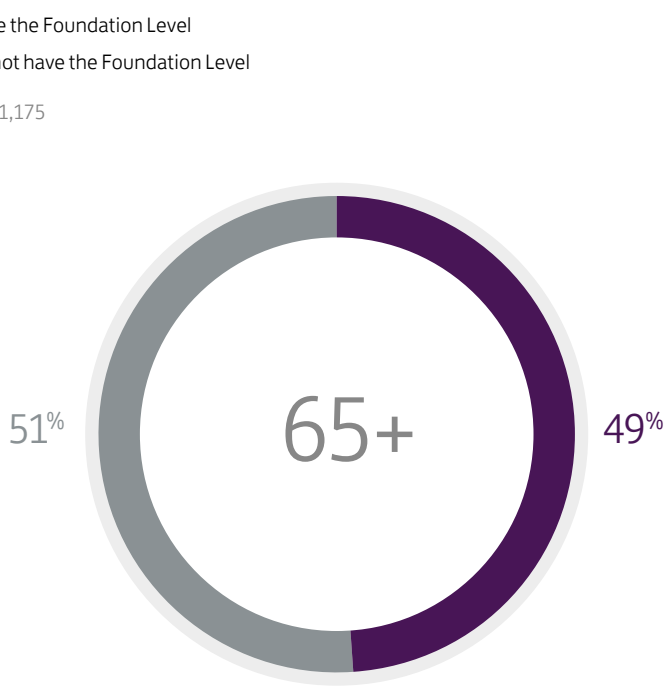
	2020	2021	pp change 2021 vs. 2020
UK	8%	14%	+6pp
England	7%	14%	+7pp
Scotland	10%	13%	+3pp
Wales	17%	17%	0pp
Northern Ireland	9%	9%	0pp
East Midlands	11%	16%	+5pp
East England	5%	14%	+9pp
London	7%	11%	+4pp
North East	5%	12%	+7pp
North West	7%	14%	+7pp
South East	6%	11%	+5pp
South West	8%	17%	+9pp
West Midlands	8%	15%	+7pp
Yorkshire and the Humber	7%	16%	+9pp

Appendix 4. **Proportion of adults 18+ across different demographics that have the Foundation Level, 2020**
(click to return to page 13)



Due to Covid-19 restrictions, telephone interviewing used for 2021 whereas face-to-face used for 2020

Appendix 5. **Proportion of adults 65+ that have the Foundation Level, 2021**
(click to return to page 13)

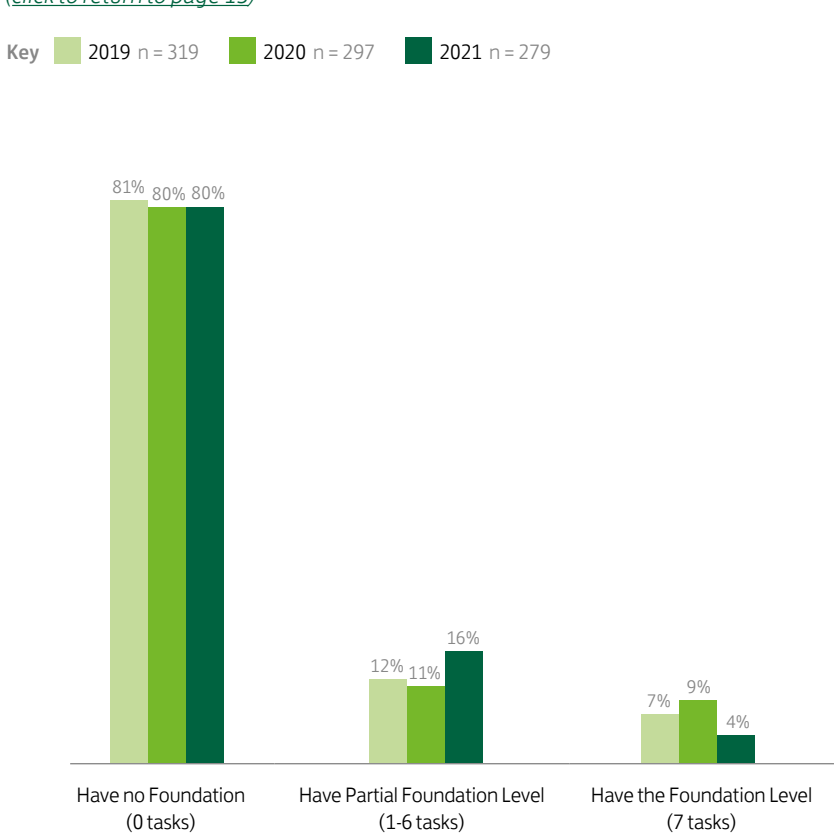


Appendix 6. **Proportion of adults 18+ that have the Foundation Level, split by age groups that do or do not have a university degree, 2021** *(click to return to page 13)*

Have degree/masters/PhD: 18-34 n = 410, 35-54 n = 672, 55-64 n = 218, 65+ n = 217.
Do not have degree/masters/PhD: 18-34 n = 432, 35-54 n = 534, 55-64 n = 461, 65+ n = 825.

	Have the Foundation Level
Aged 18-34 and have degree/masters/PhD	**97%**
Aged 18-34 and do not have degree/masters/PhD	**93%**
Aged 35-54 and have degree/masters/PhD	**97%**
Aged 35-54 and do not have degree/masters/PhD	**88%**
Aged 55-64 and have degree/masters/PhD	**89%**
Aged 55-64 and do not have degree/masters/PhD	**73%**
Aged 65+ and have degree/masters/PhD	**75%**
Aged 65+ and do not have degree/masters/PhD	**42%**

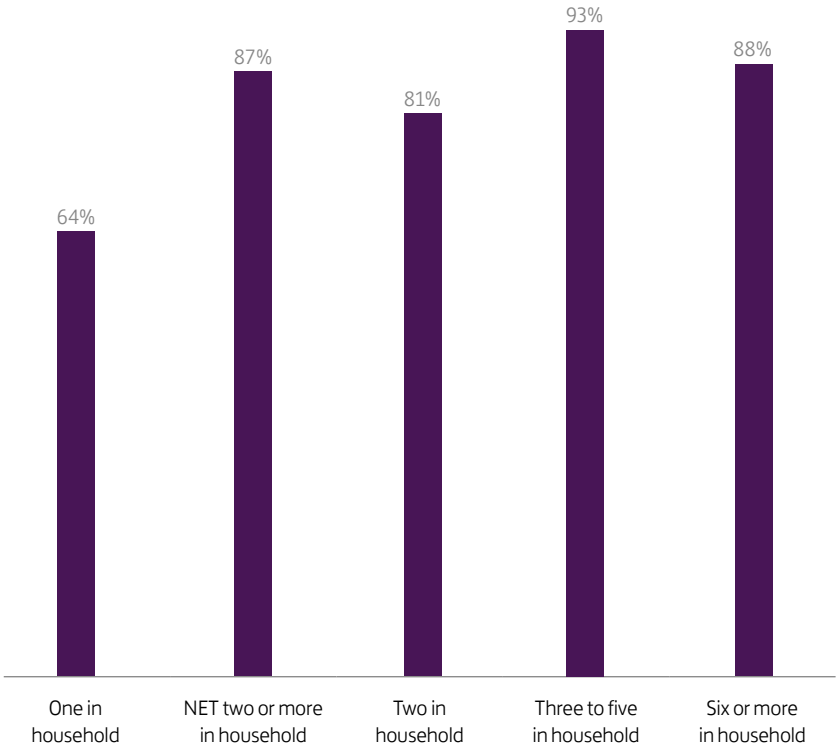
Appendix 7. **Proportion of adults 18+ with vocational qualifications and that can do the listed number of Foundation tasks (prerequisite to EDS for Life and Work), 2019, 2020 and 2021** *(click to return to page 13)*



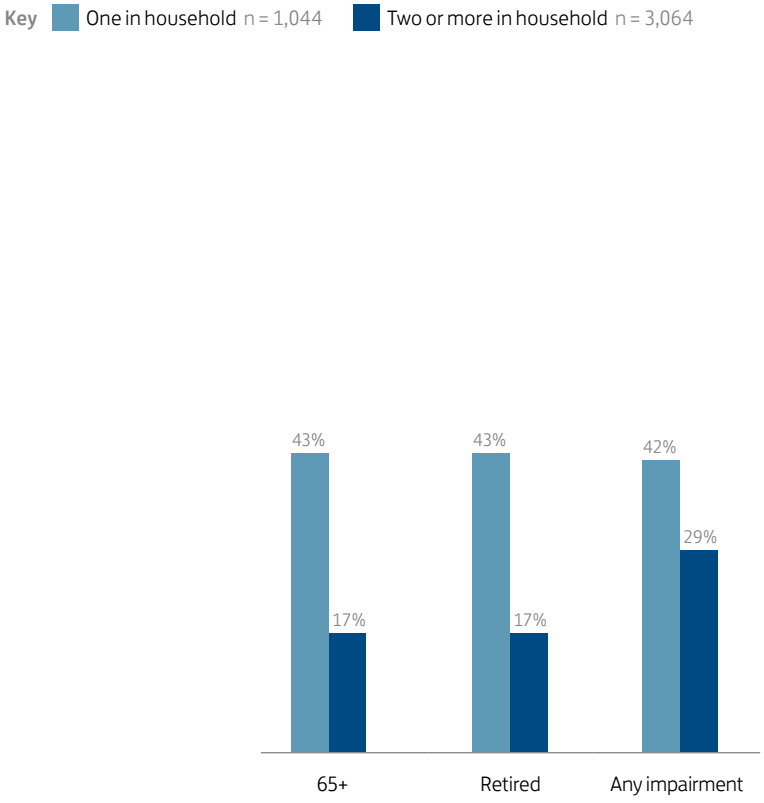
Due to Covid-19 restrictions, telephone interviewing used for 2021 whereas face-to-face used for 2019 and 2020.

Appendix 8. **Proportion of adults 18+ living in households of different sizes that have the Foundation Level, 2021** *(click to return to page 14)*

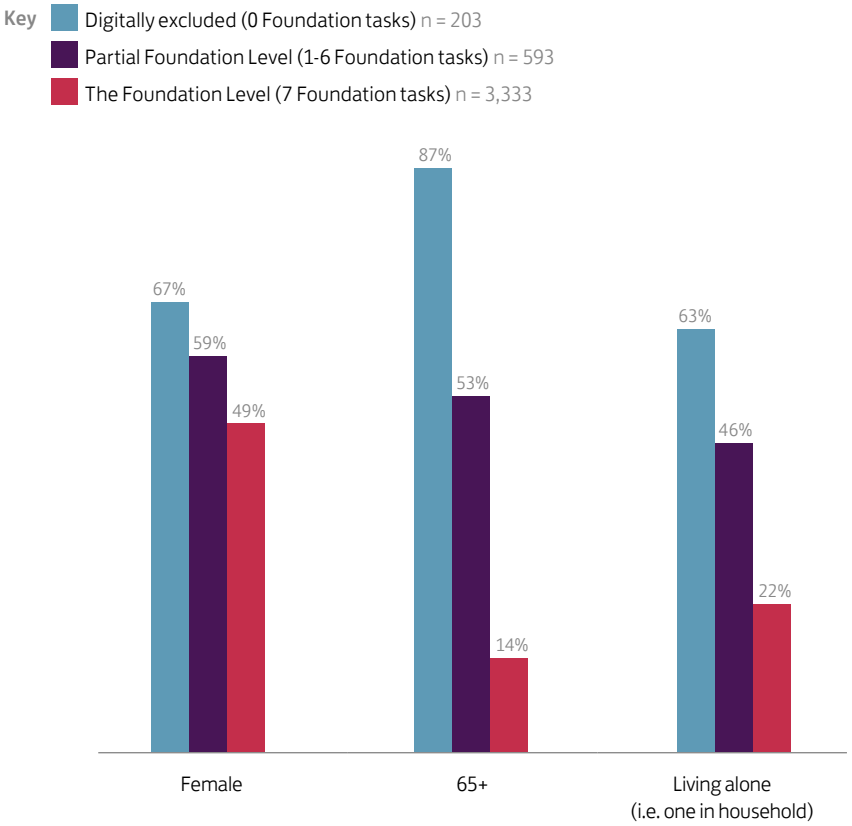
One in household: n = 1,044. Two or more in household: n = 3,064. Two in household: n = 1,437. Three to five in household: n = 1,500. Six or more in household: n = 127.



Appendix 9. **Profile of adults 18+ living in households of different sizes – key demographics, 2021** *(click to return to page 14)*



Appendix 10. **Profile of adults 18+ that can do none, some or all of the Foundation tasks – key demographics, 2021** *(click to return to page 14)*



Appendix 11. **Profile of adults 18+ that can do some or none of the Foundation tasks – key demographics, 2021** *(click to return to page 14)*

Can do 1-6 Foundation tasks: n = 593. 0 Foundation tasks: n = 203.

	Partial Foundation Level (1-6 tasks)	Digitally excluded (0 Foundation tasks)
Has Internet access	**91%**	**28%**
Has any of smartphone, tablet or laptop/PC	**86%**	**22%**

Life EDS

Appendix 12. **Proportion of adults 18+ who cannot do the listed number of 29 tasks within the five Life skills plus those that do not have the Foundation Level, 2019, 2020 and 2021** *(click to return to page 17)*

Communicating
(those who cannot) **20%** c.**10.1** million

I cannot set up an email account **or I do not have Foundation level**
21%
19%
22% (+3pp) c.11.4 million

I cannot communicate with others digitally using email or other messaging applications (e.g. WhatsApp or Messenger) **or I do not have Foundation level**
21%
19%
20% (+1pp) c.10.2 million

I cannot use word processing applications to create documents (e.g. a CV or a letter) **or I do not have Foundation level**
23%
20%
23% (+3pp) c.12.1 million

I cannot share documents with others by attaching them to an email **or I do not have Foundation level**
22%
19%
21% (+2pp) c.10.9 million

I cannot communicate with others using video tools (e.g. Facetime or Skype) **or I do not have Foundation level**
25%
22%
23% (+1pp) c.11.7 million

I cannot post content on social media platforms (e.g. Facebook, Instagram or Snapchat) for example messages, photographs, video etc. **or I do not have Foundation level**
26%
23%
26% (+3pp) c.13.3 million

£ Transacting
(those who cannot) **20%** c.**10.4** million

I cannot set up an account online that enables me to buy goods or services (e.g. Amazon account, eBay, John Lewis etc.) **or I do not have Foundation level**
23%
20%
21% (+1pp) c.10.9 million

I cannot access and use public services online, including filling in forms (e.g. vehicle tax, voting registration, ordering repeat prescriptions, booking doctor appointments) **or I do not have Foundation level**
24%
21%
21% (0pp) c.11.1 million

I cannot use credit/debit cards or other forms of online payment to buy goods/services online (e.g. PayPal, WorldPay) **or I do not have Foundation level**
22%
19%
21% (+2pp) c.11.1 million

I cannot upload documents and photographs when this is required to complete an online transaction **or I do not have Foundation level**
24%
21%
24% (+3pp) c.12.2 million

I cannot manage my money and transactions online securely, via websites or apps (e.g. bank account) **or I do not have Foundation level**
25%
21%
23% (+2pp) c.12.2 million

? Problem solving
(those who cannot) **21%** c.**10.6** million

I cannot use online tutorials, web chat, FAQs and forums to solve problems **or I do not have Foundation level**
27%
24%
27% (+3pp) c.14.2 million

I cannot use online tutorials, web chat, FAQs and forums to improve my skills in using the Internet and digital apps/products/services **or I do not have Foundation level**
28%
24%
30% (+6pp) c.15.6 million

I cannot use the Internet to find information that helps me solve problems **or I do not have Foundation level**
21%
19%
21% (+2pp) c.10.6 million

Please *see page 17* for those who **can** do the Life tasks

Top bar: 2019 n = 4,130
Centre bar: 2020 n = 4,189
Bottom bar: 2021 n = 4,129

2021 estimated population based on ONS 2020 mid-year estimates for those 18+ in the UK.

(pp) Percentage point (pp) difference, 2021 vs. 2020 (coloured numbers represent a significant change).

Due to Covid-19 restrictions, telephone interviewing used for 2021 whereas face-to-face used for 2019 and 2020.

Appendix 12. **Proportion of adults 18+ who cannot do the listed number of 29 tasks within the five Life skills plus those that do not have the Foundation Level, 2019, 2020 and 2021** *(click to return to page 18)*

Handling information and content
(those who cannot)

20% **c.10.3** million

I cannot recognise what information or content may, or may not, be trustworthy on websites/apps **or I do not have Foundation level**

c.12.2 million

I cannot use search engines to find the information I'm looking for (e.g. search for news using a browser such as Chrome, Internet Explorer or Safari) **or I do not have Foundation level**

c.10.2 million

I cannot use bookmarks to save and retrieve websites and information **or I do not have Foundation level**

c.14.0 million

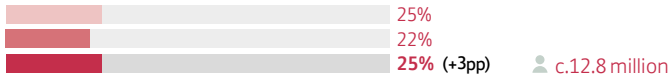
I cannot store information online and access content from a different device (e.g. using the Cloud) **or I do not have Foundation level**

c.15.5 million

I cannot organise my information and content using files and folders (either on my device, across multiple devices, or on the Cloud) **or I do not have Foundation level**

c.12.7 million

I cannot use the Internet to stream or download entertainment content (e.g. films, music, games or books) **or I do not have Foundation level**



c.12.8 million

Being safe and legal online
(those who cannot)

20% **c.10.1** million

I cannot assess the risks and threats involved in carrying out activities online and act accordingly (e.g. use security software) **or I do not have Foundation level**

c.12.6 million

I cannot be careful with what I share online as I do not know that online activity produces a permanent record that can be accessed by others **or I do not have Foundation level**

c.11.0 million

I cannot make sure not to share or use other people's data or intellectual property without their consent **or I do not have Foundation level**

c.11.5 million

I cannot respond to requests for authentication (e.g. reactivate an account when I've forgotten my password) **or I do not have Foundation level**

c.11.0 million

I cannot keep the information I use to access my online accounts secure, by using different and secure passwords for websites and accounts **or I do not have Foundation level**

c.11.2 million

I cannot set privacy settings on my social media and other accounts **or I do not have Foundation level**

c.13.6 million

I cannot identify secure websites by looking for the padlock and 'https' in the address bar **or I do not have Foundation level**

c.13.1 million

I cannot recognise and avoid suspicious links in email, websites, social media messages and pop-ups and know that clicking on these links is a risk **or I do not have Foundation level**

c.11.0 million

I cannot update my computer security systems when necessary to prevent viruses and other risks **or I do not have Foundation level**

c.13.6 million

Please *see page 18* for those who **can** do the Life tasks

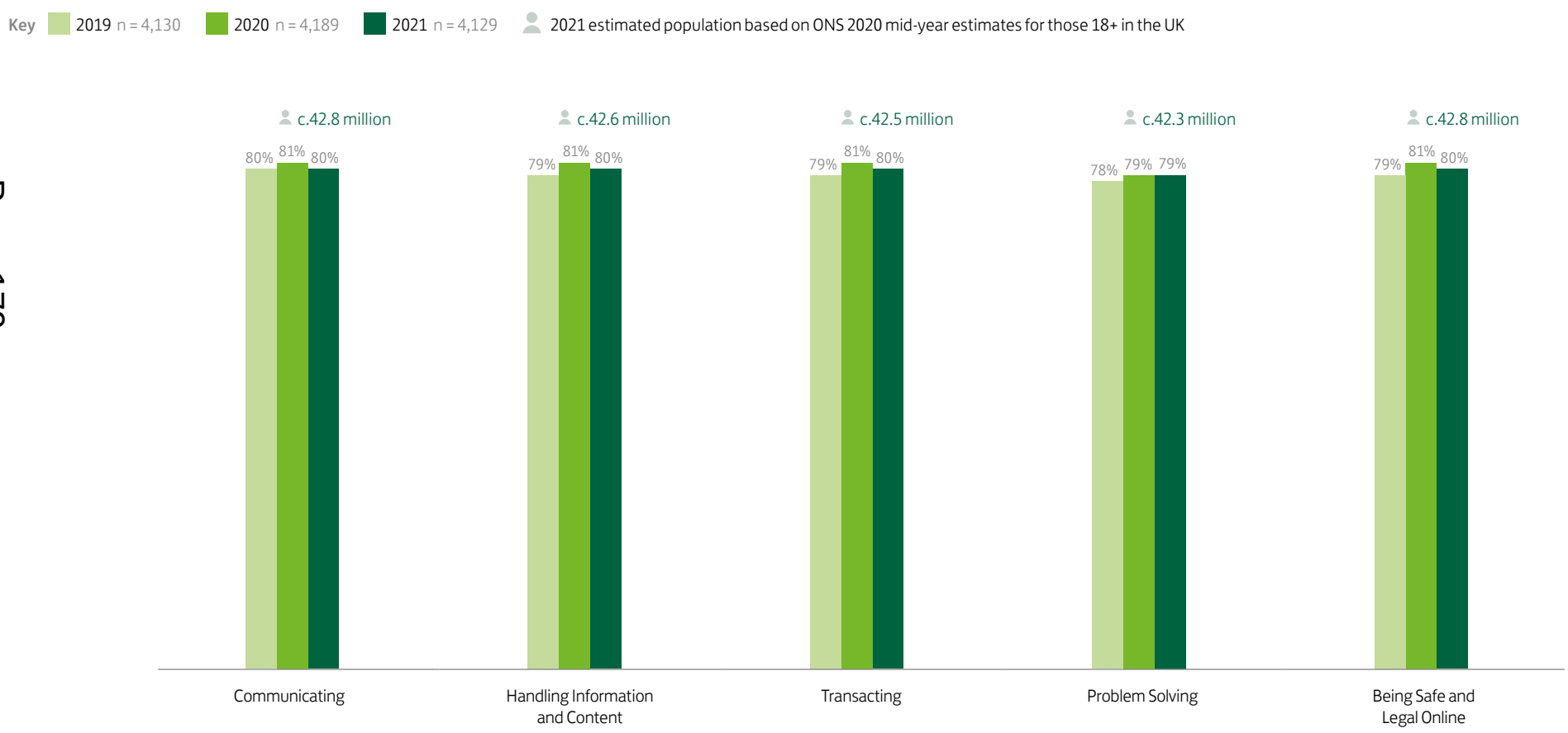
Top bar: 2019 n = 4,130
Centre bar: 2020 n = 4,189
Bottom bar: 2021 n = 4,129

2021 estimated population based on ONS 2020 mid-year estimates for those 18+ in the UK.

(pp) Percentage point (pp) difference, 2021 vs. 2020 (coloured numbers represent a significant change).

Due to Covid-19 restrictions, telephone interviewing used for 2021 whereas face-to-face used for 2019 and 2020.

Appendix 13. **Proportion of adults 18+ who can do each of the 5 Life skills, 2019, 2020 and 2021**
(click to return to page 18)



Due to Covid-19 restrictions, telephone interviewing used for 2021 whereas face-to-face used for 2019 and 2020.

Appendix 14. **Profile of adults 18+ that can do 20-28 Life tasks or all 29 Life tasks – key demographics, 2021**
(click to return to page 19)

Can do 20-28 Life tasks: n = 1,439. Can do 29 Life tasks: n = 1,729.

	Can do 20-28 Life tasks	Can do 29 Life tasks
Male	**46%**	**54%**
Aged 18-34	**23%**	**43%**
Working	**67%**	**73%**
Have degree/Masters/PhD	**38%**	**48%**

Appendix 15. **Proportion of adults 18+ with ability to do 1-19 Life tasks, and the proportion who can do each Life task, 2021**
(click to return to page 20)

2021: n = 160

I can set up an email account	**58%**
I can communicate with others digitally using email or other messaging applications (e.g. WhatsApp or Messenger)	**82%**
I can use word processing applications to create documents (e.g. a CV or a letter)	**50%**
I can share documents with others by attaching them to an email	**62%**
I can communicate with others using video tools (e.g. Facetime or Skype)	**56%**
I can post content on social media platforms (e.g. Facebook, Instagram or Snapchat) for example messages, photographs, video etc.	**47%**
I can recognise what information or content may, or may not, be trustworthy on websites/apps	**46%**
I can use search engines to find the information I'm looking for (e.g. search for news using a browser such as Chrome, Internet Explorer or Safari)	**81%**
I can use bookmarks to save and retrieve websites and information	**26%**
I can store information online and access content from a different device (e.g. using the Cloud)	**16%**
I can organise my information and content using files and folders (either on my device, across multiple devices, or on the Cloud)	**31%**
I can use the Internet to stream or download entertainment content (e.g. films, music, games or books)	**42%**
I can set up an account online that enables me to buy goods or services (e.g. Amazon account, eBay, John Lewis etc.)	**67%**
I can access and use public services online, including filling in forms (e.g. vehicle tax, voting registration, ordering repeat prescriptions, booking doctor appointments)	**65%**
I can use credit/debit cards or other forms of online payment to buy goods/services online (e.g. PayPal, WorldPay)	**68%**
I can upload documents and photographs when this is required to complete an online transaction	**36%**
I can manage my money and transactions online securely, via websites or apps (e.g. bank account)	**57%**
I can use online tutorials, web chat, FAQs and forums to solve problems	**22%**
I can use online tutorials, web chat, FAQs and forums to improve my skills in using the Internet and digital apps/products/services	**15%**
I can use the Internet to find information that helps me solve problems	**79%**
I can assess the risks and threats involved in carrying out activities online and act accordingly (e.g. use security software)	**42%**
I am careful with what I share online as I know that online activity produces a permanent record that can be accessed by others	**75%**
I make sure not to share or use other people's data or intellectual property without their consent	**65%**
I can respond to requests for authentication (e.g. reactivate an account when I've forgotten my password)	**73%**
I can keep the information I use to access my online accounts secure, by using different and secure passwords for websites and accounts	**73%**
I can set privacy settings on my social media and other accounts	**38%**
I can identify secure websites by looking for the padlock and 'https' in the address bar	**51%**
I can recognise and avoid suspicious links in email, websites, social media messages and pop-ups and know that clicking on these links is a risk	**75%**
I can update my computer security systems when necessary to prevent viruses and other risks	**45%**

Appendix 16. **Percentage change in the proportion of adults 18+ in East Midlands who can do the listed tasks, 2020 and 2021** *(click to return to page 21)*

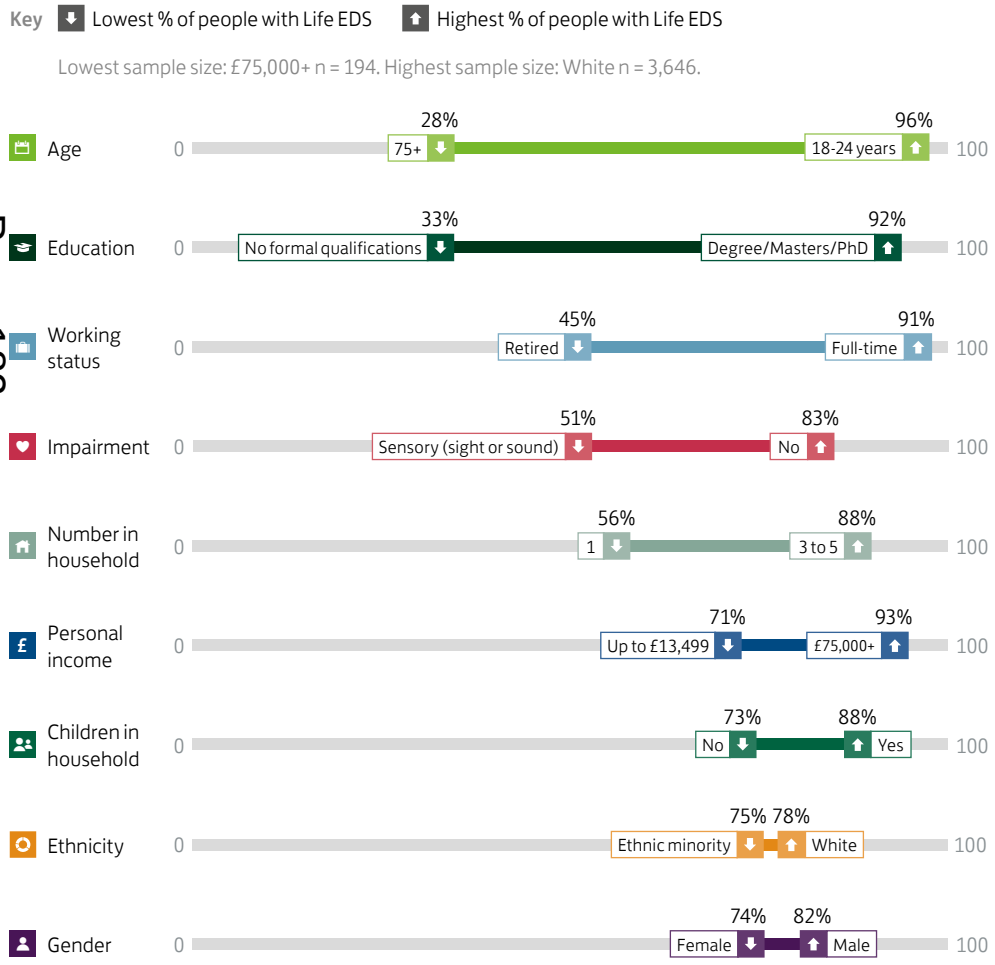
East Midlands: 2020 n = 287, 2021 n = 260.

	2020	2021	pp change 2021 vs. 2020
I can set up an email account	69%	77%	+8pp
I can communicate with others digitally using email or other messaging applications (e.g. WhatsApp or Messenger)	69%	81%	+12pp
I can use word processing applications to create documents (e.g. a CV or a letter)	68%	75%	+7pp
I can share documents with others by attaching them to an email	69%	80%	+11pp
I can communicate with others using video tools (e.g. Facetime or Skype)	61%	76%	+15pp
I can post content on social media platforms (e.g. Facebook, Instagram or Snapchat) for example messages, photographs, video etc.	60%	72%	+12pp
I can recognise what information or content may, or may not, be trustworthy on websites/apps	69%	74%	+5pp
I can use search engines to find the information I'm looking for (e.g. search for news using a browser such as Chrome, Internet Explorer or Safari)	70%	80%	+10pp
I can use bookmarks to save and retrieve websites and information	62%	71%	+9pp
I can store information online and access content from a different device (e.g. using the Cloud)	59%	70%	+11pp
I can organise my information and content using files and folders (either on my device, across multiple devices, or on the Cloud)	65%	74%	+9pp
I can use the Internet to stream or download entertainment content (e.g. films, music, games or books)	64%	75%	+11pp
I can set up an account online that enables me to buy goods or services (e.g. Amazon account, eBay, John Lewis etc.)	69%	77%	+8pp
I can access and use public services online, including filling in forms (e.g. vehicle tax, voting registration, ordering repeat prescriptions, booking doctor appointments)	68%	77%	+9pp
I can use credit/debit cards or other forms of online payment to buy goods/services online (e.g. PayPal, WorldPay)	70%	79%	+9pp
I can upload documents and photographs when this is required to complete an online transaction	68%	76%	+8pp
I can manage my money and transactions online securely, via websites or apps (e.g. bank account)	66%	78%	+12pp
I can use online tutorials, web chat, FAQs and forums to solve problems	63%	69%	+6pp
I can use online tutorials, web chat, FAQs and forums to improve my skills in using the Internet and digital apps/products/services	60%	65%	+5pp
I can use the Internet to find information that helps me solve problems	71%	80%	+9pp
I can assess the risks and threats involved in carrying out activities online and act accordingly (e.g. use security software)	69%	74%	+5pp
I am careful with what I share online as I know that online activity produces a permanent record that can be accessed by others	69%	78%	+9pp
I make sure not to share or use other people's data or intellectual property without their consent	69%	73%	+4pp
I can respond to requests for authentication (e.g. reactivate an account when I've forgotten my password)	69%	77%	+8pp
I can keep the information I use to access my online accounts secure, by using different and secure passwords for websites and accounts	70%	77%	+7pp
I can set privacy settings on my social media and other accounts	65%	74%	+9pp
I can identify secure websites by looking for the padlock and 'https' in the address bar	69%	73%	+4pp
I can recognise and avoid suspicious links in email, websites, social media messages and pop-ups and know that clicking on these links is a risk	70%	78%	+8pp
I can update my computer security systems when necessary to prevent viruses and other risks	69%	71%	+2pp

Due to Covid-19 restrictions, telephone interviewing used for 2021 whereas face-to-face used for 2020

Work EDS

Appendix 17. **Proportion of adults 18+ across different demographics that have Life EDS, 2020** *(click to return to page 22)*



Appendix 17a. **Profile of working adults 18+ who do not have any workplace digital skills, 2020 and 2021** *(click to return to page 24)*

Those with Zero Work skills (but have the Foundation Level): 2020 n = 543, 2021 n = 145.

	2020	2021
Male	**60%**	**51%**
Female	**40%**	**48%**
18-24	**13%**	**14%**
25-34	**27%**	**13%**
34-45	**20%**	**17%**
45-54	**19%**	**28%**
55+	**21%**	**27%**
Full-time	**67%**	**62%**
Part-time	**23%**	**26%**
Self-employed	**10%**	**13%**
Children in household	**37%**	**28%**
No children in household	**63%**	**72%**

Appendix 18. **Proportion of working adults 18+ who cannot do the listed number of 17 tasks within the five Work skills, plus those that do not have the Foundation Level, 2019, 2020 and 2021** *(click to return to page 25)*

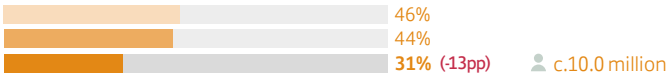
Communicating
(those who cannot) **23%** c.7.5million

I cannot use digital collaboration tools to meet with, share and collaborate with people (e.g. Skype/Google docs/Dropbox etc.) or I do not have Foundation level

I cannot set up and manage an account on a professional online network/ community, (e.g. LinkedIn, Total Jobs, Indeed) or I do not have Foundation level

Transacting
(those who cannot) **24%** c.7.9 million

I cannot access salary and expenses information digitally, including password protected payslips or I do not have Foundation level



I cannot manage digital records and financial accounts (e.g. expenses, budgets) through digital systems or I do not have Foundation level

Problem solving
(those who cannot) **19%** c.6.3 million

I cannot use the Internet to find information that helps me solve problems or I do not have Foundation level

I cannot use different digital tools to improve my own productivity i.e. saving time or working more efficiently or I do not have Foundation level

I cannot use appropriate software, including a spreadsheet, to manipulate and analyse data or I do not have Foundation level

Handling information and content
(those who cannot) **28%** c.9.2 million

I cannot access, synchronise and share information across different devices (e.g. manage a calendar or appointment system via phone or desktop or I do not have Foundation level

Please *see page 25* for those who **can** do the Work tasks

Top bar: 2019 n = 2,029
Centre bar: 2020 n = 2,112
Bottom bar: 2021 n = 2,237

2021 estimated population based on ONS 2020 mid-year estimates for those 18+ in the UK.

(pp) Percentage point (pp) difference, 2021 vs. 2020 (coloured numbers represent a significant change).

Due to Covid-19 restrictions, telephone interviewing used for 2021 whereas face-to-face used for 2019 and 2020.

Appendix 18. **Proportion of working adults 18+ who cannot do the listed number of 17 tasks within the five Work skills, plus those that do not have the Foundation Level, 2019, 2020 and 2021** *(click to return to page 26)*

Being safe and legal online
(those who cannot)

17% **c.5.4** million

I cannot assess the risks and threats involved in carrying out activities online and act accordingly (e.g. use security software) **or I do not have Foundation level**

42%
42%
27% (-15pp) c.8.8 million

I cannot be careful with what I share online as I do not know that online activity produces a permanent record that can be accessed by others **or I do not have Foundation level**

41%
40%
24% (-16pp) c.7.9 million

I cannot make sure not to share or use other people's data or intellectual property without their consent **or I do not have Foundation level**

39%
40%
22% (-18pp) c.7.0 million

I cannot respond to requests for authentication (e.g. reactivate an account when I've forgotten my password) **or I do not have Foundation level**

39%
40%
24% (-16pp) c.7.8 million

I cannot keep the information I use to access my online accounts secure, by using different and secure passwords for websites and accounts **or I do not have Foundation level**

40%
41%
24% (-18pp) c.7.7 million

I cannot set privacy settings on my social media and other accounts **or I do not have Foundation level**

50%
47%
40% (-7pp) c.13.0 million

I cannot identify secure websites by looking for the padlock and 'https' in the address bar **or I do not have Foundation level**

42%
43%
24% (-19pp) c.7.8 million

I cannot recognise and avoid suspicious links in email, websites, social media messages and pop-ups and know that clicking on these links is a risk **or I do not have Foundation level**

41%
41%
22% (-20pp) c.7.1 million

I cannot update my computer security systems when necessary to prevent viruses and other risks **or I do not have Foundation level**

48%
45%
38% (-7pp) c.12.4 million

Please *see page 26* for those who **can** do the Work tasks

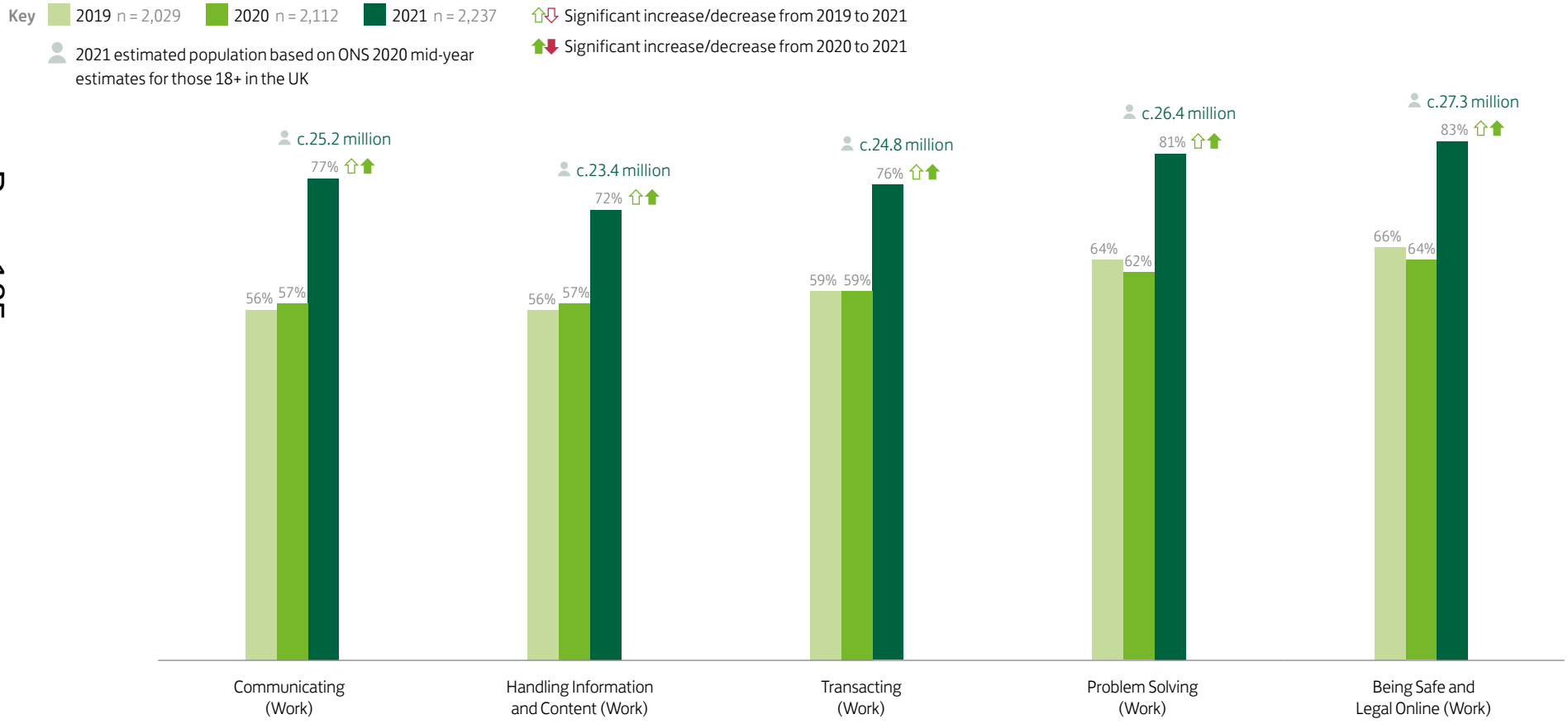
Top bar: 2019 n = 2,029
Centre bar: 2020 n = 2,112
Bottom bar: 2021 n = 2,237

2021 estimated population based on ONS 2020 mid-year estimates for those 18+ in the UK.

(pp) Percentage point (pp) difference, 2021 vs. 2020 (coloured numbers represent a significant change).

Due to Covid-19 restrictions, telephone interviewing used for 2021 whereas face-to-face used for 2019 and 2020.

Appendix 19. **Proportion of working adults aged 18+ who can do each of the 5 Work skills, 2019, 2020 and 2021**
(click to return to page 26)



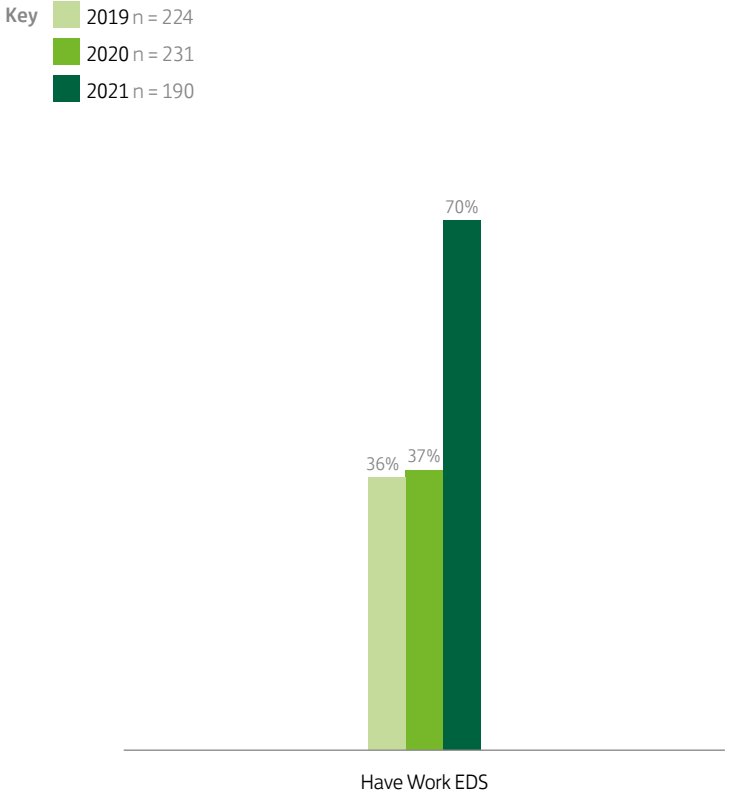
Due to Covid-19 restrictions, telephone interviewing used for 2021 whereas face-to-face used for 2019 and 2020.

Appendix 20. **Profile of working adults 18+ that have 0 or 5 Work skills – key demographics, 2021**
(click to return to page 27)

Have 5 Work skills (Work EDS): n = 1,500. Have 0 Work skills: n = 145.

	Have 5 Work skills (Work EDS)	Have 0 Work skills
Aged 55-64	**11%**	**24%**
Work part-time	**14%**	**26%**
Work in the service industry	**9%**	**17%**
Have no formal qualifications	**3%**	**14%**
Have GCSE/O-Level/CSE as highest level of educational attainment	**9%**	**18%**
Vocational qualifications	**6%**	**8%**

Appendix 21. **Proportion of working adults 18-24 that have Work EDS, 2019, 2020 and 2021**
(click to return to page 30)



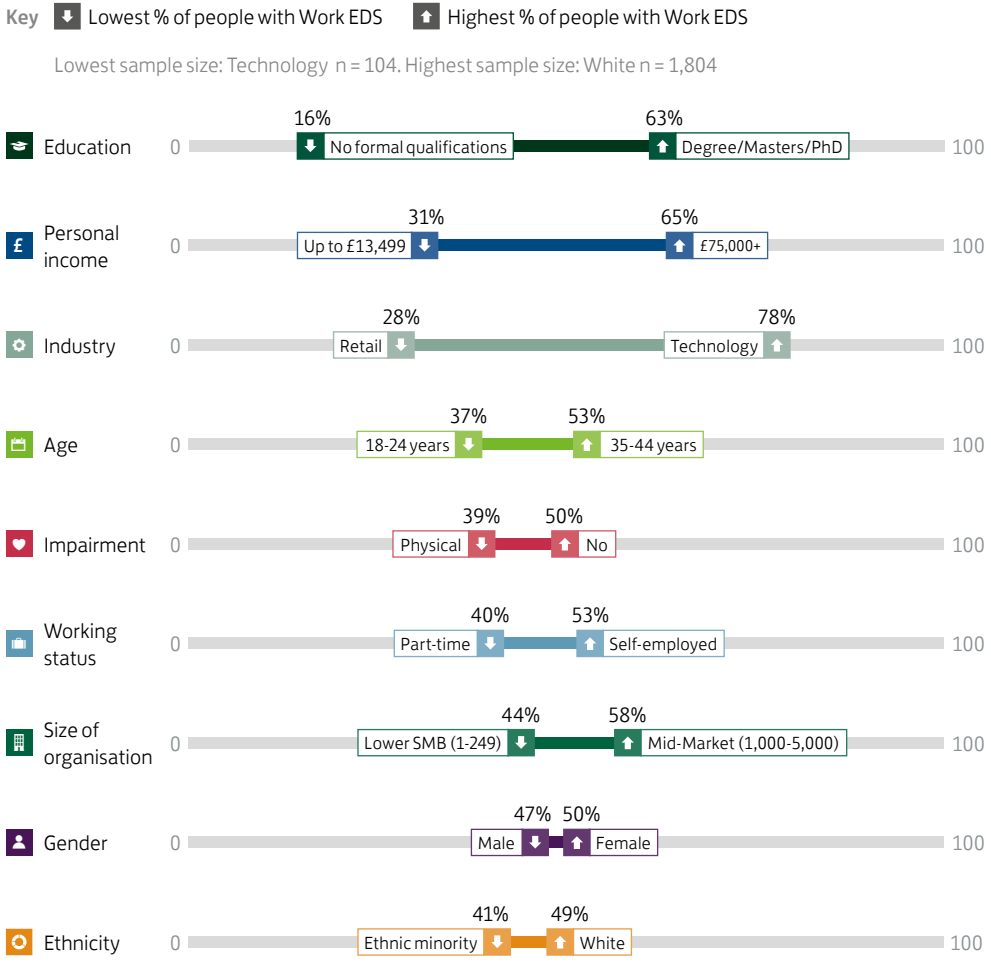
Due to Covid-19 restrictions, telephone interviewing used for 2021 whereas face-to-face used for 2020

Appendix 22. **Proportion of working adults 18+ that have Work EDS, split by those aged 25-34 and 55-64, 2020 and 2021** *(click to return to page 30)*

Aged 25-34: 2020 n = 463, 2021 n = 442.
Aged 55-64:2020 n = 391, 2021 n = 408.

	Aged 25-34	Aged 55-64	Gap (pp)
2020	50%	42%	8pp
2021	74%	45%	29pp

Appendix 23. **Proportion of working adults 18+ across different demographics that have Work EDS, 2020** *(click to return to page 30)*



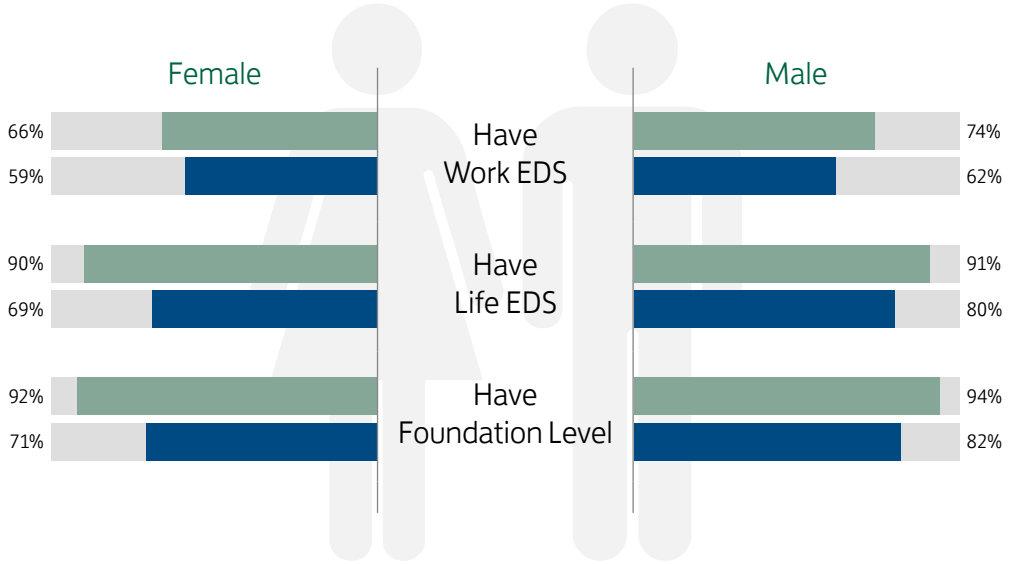
Due to Covid-19 restrictions, telephone interviewing used for 2021 whereas face-to-face used for 2020

Appendix 23a. **Proportion of adults 18+ that have the Foundation Level, Life EDS and Work EDS split by gender, 2021** *(click to return to page 30)*

Key

Amongst those living with children in the household | Amongst those living without children in the household

Working men (with children in household: n = 381, without children in household: n = 747)
Working women (with children in household: n = 435, without children in household: n = 664)
Men (with children in household: n = 446, without children in household: n = 1,502)
Women (with children in household: n = 597, without children in household: n = 1,565)



Appendix 24. **Proportion of working adults 18+ who claim to have had an improvement in digital ability in the last 12 months, split by industry, 2021** *(click to return to page 33)*

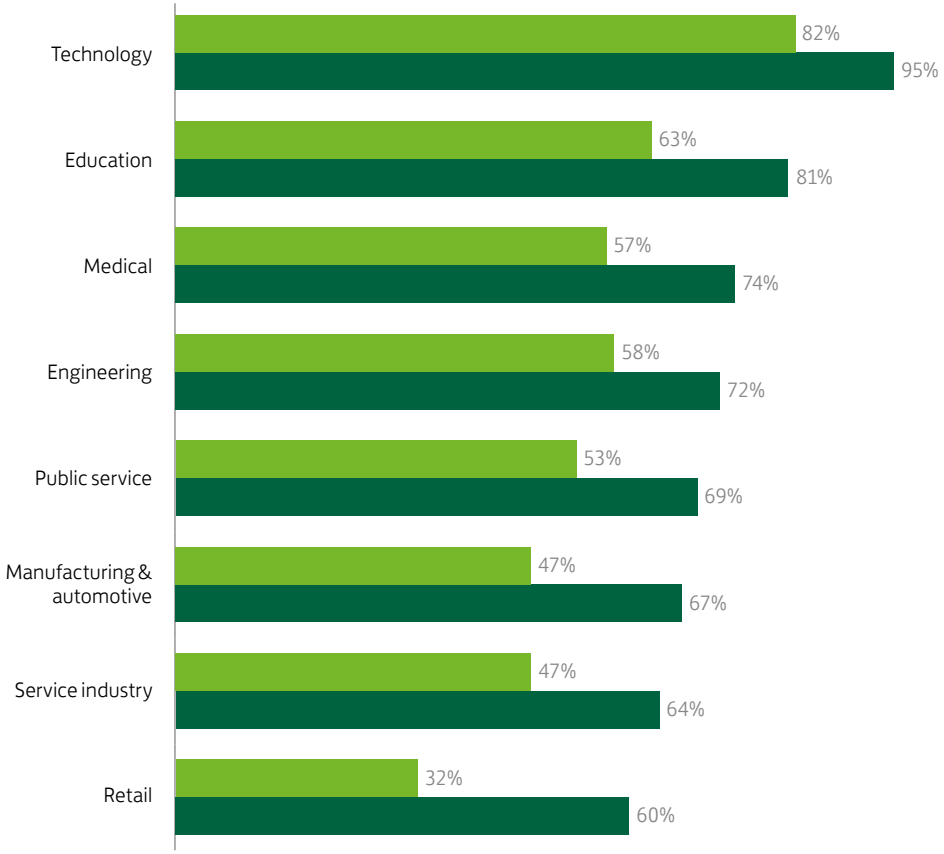
Technology: n = 109. Retail: n = 153. Manufacturing & automotive: n = 127. Education: n = 302. Medical: n = 206. Public service: n = 200. Engineering: n = 108. Service industry: n = 218.

	Yes	No	Don't know
Technology	**57%**	**41%**	**1%**
Retail	**62%**	**34%**	**4%**
Manufacturing & automotive	**49%**	**49%**	**2%**
Education	**71%**	**27%**	**2%**
Medical	**58%**	**40%**	**2%**
Public service	**64%**	**33%**	**3%**
Engineering	**54%**	**44%**	**2%**
Service industry	**50%**	**47%**	**3%**

Appendix 25. **Proportion of working adults 18+ who can use digital collaboration tools to meet with, share and collaborate with people (e.g. Skype/Google docs/Dropbox etc.), split by industry, 2020 and 2021** *(click to return to page 33)*

Key 2020 2021

Lowest sample size: Engineering n = 108. Highest sample size: Education n = 302.

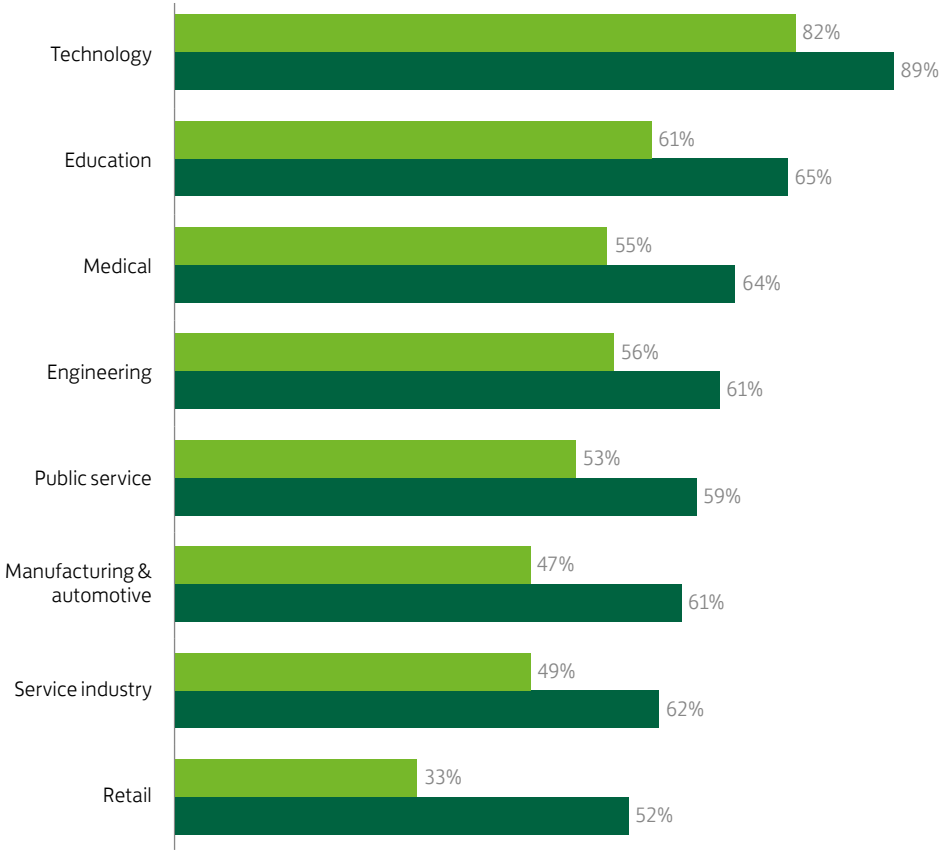


Due to Covid-19 restrictions, telephone interviewing used for 2021 whereas face-to-face used for 2019 and 2020.

Appendix 26. **Proportion of working adults 18+ who can set up and manage an account on a professional online network/community, (e.g. LinkedIn, Total Jobs, Indeed), split by industry, 2020 and 2021** *(click to return to page 33)*

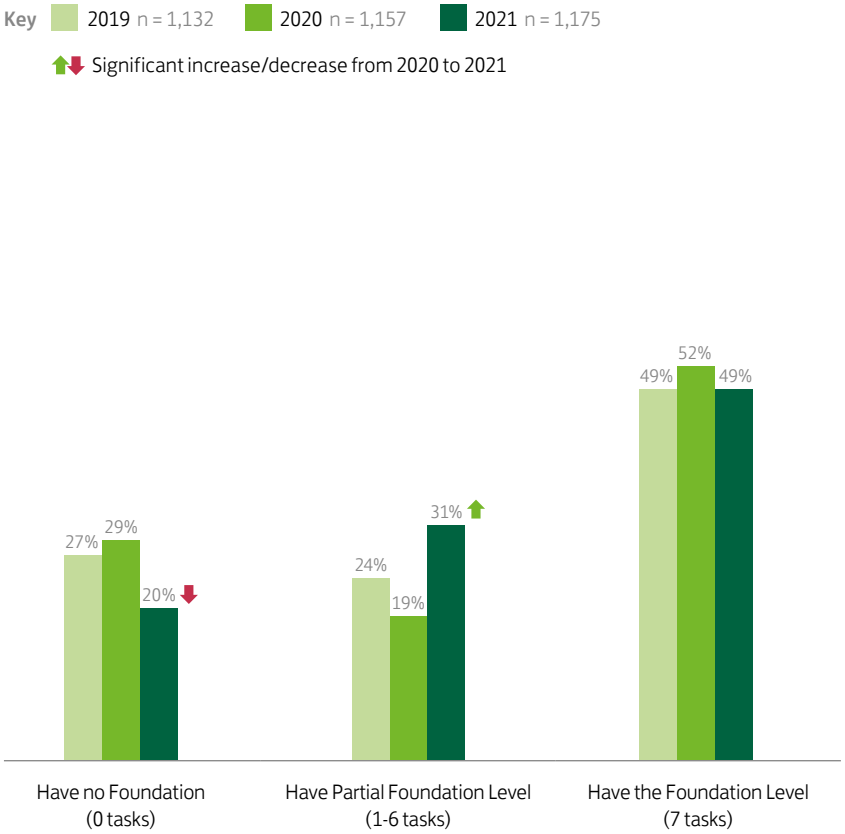
Key 2020 2021

Lowest sample size: Engineering n = 108. Highest sample size: Education n = 302.



Spotlights

Appendix 27. **Proportion of adults 65+ that can do the listed number of Foundation tasks (prerequisite to EDS for Life and Work), 2019, 2020 and 2021** *(click to return to page 38)*



Due to Covid-19 restrictions, telephone interviewing used for 2021 whereas face-to-face used for 2019 and 2020.

Appendix 28. **Proportion of adults 18+ with various types of sensory impairment that can do the listed number of Foundation level tasks (prerequisite to EDS for Life and Work), 2020 and 2021** *(click to return to page 41)*

Key: Significant increase/decrease from 2020 to 2021

	Any impairment 2020	Any impairment 2021	Sensory 2020	Sensory 2021	Sensory: vision 2020	Sensory: vision 2021	Sensory: hearing 2020	Sensory: hearing 2021
No Foundation (0 tasks)	19%	10%	26%	15%	27%	18%	26%	17%
Partial Foundation (1-6 tasks)	14%	22%	19%	26%	21%	22%	20%	32%
Foundation Level (7 tasks)	67%	68%	55%	58%	52%	60%	54%	51%
FOUNDATION TASKS: I can use the available controls on a device (e.g. mouse, keyboard, touchscreen etc.)	79%	87%	72%	81%	70%	79%	73%	77%
I can open an Internet browser to find and use websites	78%	84%	68%	75%	65%	75%	67%	69%
I can turn on a device and log in to any accounts/profiles I have	77%	83%	68%	75%	67%	75%	68%	69%
I can update and change my password when prompted to do so	73%	81%	62%	74%	62%	75%	59%	68%
I can find and open different applications/programmes on a device	75%	80%	66%	72%	62%	74%	66%	64%
I can connect a device to a Wi-Fi network	73%	78%	61%	69%	59%	69%	61%	63%
I can use the different menu settings on a device to make it easier to use (e.g. change the font size to make it easier to read)	72%	77%	64%	68%	62%	67%	63%	63%

Those with any impairment: 2020 n = 1,092, 2021 n = 1,368. Those with any sensory impairment: 2020 n = 330, 2021 n = 494. Those with a vision impairment: 2020 n = 153, 2021 n = 277. Those with a hearing impairment: 2020 n = 213, 2021 n = 295.

Appendix 29. **Proportion of adults 18+ with one or multiple impairments who can do each Life skill or Work skill, 2021** *(click to return to page 41)*

Life skill: Those with one impairment n = 592. Those with multiple impairments n = 776.
Work skill: Those with one impairment n = 265. Those with multiple impairments n = 220.

Appendix 30. **Proportion of the UK aged 18+ who can do the listed Work tasks, split by those with or without an impairment, 2021** *(click to return to page 42)*

	Those with any impairment	Those without an impairment	Gap (pp)
I can use digital collaboration tools to meet with, share and collaborate with people (e.g. Skype/Google docs/Dropbox etc.)	68%	76%	8%
I can set up and manage an account on a professional online network/community, (e.g. LinkedIn, Total Jobs, Indeed)	58%	66%	8%
I can access, synchronise and share information across different devices (e.g. manage a calendar or appointment system via phone or desktop	66%	74%	8%
I can manage digital records and financial accounts (e.g. expenses, budgets) through digital systems	51%	62%	11%
I can access salary and expenses information digitally, including password protected payslips	65%	71%	6%
I can use the Internet to find information that helps me solve problems	73%	81%	8%
I can use appropriate software, including a spreadsheet, to manipulate and analyse data	61%	71%	10%
I can use different digital tools to improve my own productivity i.e. saving time or working more efficiently	58%	71%	13%
I can assess the risks and threats involved in carrying out activities online and act accordingly (e.g. use security software)	67%	75%	8%
I am careful with what I share online as I know that online activity produces a permanent record that can be accessed by others	70%	78%	8%
I make sure not to share or use other people's data or intellectual property without their consent	73%	80%	7%
I can respond to requests for authentication(e.g. reactivate an account when I've forgotten my password)	70%	78%	8%
I can keep the information I use to access my online accounts secure, by using different and secure passwords for websites and accounts	70%	78%	8%
I can set privacy settings on my social media and other accounts	52%	62%	10%
I can identify secure websites by looking for the padlock and 'https' in the address bar	70%	78%	8%
I can recognise and avoid suspicious links in email, websites, social media messages and pop-ups and know that clicking on these links is a risk	70%	81%	11%
I can update my computer security systems when necessary to prevent viruses and other risks	55%	64%	9%

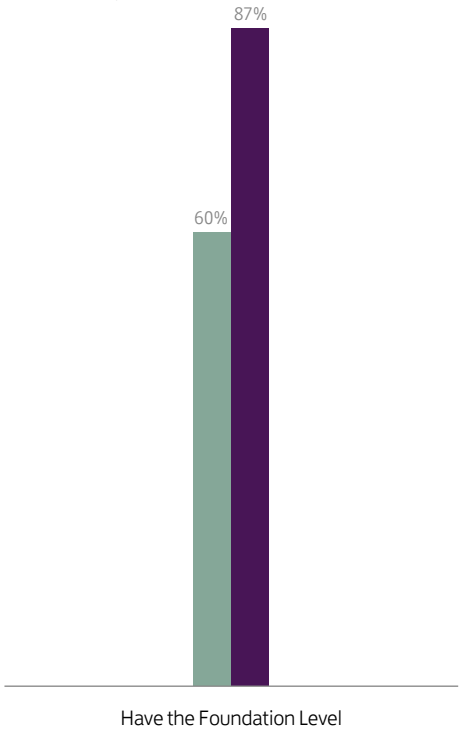
Appendix 31. **Proportion of adults 18+ with physical impairments who have EDS for Life, 2020 and 2021** *(click to return to page 44)*

Key 2020 2021 Significant increase/decrease from 2020 to 2021

Those with any physical impairment: 2020 n = 600, 2021 n = 856.
Those with mobility impairment: 2020 n = 415, 2021 n = 543.
Those with dexterity impairment: 2020 n = 150, 2021 n = 319.
Those with stamina, breathing or fatigue impairment: 2020 n = 288, 2021 n = 521.

Appendix 32. **Proportion of the UK aged 18+ with the Foundation Level, split by those with a vision impairment or without an impairment, 2021** *(click to return to page 44)*

Key Those with a vision impairment n = 277
Those without an impairment n = 2,713



Due to Covid-19 restrictions, telephone interviewing used for 2021 whereas face-to-face used for 2020

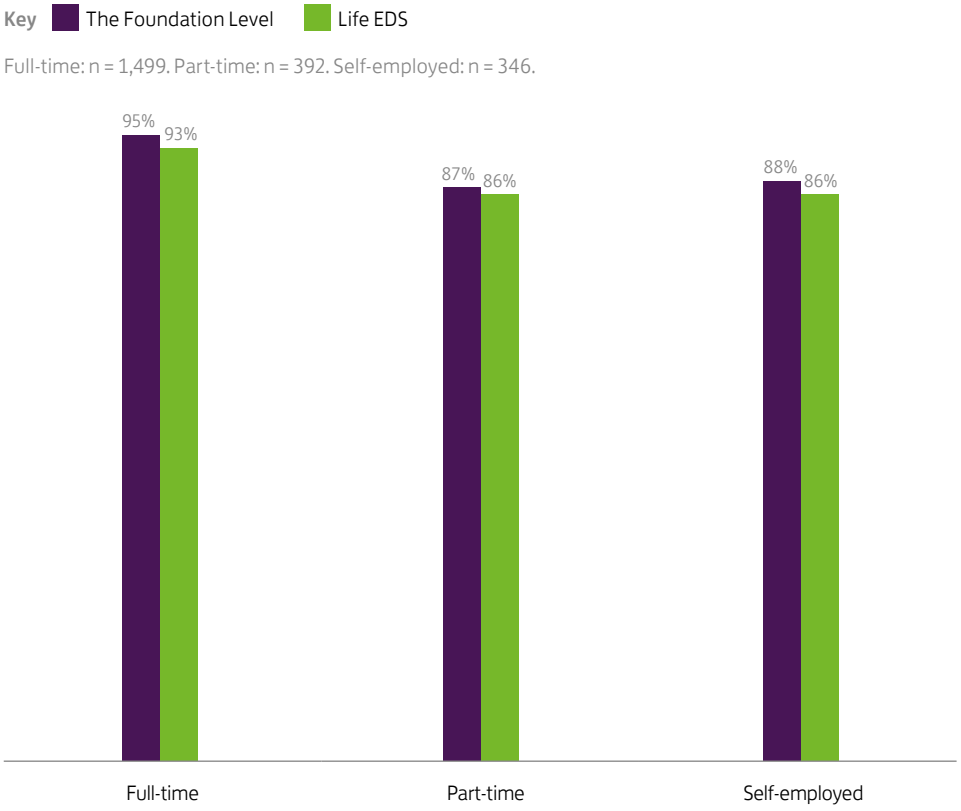
Appendix 33. **Proportion of working adults 18+ from an ethnic minority or White ethnic group background that have Work EDS 2019, 2020 and 2021** *(click to return to page 45)*

Ethnic minorities: 2019 n = 255, 2020 n = 304, 2021 n = 251.
White: 2019 n = 1,768, 2020 n = 1,804, n = 1,971.

	Ethnic minority 2019	Ethnic minority 2020	Ethnic minority 2021	White 2019	White 2020	White 2021	2021 Ethnic minority vs. White gap (2021)
Work EDS [5]	48%	41%	64%	46%	49%	64%	0pp
Partial Work Skills [1-4]	21%	24%	25%	24%	20%	20%	-5pp
Zero Work Skills [0] (but has the Foundation Level)	20%	27%	3%	22%	26%	8%	-5pp
Without the Foundation Level	11%	8%	7%	7%	5%	7%	0pp

Due to Covid-19 restrictions, telephone interviewing used for 2021 whereas face-to-face used for 2019 and 2020.

Appendix 34. **Proportion of working adults 18+ who have the Foundation Level or Life EDS, split by working status, 2021** *(click to return to page 46)*



Lloyds Bank Essential Digital Skills Report 2021

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- The report and other content can be found online: **lloydsbank.com/consumerdigitalindex**
- Please refer to our website for appendices, national and regional data and helpful links and resources
- Please get in touch at: **DigitalSkillsInclusion@lloydsbanking.com**
- For more information on the Lloyds Bank Academy please visit: **lloydsbankacademy.co.uk**
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Great care has been taken to ensure that the information used here cannot be in any way traced to a specific individual. This report has used aggregated data across social and demographic groups to highlight the trends and insights that will help consumers, charities and UK Government to understand more about our nation's digital and financial inclusion landscape.

Lloyds Banking Group is a financial services group that incorporates a number of brands including Lloyds Bank. More information on Lloyds Banking Group can be found at lloydsbankinggroup.com.

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Digital Coventry

Coventry City Council

www.coventry.gov.uk/digitalcoventry

Table of Contents

Introduction

Internet and digital technologies have transformed lives on a global scale and continue to do so at an ever-increasing pace.

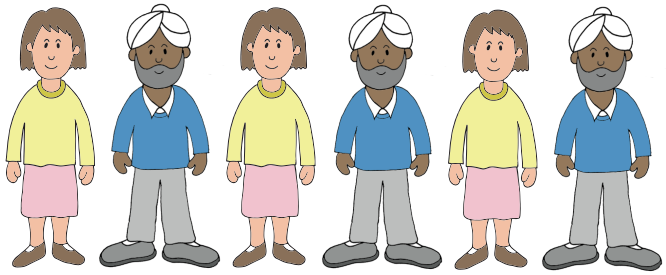
The effect has been to revolutionise banking, shopping, health care and social interaction as well as the places where we live and work. Companies such as Google, Twitter, Facebook, Uber and Airbnb are all now household names and even though they are relatively new, they have developed fast.

Having access to high speed internet is now often described as the fourth utility – and is an important consideration for residents and businesses when considering living, working or investing in a city. We need to influence the access to high speed internet with service providers including how we can use funding streams available for businesses to make it easier to connect homes. Digital technologies are helping to plan better, more sustainable growth in cities worldwide: to make cities better connected, safer, greener and better places to live.

The pace of technology evolution is also changing what people want from the services that the public sector - including the Council - provides. People want transactional services and information to be available through their own device, any time, day or night - mirroring the experience they have with banking and retail. Even services that require some form of human interaction, including social care, can be enhanced by technology and can often help people to live independently for longer or for families to better support their loved ones.

A growing population

345,000 (Mid - 2015)



424,800 (Projected-2033)

11th largest city in the UK

and one of the fastest growing outside of London

100%

of households receive broadband internet speed of at least **2 Mbps**

(Go On UK)

92%

of households have access to **Superfast** internet connections (24 mbps)

(Ofcom UK Fixed Broadband Data 2013)

78%

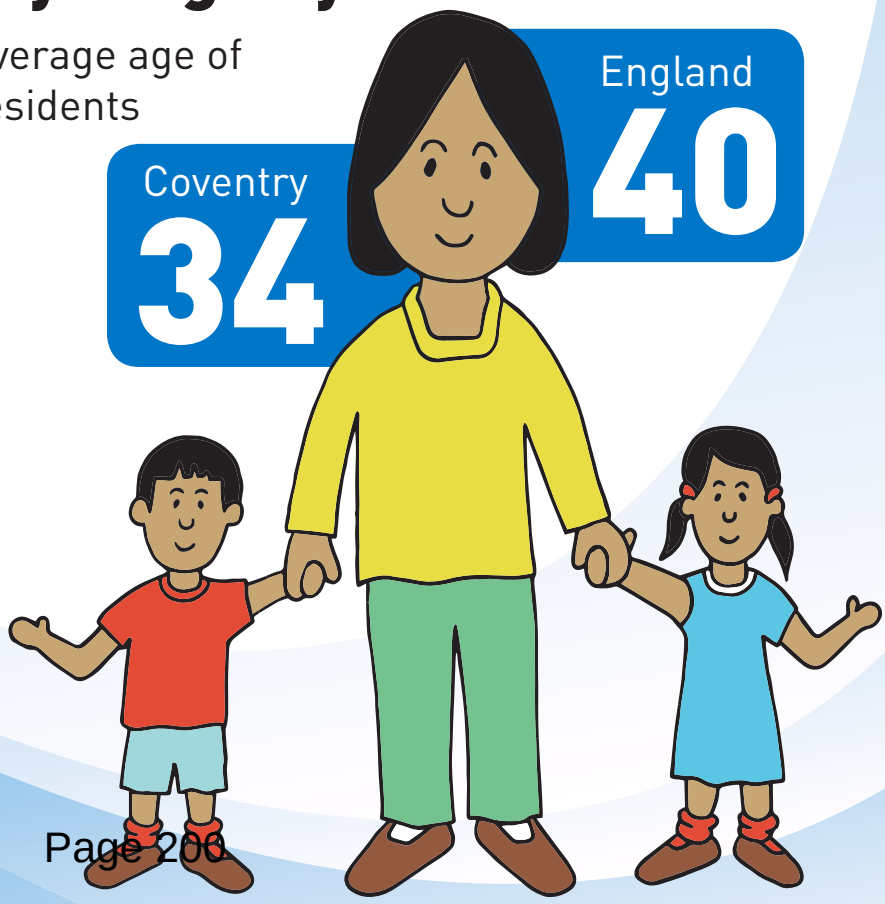
of adults in Coventry have all five Basic Digital Skills

A young city...

Average age of residents

Coventry **34**

England **40**



Coventry has

20% better **3G & 4G** mobile phone coverage than the UK average and **98%** better than the worldwide average

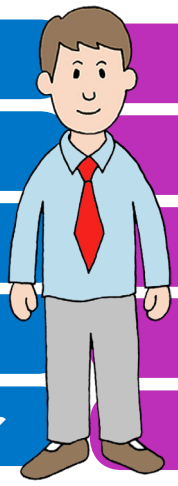
(Opensignal.com)

Two out of three

adults in Coventry own a smartphone

87.9% of adults

in the UK have used the internet in the last 3 months



16 to 44 yrs	98.8%
45 to 54 yrs	94.9%
55 to 64 yrs	88.3%
65 to 74 yrs	74.1%
75 and over	38.7%

Almost all adults aged 16-44 have used the internet recently

Nationally, "recent internet use" is on the increase for those aged 65 and over. Adults aged 75 years and over have consistently shown the lowest rates of internet use. In **2011**, the percentage of recent internet users aged 75 and over was **19.9%**. In **2016**, this has **nearly doubled to 38.7%**, up from 33.0% in 2015.

(Office for National Statistics)

It is estimated that online price comparison and searching the web to find the best deals can typically **save £200+** per year on **gas and electricity** bills and into the **£1000s** on food shopping per year.

50,880 students at Coventry universities

The 5 basic digital skills are:
Managing Information, Communicating, Transacting, Problem-solving, Creating

Digital change is already happening and it is important that Coventry understands how we can harness these changes to best effect – for the Council, for customers, residents and for Coventry as a 21st century city. It is also important that despite the widespread nature and uptake of digital technology, we don't leave residents behind who don't have the skills or access to take advantage of the opportunity.

Coventry is a city that is used to reinventing itself; it's done so successfully for centuries. Digital is a fundamental part of the change we will make as we develop the physical environment of the city and deliver on the ambition of becoming an even greater place to do business.

The Council is facing significant challenges – since 2010 funding from central government has been cut by 50% this equates to grant cuts of £655m since 2011/12. This means we have £200 less per resident in Coventry to spend on services. We do not have the funding, capacity and all of the expertise to deliver the digital innovation that we know would benefit the city. We have strong partners, including two world class universities, communities and businesses in the city who are already engaged in digital innovation – relationships that we can develop to make Coventry digital. We have work to do to ensure that our workforce has the skills to deal with the digital age and we are facing unprecedented reductions in funding that will continue to change the services that we provide.

We know that digital can help us to achieve reductions in the cost of public services through increased efficiency, automation and effectiveness. We can use digital to increase the productivity of the public sector workforce - through flexible and agile working. We can also use the opportunity of digital to completely rethink the way that we deliver services rather than just computerising them. We need to focus on designing digital processes and solutions with a strong emphasis on user experience and ease of use – in the same way the Government Digital Service (GDS) has done for some central government processes, including renewing a passport or taxing a car.

The ability to operate effectively in a digital age is a key skill for all of our residents, and in particular young people leaving school. This will help to increase their job readiness and ability to thrive in work, maximising the use of technology to support health, wellbeing, community networks and democracy throughout a person's life. The whole population must have access to technology, infrastructure and skills to ensure they will get the most from the digital age and we want everyone to have an equal opportunity to do this.

Digitalisation provides the opportunity to deliver vastly improved and accessible data that can be used to predict and plan both tactically and strategically – not only how public money can be spent to better effect, but also to influence the priorities for private investment that will underpin economic growth and enable a proactive and personalised service to users. Data is an asset which can be shared in a controlled way with citizens and local enterprises. Data can be used in new and innovative ways to support the ambition of the city.

The digital revolution also presents challenges that we must understand and prepare for, including cyber-resilience and cyber-bullying. We also don't underestimate the importance of maintaining human interaction in our lives and the services the Council delivers – digital provides the opportunities to enhance the way things are done.

Technology is increasingly present across all sectors and is becoming integrated in many aspects of our lives. Coventry needs a digital strategy because digital technology has the potential to transform the city and the lives of residents while generating long-term savings and income. Coventry City Council is already responding to this challenge through its transformation work, including Customer Journey and Kickstart programmes, alongside digital innovations within individual services. However, to fully realise the benefits that digital technology can bring, we need to pull together our digital work into one place, increase its scope beyond the work that the Council is doing as an organisation and align this work to other partners so that we are co-ordinating this work across Coventry.

We are establishing this Digital Coventry Strategy because it will benefit the people of Coventry, develop Coventry as a place and improve the outcomes that the Council can deliver. It will support the delivery of the Council Plan, including promoting the growth of Coventry's economy, improving the quality of life of Coventry people and delivering our priorities with fewer resources.

Cllr John Mutton
Cabinet Member for Strategic Finance and Resources

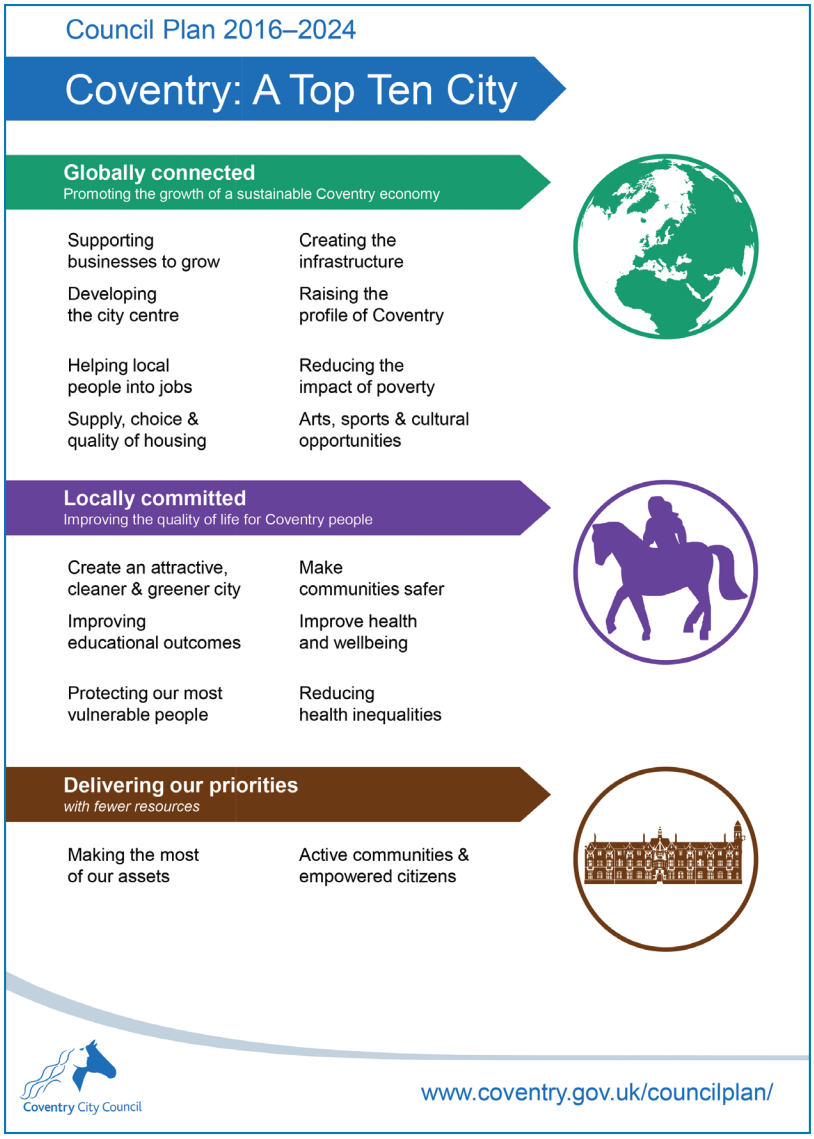
J. R. Mutton

Our digital strategy - vision and aims

The Council Plan sets out the Council's vision and priorities for the city.

How does the digital strategy link to the Council Plan?

The digital revolution matters to Coventry because digital changes create the opportunity for innovation and growth, improving the lives of Coventry's residents and helping the Council to deliver outcomes in a more effective and efficient way, working with partners and residents.



- **Supporting business growth, infrastructure development and city:** Cloud computing, high speed internet connections including gigabit connections through Coventry Core, public Wi-Fi and 4G encourage new businesses to start up, reducing the need for upfront computing and communications infrastructure costs. This leads to a positive impact on inward investment and jobs. As the city grows, effective planning of new infrastructure – utilities, roads and fibre optics - through the use of smart data will make the city a more attractive place to live, work, learn, study and invest in. We can boost city centre footfall and tourism by making our city centre easy to navigate around and promoting events and businesses using technology.

- **Attractive cleaner and greener city:** Faster internet connectivity and cloud computing can aid and encourage people to work, learn and study from home without the need for a long distance commute. This will have a positive impact on travel patterns, commuting and road traffic. Connected air sensing technology can provide real time information on air quality, which can be used dynamically for route planning as well as providing long term data for analysis and insight. This will provide the means to log progress against green targets and plan to reduce congestion.

- **Improving educational outcomes:** Now an essential tool in education, increased internet connection speeds, digital tools and literacy can help raise the skill levels, employability and earning potential for all age groups.

- **Improving health and wellbeing:** Joining up customer records and sharing data with partners and customers will enable us to act sooner with families with complex needs, and enable greater access to service choice at lower cost through My Account (our online customer portal). Online information/advice services, assistive and telecare solutions allow people to take control of their own lives, live independently for longer and positively impact social, equality and financial inclusion objectives.

- **Delivering our priorities:** Using digital solutions will enable the Council to develop a more flexible and skilled workforce, to integrate services across functional and geographical boundaries, to rationalise our property estate as services become less dependent on buildings and to save money. We will build stronger communities by enabling customers and businesses to be included in the digital economy and digital society, so our most vulnerable residents are included.

- **Raising the profile of Coventry with active citizens, strong and involved communities:** Using digital and social media to showcase Coventry and the work that has happened and is underway to improve the city. We will be able to engage with citizens and businesses about the city's developments and projects via new digital channels. Communities can create their own networks and take a leading role in creating a vibrant economy and places to live and work.

- **Supporting open data and innovation:** Coventry can make real time data available which can be used local businesses to create new digital solutions, making connections that have never been considered before. This could link traffic information with air quality and health and social care, enriched with demographic data. Coventry can be seen as a digital city not just by its infrastructure but also in the way information is shared and collaborated with partners in all sectors.

The Digital Strategy also aligns with:

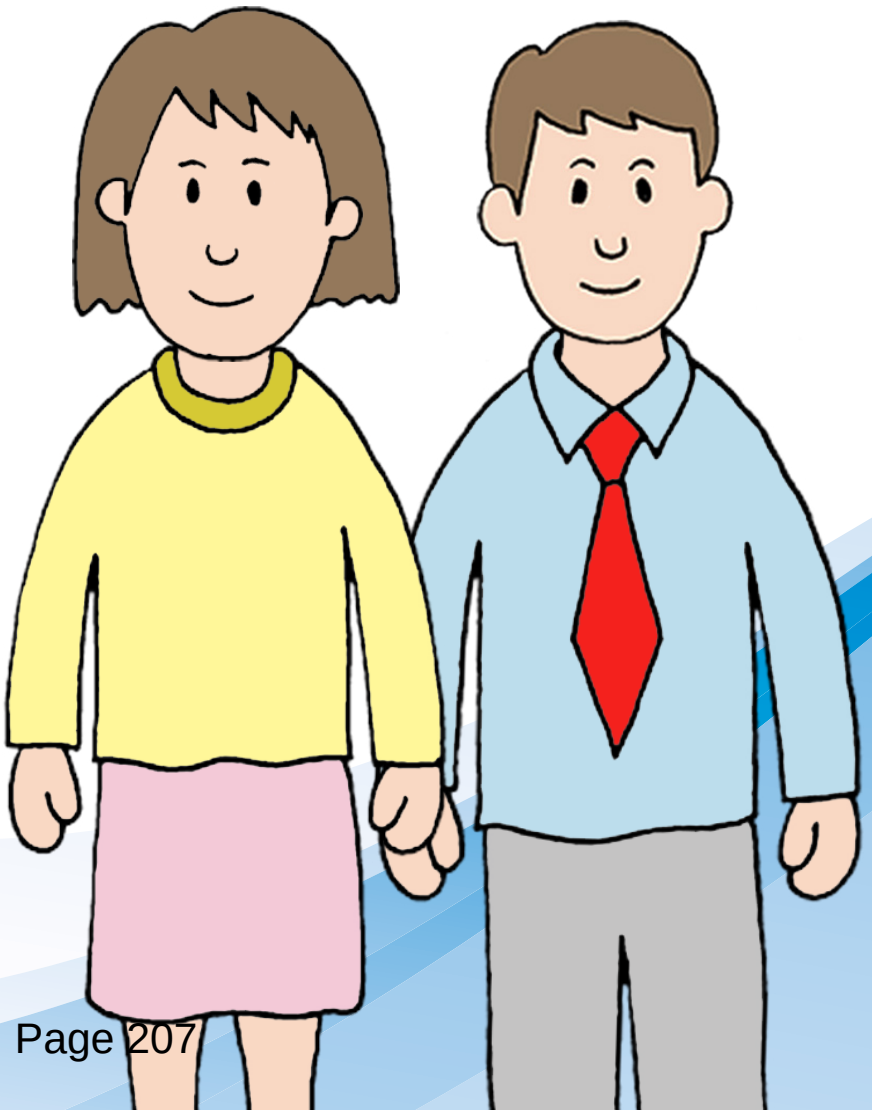
- The Coventry and Warwickshire Local Enterprise Partnership (CWLEP) Strategic Economic Plan objective of Unlocking Our Growth Potential through programmes that address digital connectivity and support for the digital sector.
- The West Midlands Combined Authority Strategic Economic Plan – with a particular focus on delivering growth and public service reform across eight priority themes – new manufacturing economy, creative and digital, environmental technologies, medical and life sciences, HS2 (High Speed 2 - the planned high-speed railway linking London to the West Midlands and beyond), skills for growth and employment for all, housing and maximising the economic geography.
- The draft City Centre Area Action Plan and the Draft Local Plan which include policies which directly encourage the expansion of digital infrastructure.
- The emerging Digital Economy Bill as announced at the 2016 Queen's speech for the state opening of Parliament.

Vision for our digital strategy

To make Coventry a Digital Place

The aims of our digital strategy

- To set the scene for Coventry City Council and partners for the future direction of digital services, infrastructure and innovation.
- To be an over-arching document that gives a clear direction of where the Council, working alongside all of our partners, wants to be in the next five years – recognising that we will continually adapt and evolve to keep up-to-date with the latest advances in digital technologies.
- To focus limited public resources on achieving the best digital outcomes across the whole Council, the city and beyond. To encourage and direct investment in the digital programme by others and to maximise limited public resources.
- To encourage services, people and organisations to work together to share developments and knowledge.
- To address the growing demand for digital services and focus on what residents want in order to deliver outcomes that matter to them.
- To enable the Council, residents, businesses and partners to get the most out of digital.



The Council will play a part in delivering the Digital Strategy, but we will not do that alone. This is a digital strategy for the city and not just for the Council. The universities, businesses, residents, public sector including the NHS and the police, the voluntary and community sector will all be progressing digital work and will continue to innovate and devise solutions. This agenda cannot be controlled or directed by one organisation alone.

The Council's role will be focussed on helping to identify the priorities that will lead to the biggest impacts on economic growth and public service reform – this will include the infrastructure to support digital innovation in the city, providing insight and delivering public service reform directly, including working in a more digital way as a Council and promoting work that will support every resident in the city to benefit from digital change.

Our Digital Strategy will need:

- Us to ensure that our **key policies and strategies are integrated** with our digital **ambition** and **principles** including planning, procurement, economic growth, early help, adult and children's social care, education, workforce, ICT, customer journey programme and commissioning. **The use of digital must be designed with the customer at the heart and is not an end in itself.**

- An **effective and progressive digital connectivity infrastructure in the city,** including broadband/fibre, mobile telecommunications (4G) and public Wi-Fi. This supports the Council's Local Plan and Government's Digital Communication Infrastructure Strategy ambitions.

- Us to develop the **digital skills and confidence of our workforce** so they are equipped to apply technology productively and proactively to find better ways of delivering public services. We need to continue to develop specialist skills and capabilities through insight and business intelligence to enable us to achieve our ambitions. This also includes skills of influencing and working collaboratively with partners to achieve outcomes through different means.

- Influencing the **development of digital skills and solutions within our communities** through partners (including voluntary organisations), schools, colleges and universities, so they are engaged, not excluded from the revolution. Engaging residents digitally too so that we reinvigorate democracy across communities.

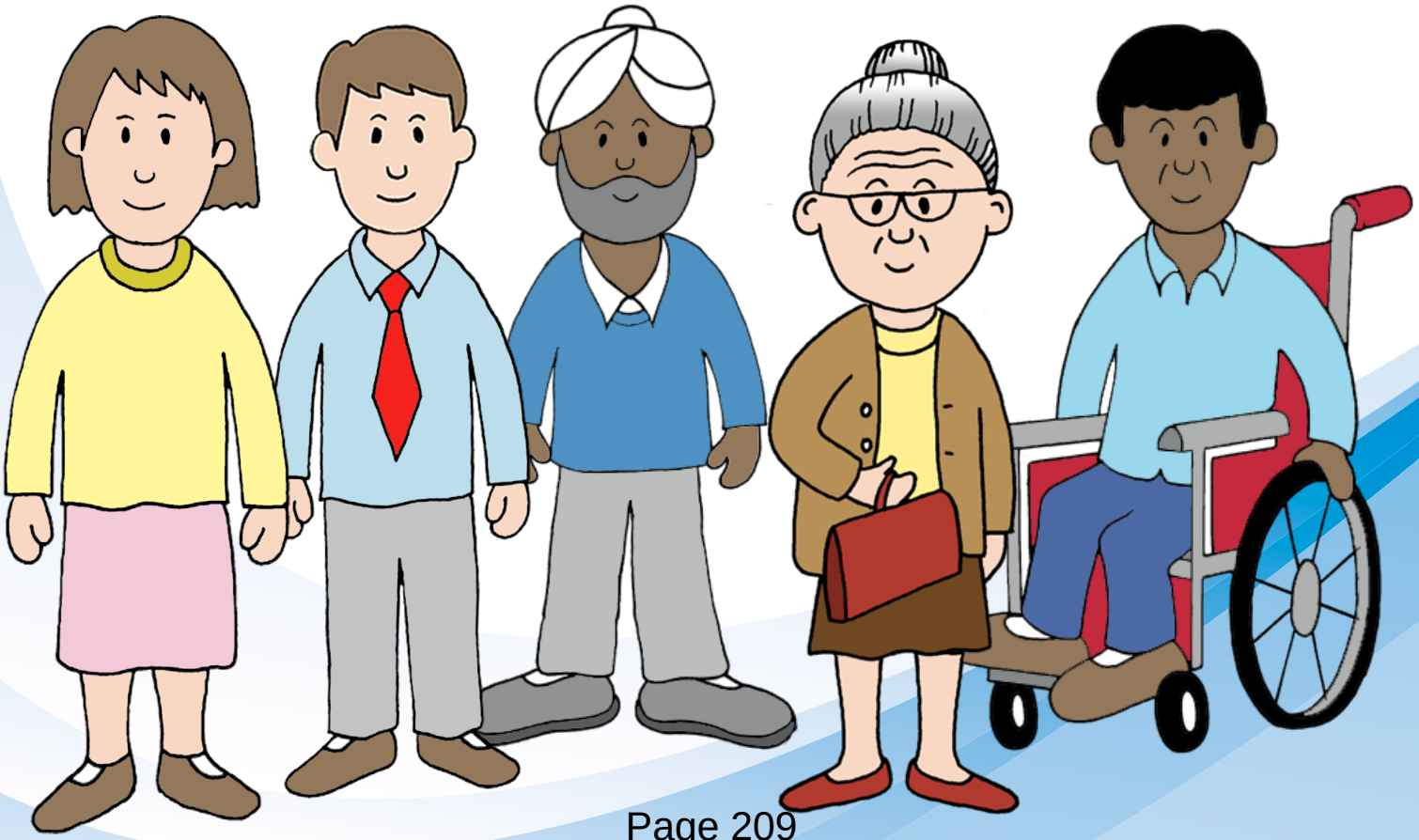
- Changing the **way we design, procure and build digital systems** so that the customer journey is at the heart of how new systems operate and work. Reshaping the traditional local government software and service market to ensure there is increased choice and better value for money. Suppliers will be challenged to offer functionality rich digital systems with a focus on the customer experience, data quality, integration and adaptability.

- **Protecting privacy, delivering robust information, data and cyber security and investing in delivering digital resilience** so that our online services can be trusted to be safe, reliable and to work through implementing the actions in our Information Management and ICT strategies.

- **Redesigning** and implementing business policies, strategies and processes to have digital and customer focussed design at their core.

- Focusing on, and maximising the value in, our **data and information**. This includes identifying our core data and information assets. Creating "**golden records**" for these core data sets with a focus on data integrity and quality. Making data open when we can and sharing with our partners where governance allows.

- Designing and implementing digital services which align with **industry and sector standards, policies and procedures.** Where these do not exist, we will define them.



Our priority themes for Digital Coventry

Priority	What it means
Digital place	***Infrastructure, digital innovation and data are promoted within the city to deliver economic growth and public service reform.*** This means enabling the right infrastructure in the city to support our Digital Coventry ambition, including internet connectivity to deliver economic prosperity and improve lives of residents. Establishing Coventry as a leading Smart City with specific focus on energy, health and transport industries. Using innovation to deliver better public services, with less money - this includes maximising digital channels to engage hard to reach groups. It also means harnessing the power of data and insight more effectively - so we can reduce duplication and target services.
Digital customer and inclusion	***Enabling customers to get the information they need and to access our services through online self-service.*** This means making sure Council services can be accessed via the internet and are user-friendly. This could be for information or advice, to signpost to other services not provided by the Council, to make a payment or to request, apply or report something. It also means making internet access available for people who may not have this at home and building digital skills working with partners.
Digital communities	***Using digital technology to engage with our citizens and to work closely with our partners to address complex issues.*** This means maximising the potential of digital technology in how we communicate and engage with our citizens, customers and partner organisations. It means providing the right digital environment within communities, and developing with partners, citizens and customers the innovative provision of services such as health and social care. It also encourages collaboration within citizen groups to help people access new networks or community resources to help individuals help themselves, promoting independence.
Digital workforce	***Enabling a workforce which has access to the right tools to do its job and is confident in maximising the use and benefits of technology in its daily work.*** This means providing the right technology, such as tablets and phones, so that teams can work in different places, can access systems they need, when they need to and simplifying processes and systems for the benefit of customers and teams. It also means developing a Digital Skills Strategy so we are recruiting and training with digital in mind.

Digital place

Our vision

"Infrastructure, digital innovation and data are promoted within the city to deliver economic growth and public service reform."

This means enabling the right infrastructure in the city to support our Digital Coventry ambition, including internet connectivity to deliver economic prosperity and improve the lives of residents. Establishing Coventry as a leading Smart City with specific focus on energy, health and transport industries. Using innovation to deliver better public services, with less money - this includes maximising digital channels including social media to engage hard to reach groups. It also means harnessing the power of data and insight more effectively.

Our journey so far

We are trialling eight solar-powered smart bins in Broadgate Square. These bins have sensors in them which provide alerts when they are full, or reaching capacity and need emptying. The data that the bins provide is accessible through a cloud-based management portal. We also get daily reports emailed to us with data about the bins. As the bins are powered, they have a compactor in them to allow them to take more waste before they need emptying. The trial has been successful and we are now looking at installing 20 more smart bins within the city.

"Previously we had staff on continuous bin runs throughout the day, now we only need to deploy staff to the bins when they need emptying making us much more efficient."
Area Manager – Street Cleansing and Grounds

We have started a trial of digital air quality monitoring solutions using Air Sensa technology. Each sensor takes continuous readings of air quality and atmospheric conditions. These readings are then sent to a cloud based software platform where it can be interpreted by a number of apps with features such as pollution - avoiding journey planning. We also hope to be able to share this data with our partners for them to create their own apps and provide further insight from the data. If the trial is successful we will install more sensors across the city.

"It is hoped that live air quality data can link to the Urban Traffic Management Control data to allow real time traffic management changes in line with pollution levels."
Head of Regulatory Services

We teamed up with Appy Parking and Nwave to trial an innovative new parking app that will help to make finding an on-street parking space in Coventry simple.

Appy Parking shows available spaces in real time in order to eliminate the need to trawl the city's streets looking for a gap.

It is being trialled at three locations in the city to show on-street spaces at New Union Street, Warwick Road and St John's Street.

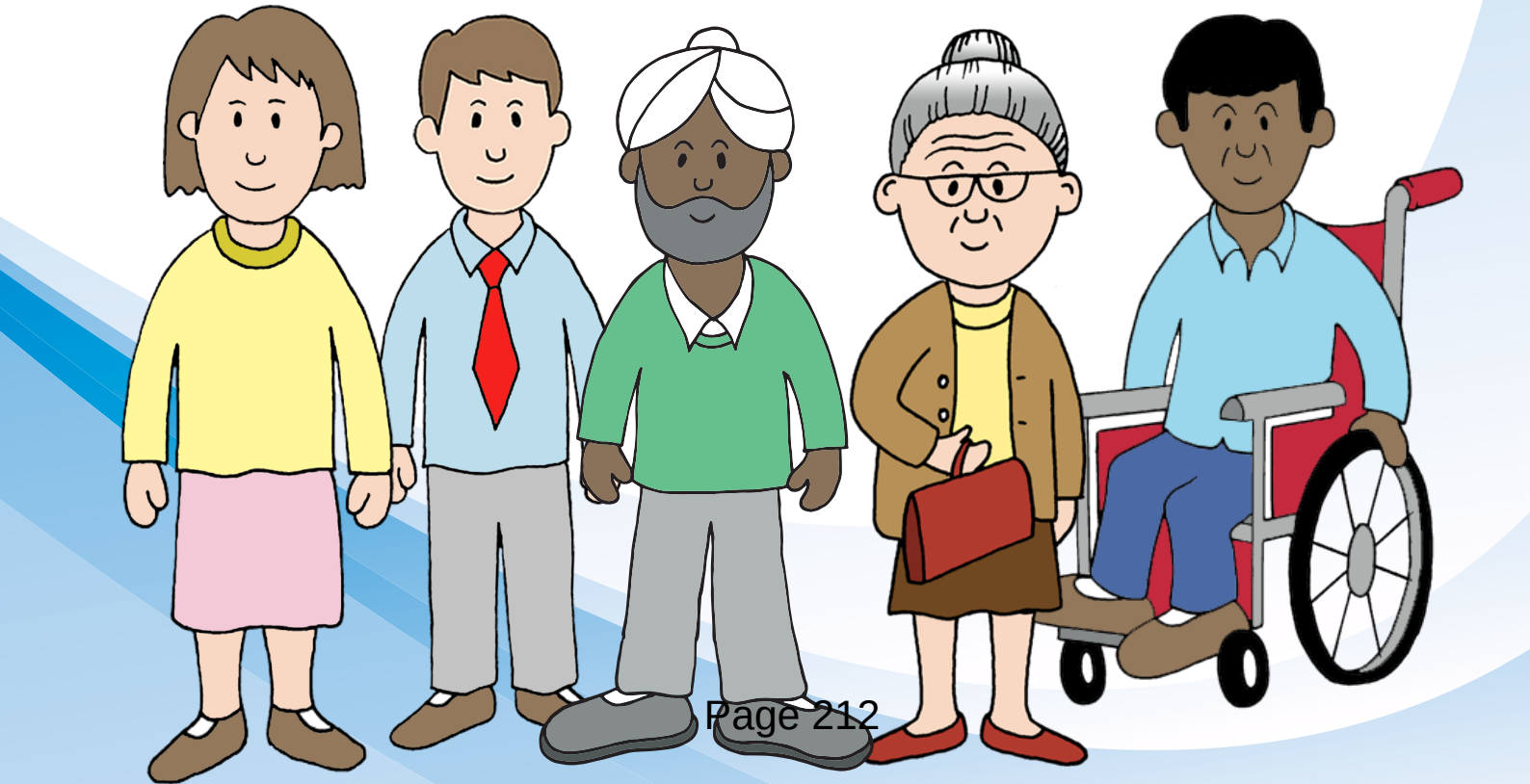
"It is hoped that not only will the app and sensors make looking for a parking space for all car users a thing of the past, but it will help businesses be more productive and also reduce pollution."
Transport Innovation Manager

COVENTRY CORE
POWERED BY CityFibre

We have developed a 140km state of the art fibre network. Working with our partner CityFibre it is being updated and extended through the Coventry Core initiative to reach more businesses.

The network currently connects over 300 key sites throughout the city, including government buildings, schools and hospitals. To make it ready for Coventry's business community it's been upgraded and extended to reach more businesses.

"This is a major step forward for Coventry businesses and for the city as a whole. It will give businesses a competitive advantage over their rivals elsewhere and will make the city very attractive in terms of inward investment."
Advent Communications – Based in Coventry

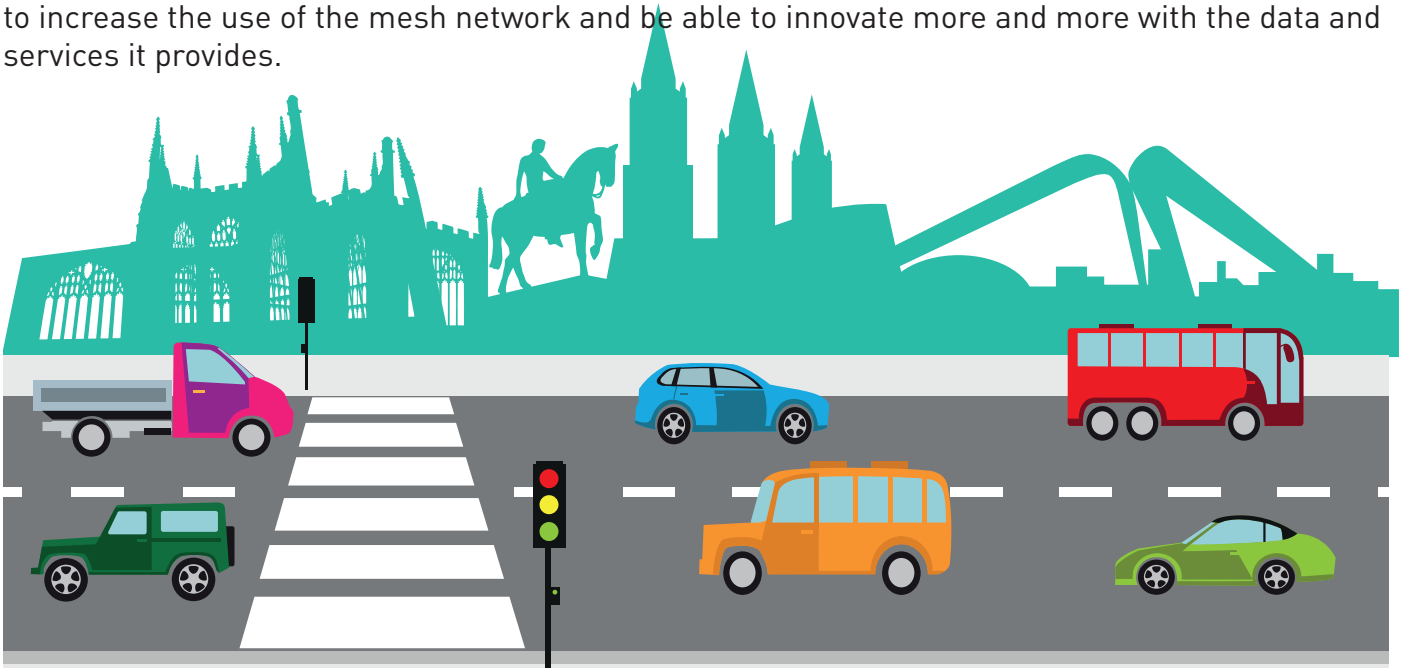


Case Study – A connected city helping with transport

Over recent years, Coventry has developed a network of connected devices led by our Traffic and Transport teams that help our Urban Traffic Management and Control function in the provision of Intelligent Transport, not only in the city but the wider sub region. There are a number of different device types connected on what is known as a mesh network. They can all talk to each other and provide real-time information back to a central hub.

To date we have 500 devices connected to this network and they all help in the provision of our traffic lights, totems/signs, CCTV, Variable Message Signs, Automated Number Plate Recognition systems and parking meters.

Our mesh network is a fundamental building block of our aspiration for a Digital Place. We hope to increase the use of the mesh network and be able to innovate more and more with the data and services it provides.



How we will achieve our vision

- Provision of **high bandwidth, resilient** and **reliable internet connectivity** across **business** and **residential** areas. This will include developing the Coventry Core further - our **Gigabit City** partnership with CityFibre.
- Provision of **high coverage, resilient** and **reliable mobile telecommunications** across the city.
- Traditional **highways** and **building** developments are **designed with digital** in mind.
- **Innovation** opportunities are **actively sought out** to maximise the investment made in our **digital infrastructure,** e.g. developing our mesh network.
- **Innovate**, taking advantage of the **latest technologies** available for **economic growth**, creating an environment that **enables others** to **grow their business.**
- **Implement** digital technologies that are not only **green and low carbon** in themselves but also **enable and support** other green and low carbon **initiatives, activities** and **working practices.**
- Create a leading **digitally rich learning culture** with support from the two universities, our many colleges, schools, academies, libraries and educational services.
- Create an environment that **attracts leading digital businesses** to the city and supports the **innovation of start-ups.**

- Positioning Coventry as a "**living lab**" encouraging new **innovations** and **demonstrators.**
- **Innovation** and **efficiency** will be enabled through leading edge **data visualisation** and **analytic tools.**
- **Data** will be **shared** between **partner organisations** where we are licensed to do so to increase **process efficiency.**
- Where possible, practical and when we are allowed, our **data is made open** and published.
- **Data quality** and **integrity** is built into all **service design** and **working practices.**
- Align with existing or define new **standards** to include public data hubs, Geographical Information Systems (**GIS**), Internet of Things strategy and devices, transport data (traffic flow, parking, public transport) air sensors etc. Learn from and align to **Smart City frameworks** and **standards**
- Digital **security is reviewed** not only at the design stages of a new service but **continually through the life cycle** of the digital technology.
- Digital **security standards, practices** and **procedures** are continually updated in line with **industry trends in cyber resilience.**

Digital customer and inclusion

Our vision

"Enabling customers to get the information they need and to access our services through online self-service."

This means making sure Council services can be accessed via the internet and are user-friendly. This could be for information or advice, to make a payment or to request, apply or report something. It also means making internet access available for people who may not have this at home and building digital skills through partners.

Our journey so far

We introduced our new online self-service platform "MyAccount" in May 2015. Since then nearly 43,000 people have signed up for an account and 44,600 forms have been submitted online by our customers We now have over 70% of residents paying Council Tax via Direct Debit. We are working hard to increase and improve the online services we offer based on customer feedback.

"Excellent innovation" and "Very effective and efficient."
Some customer feedback, on MyAccount

In November 2015 we opened a new Customer Services Centre in the heart of the city centre. The centre is a modern and fresh environment which is well equipped with our latest technologies. Customers are be supported by our meet and greet team who can help you to access our online services using one of our self-service machines or make a payment using our payment kiosks. Customers can also book to see one of our advisers using our new appointment booking system.

Since opening, the centre has scored 4.45 out of 5 in overall customer satisfaction.

We are currently redesigning our homelessness process. Our focus is on customer-centric, digitally enhanced service design covering the end-to-end process for individuals presenting to the organisation as potentially homeless. We are expecting to deliver a much more efficient and automated process. During initial testing we have identified the potential to reduce the initial decision-making time from 90 days to 30 minutes. Our solution then provides a clear decision for those who wouldn't be eligible for our help, supported by signposting to organisations that may be able to provide information and advice for their situation.

"Very clear guidance and upfront info." "Just great stuff - wish it had been available when I worked in housing." Customer Ambassador feedback

Design Council

We have been selected to be part of the "Design in Public Sector Programme" funded by the Local Government Association learning to use Design Council methodology to address perceived issues of demand management. Through this programme we are focussing on access to, and demand for, our Adult Social Care services. We are including prevention, signposting and predictive analysis in health and social care as part of our design thinking.

"The programme helps us to learn new tools and techniques to understand the problem better to create more effective and longer term solutions." Transformation Programme Manager feedback

Case Study
New app making Coventry more accessible and inclusive

We are currently piloting a new digital service called "assist-Mi." The service is free of charge for users and offers comprehensive assistance to people with disabilities who can request assistance when visiting venues in Coventry. People can download an app and then connect via two way messaging to the venue they plan to visit.

The member of staff at the organisation will, at the same time, get a profile of the customer so they understand what their needs are likely to be and anticipate the service user's arrival.

"It helps us all understand more about the importance of accessible venues." – Chair of the Disabled Employees Network

The pilot is a partnership with Coventry City Council and Coventry Citizens' Advice Bureau.

Venues that are part of the pilot include the Council House, Coventry University, the Herbert Art Gallery and Citizens' Advice Bureau.

Full details are available on the Assist-Mi website.

"It gave me the choice of planning my journey to make my trip into the city smoother and easier and of course it is great that it is free for individuals."
Feedback from a user during the pilot

How we will achieve our vision

- **Design** services, **end-to-end, with, and for,** the **customer and service users**. This activity has already started with our recent work on homelessness, waste, registrars and adult social care services.
- **Accessibility, user experience** and **efficiency** are at the heart of **service design**. This was at the heart of our redesigned, device independent website and is a theme that runs through our **continually improved** and **updated content.**
- **Data** will be **collected once**, only when we need it, and **shared** when required across our services to increase **process efficiency** for the customer.
- **Digital assistance** will be provided to ensure that customers can **access services for themselves**. This includes at our city centre Customer Services Centre and also digital tools across other locations including libraries.

- Enabling online **self-serve access** for **all services** through MyAccount and associated appointment booking and payment systems.
- Improving our **technical infrastructure** to support and **underpin the digital customer experience** e.g. this could include using flexible **cloud services** to deliver **scalability (ability to grow)** in times of high demand as well as for site independent business recovery.
- Increasing **online self-service** transactions **24/7**, **reducing face to face and telephony** transactions, **reducing demand for services overall** freeing up resource to **help the most vulnerable, focus on processes** that still need **human judgement and interaction.**

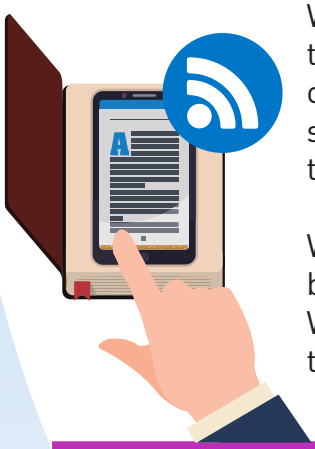
Digital communities

Our vision

"Using digital technology to engage with our citizens and to work efficiently with our partners, to address complex issues."

This means maximising the potential of digital technology in how we communicate and engage with our citizens, customers and partner organisations. It means providing the right digital environment within communities, and developing the innovative provision of services such as health and social care with partners, citizens and customers. It also encourages collaboration within citizen groups to help people access new networks or community resources to help individuals help themselves, promoting independence.

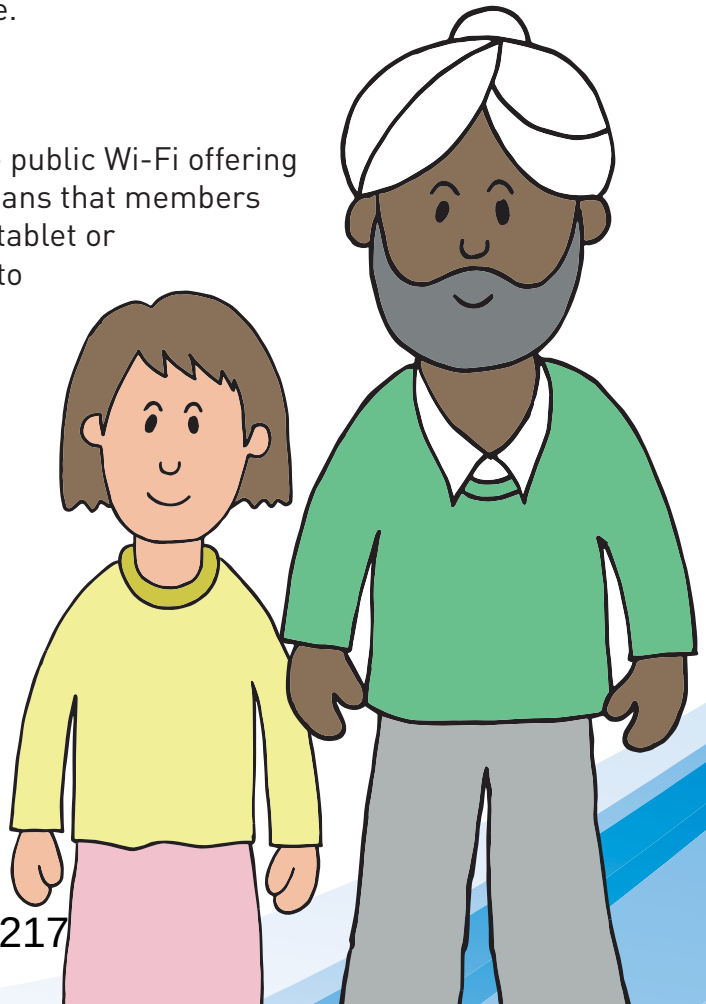
Our journey so far



We have recently extended our free public Wi-Fi offering to all of the city's libraries. This means that members of the public can take their laptop, tablet or smartphone and connect, for free, to the internet via our public Wi-Fi.

We are currently planning on being able to provide free public Wi-Fi within the city centre and the retail market.

In April 2016 there were nearly 13,200 public Wi-Fi sessions for a total of nearly 4,600 hours at our libraries.



The Bell Green Silver Surfers have some 18 members (and a waiting list) with ages ranging from their 60s to their 80s. It is a self-managing and self-sufficient computer club organised by, and for, the senior members of the Bell Green Community. The Silver Surfers meet every Thursday, regardless of the weather, to learn about the latest technologies to enhance their lives.

The seniors in the group are digitally more confident than ever before. They are able to shop online, pay bills and develop financial spreadsheets to help manage money at home. They are able to communicate with their children and grandchildren on sites such as Skype and Facebook. Flowers and bargain white goods are bought online and photos are shared and printed.

"The Bell Green Silver Surfers have reduced the need for members visiting their GP, and they have reduced the dependency on outside support from mainstream services."
Community Development Officer

We have been an early adopter of the Child Protection Information Sharing (CP-IS) system. This allows information to be shared between our Children's Social Care system and the systems used by the NHS. This allows for earlier identification of where a child is at risk of neglect or abuse.

"CP-IS will provide an invaluable safeguard for vulnerable children if they attend unscheduled health care settings."
Head of Business Systems – People Directorate

FABLAB COVENTRY

With our partners at Coventry University and University of Warwick, along with a number of other partners from both the private and charity sectors, we contributed to the creation of FabLab Coventry. The aim of FabLab Coventry is "to encourage all citizens in Coventry to become more technically skilled, but in an environment that is fun, well equipped, geared for self-paced learning, and open to everyone, regardless of income or educational background".

"Fab Lab Coventry is a home where citizens of all ages, makers, doers, entrepreneurs, activists, creatives, students and researchers can come together to build a better Coventry. To do this Fab Lab provides state-of-the-art advanced manufacturing and digital fabrication equipment to anyone wishing to take part." FabLab Coventry

Case Study
Digital Technology supporting Housing with Care

Mrs S is 89 and has angina, hypertension and dementia. She is physically quite fit, and having run a farm with her husband before retiring to a bungalow she is used to spending time outside each day. As Mrs S's dementia progressed she began to need more support, and in 2008 she moved to a Housing with Care scheme, in her own self-contained flat.

A system was fitted that included a property exit sensor. Staff at the scheme turn the sensor on in the evening, and if Mrs S leaves her flat during the night it raises an alert on the night staff's pager. They can then assist Mrs S back to her flat.

Mrs S has also been given a GPS device which is placed in her handbag. As Mrs S always takes her bag with her when she leaves her flat, this means the monitoring centre can locate Mrs S and alert her family if she becomes lost.

The system means Mrs S has been able to remain in the flat she has called home for seven years, close to her son and daughter who live nearby.

She remains part of her community, going out with family and friends and spending time with other tenants living at the scheme. She also continues to enjoy visiting the nearby dementia day centre.

Remaining in familiar surroundings may also have helped Mrs S to remain more independent, as changes of environment can be detrimental for people with dementia.

The GPS device has now been in use for 88 weeks, and has avoided approximately £25,000 costs to the Council.

"We didn't want to see Mrs S go into residential care, as she's really happy living here. With the new system we know that if she does go out the family will be alerted and can contact us.

We can look on the system and see where she is. It has maintained her independence and her safety and meant she can stay here where she is happy."

Member of the care team at Mrs S's Housing with Care scheme

Coventry TeleCareline

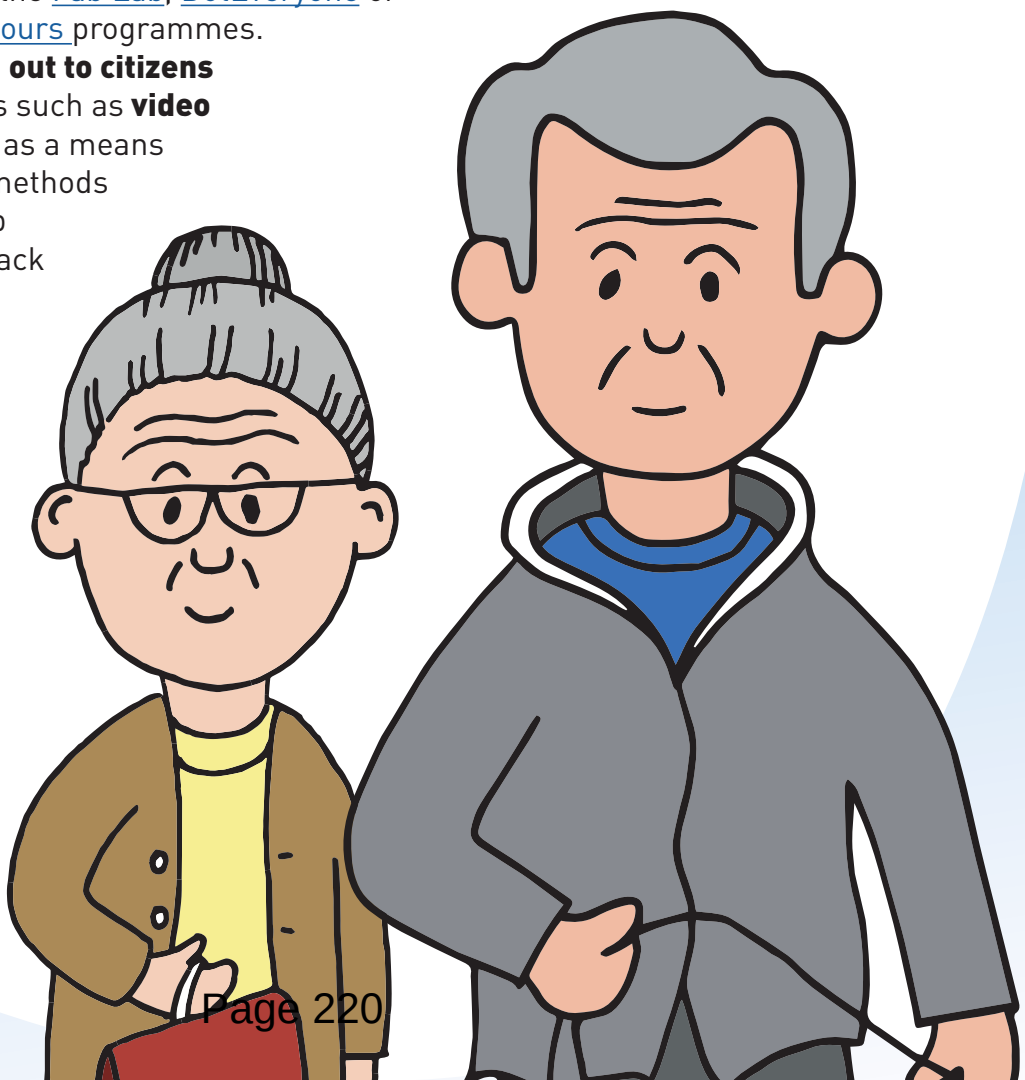
"I think the system is marvellous. I'm so grateful it's been put in, it gives us such peace of mind.

Mum has been able to maintain her independence and stay out of residential care."

Mrs S's son

How we will achieve our vision

- **Collaborating** across our **partners**, including the **voluntary sector** to create, **new innovative, efficient methods of service delivery.**
- **Modernising** IT facilities in **community settings** including **libraries** and our **Customer Service Centre**, through our **Connecting Communities** and **Kickstart** programmes.
- **Improving efficiency** and **accessibility** to Council services for **disabled and vulnerable groups** by harnessing **advances in technology** including improved translation services, customer focussed system design, video conferencing etc.
- **Public Wi-Fi** – implementing the city centre Wi-Fi contract to **provide free city centre Wi-Fi hotspots**. Public Wi-Fi enabled across all **library locations**. Expanding this across other city locations and Council buildings.
- Work with our **research** partners, including our **two universities** to explore **innovative assistive technologies** to directly support within the **health and social care environment.**
- Establish suitable **data sharing agreements** and **legal frameworks** to enable the **sharing of complex and sensitive data** between partner organisations including the NHS and Police to improve **process efficiency** and **outcomes for our citizens.**
- Using **social media** analysis to engage with **citizens** via **digital channels** that they are **already using** – not necessarily introducing new tools. We will talk to local communities to understand how best they want us to engage with them via these channels.
- **Empowering citizens** by **increasing resilience** within **communities** by making more people aware of **resources within their community**. Developing their own solutions by **pooling existing community resources** and matching **volunteers** to areas of **need.**
- **Encourage** people to **develop their digital skills** in community settings through initiatives such at the Fab Lab, DotEveryone or Cheylesmore Good Neighbours programmes.
- Use **new ways of reaching out to citizens** in more accessible formats such as **video** and **create Citizen Panels** as a means of engagement. Use new methods such as **quick polls** to help understand citizens' feedback on engagements better.



Digital workforce

Our vision

"Enabling a workforce which has access to the right tools to do its job and is confident in maximising the use and benefits of technology in its daily work."

We need a rapid change in culture and mind-set to demonstrate a clear commitment to embracing IT innovation and to provide a clear vision for a more digital future; one that offers a vibrant and exciting environment for the up-and-coming generation of digital talent.

This will be done through providing the right technology, such as tablets and phones, so that teams can work in different places and can access the systems they need, when they need to and simplifying processes and systems for the benefit of customers and teams.

We also need to ensure that our employees at every level of the organisation have the digital skills, confidence and commitment to adopt a digital first approach to working collaboratively across boundaries to deliver services and meet customer needs. It means developing a Digital Skills Strategy, providing a clear vision and expectation of digital standards and addressing gaps through training and recruitment.

We are introducing a new type of telephone system for our staff which allows them to use their computer as a phone. This also gives greater flexibility and mobility to staff as well as introducing new communication methods such as conference calling, video calling and instant messaging. So far we have rolled out to **2500** users. Our plan is for all main office sites to be live by December 2016.

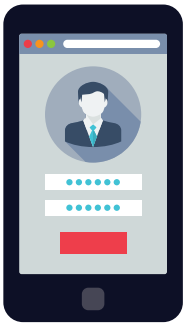
81%
of early users say they can work more flexibly

We have introduced a new type of laptop computer – a 2-in-1 laptop. This means they can also be used as a touch screen tablet device, making them more versatile and accessible to use in meetings and when users are away from a desk. Alongside this we have also made it easy for teams to connect to our network when they are working away from the office, as long as they have an internet connection. So far we have issued this type of device to **30%** of our Council users.

"Light and agile, I take it everywhere. Versatile – no more paper, I use it as a tablet at meetings."
Finance Business Partner

We have introduced new electronic systems for users to be able to store, access, share, collaborate on and archive their files. This is being matched with redesigning our document management policies and procedures with a view to the organisation becoming as paper-light as possible. So far we have rolled out these systems to **62** out of **91** services. Our plan is for all services to have access to these systems by early 2017.

"I really like being able to work on the same document together – and seeing people's changes added."
Corporate Performance Officer



Having renegotiated a new corporate Mobile Telephony contract we are now able to provide corporate smartphone technology to our users. This means that they can not only make and receive calls but also access emails and create Wi-Fi hotspots for them to be able to connect their laptop to the internet to access our network. So far we have provided smartphones to **2500** of our users.

"Using my phone to create a Wi-Fi hotspot, I can access network files, emails and take notes while working in schools."
Educational Psychologist

Case Study
New devices supporting new ways of working

Natasha is a social worker in our Referral and Assessment Service. She was part of the test project for the new 2-in-1 laptops that we are now rolling out across the organisation. We wanted to be sure that the type of device we are offering is fit for purpose for the people that will be using them day-to-day.

"One of the intended outcomes of the tablet is that we will become more paper light. As social workers we write copious records and this is often in writing on paper and then they have to be typed up back at the office. By using the tablet, the records will be typed up straight away, and therefore, saving a lot of time so we can see more service users and children."
Natasha – Social Worker

The testing of these devices was successful and feedback from the group was captured. This informed our approach to rolling these devices out further. We have provided nearly 1300 so far, with lots of positive feedback.

How we will achieve our vision

- **Innovate**, taking advantage of the **latest technologies** available.
- Focus on **process efficiency** and **automation** through the use of technology and the use of **efficient, digitally enhanced** models of **service delivery** and **process,** which in turn will **reduce cost** and **support improvement in outcomes.**
- Ensure that **data integrity and quality** are at the heart of operating processes with a specific focus being given to **insight** and **continual service** improvement in the future shaping of services.
- In line with our **Digital Transformation** agenda, **services** will be **designed, end-to-end, with and for** the **customer and service users.**
- Ensure that the **workforce** is suitably **skilled** in the use of **digital technology and service redesign**. This will be supported by the creation of a **Digital Skills Strategy.**
- **Service managers** are **accountable** for **continually reviewing** the processes they are responsible for to ensure they **remain up to date** with the latest technology trends. Changes to processes are carefully managed and controlled to ensure **service continuity** whilst innovating.
- **Remove complexity** by **reducing** and **consolidating** the number of IT systems in use by Coventry City Council through our **Systems Consolidation** programme.
- Ensuring that the **right documents**, **information and data** are available to the **right people** at the **right time** through the creation of a **digital collaboration environment** which includes re-imagining our **intranet.**

The next 12 months for Digital Coventry

The following activities will be undertaken within the next 12 months

- Review progress and build more detailed plans and activity across all services.
- Add and highlight any additional initiatives that are identified to ensure these are aligned with existing plans or resources.
- Take stock and review the Council's digital offer and the outcome of the training and support programmes to determine if this support is working and if it should continue.
- Be clearer of the position regarding infrastructure and look for any gaps in coverage or access.
- We will continue to deliver more online services and monitor channel shift and the customer experience.
- In line with the ambitions of the Draft Local Plan, developers of new development (residential, employment and commercial) will be expected to facilitate and contribute towards the provision of internet connectivity infrastructure and ensure this meets the ambitions of the Government's Digital Communications Infrastructure Strategy and the European Digital Agenda.
- Work more closely with partners in the city to progress the digital agenda – including Warwick and Coventry Universities, technology suppliers, businesses, innovators and providers who are delivering infrastructure within the city.
- We will actively align its digital work with that of the CWLEP, West Midlands Combined Authority in delivering the Strategic Economic Plan and Public Service Reform.

Where will we be in five years?

Digital technology changes and evolves at an incredible pace. The Digital Coventry programme will focus on being up to date with the latest technological innovations which may well require us to adapt our plans as the technology advances.

At the time of writing, these are our aspirations for the next five years

- In five years we will see a clear shift in the way our customers engage with the Council. As the uptake and usage of digital services increase, customers will expect a seamless multi-channel experience, mirroring their experiences across wider sectors.
- Advances in digital solutions as to the way we store, manage and analyse data, will enable the Council to be clearer about which face to face services are required, when these should be delivered and who they should be delivered to.
- Council and partners will have enabled all customers and businesses to access the internet and be more confident in realising its potential.
- Customers will have access to equipment and support to access digital services in a wider range of public and non-public buildings.
- The city will continue to have full internet connectivity coverage. Working with suppliers and partners we will strive for the city to have high coverage of ultrafast internet connection (300Mbps).
- The city will have a growing number of free Wi-Fi hotspots with an aspiration to provide city wide public Wi-Fi.
- The city will continue to position itself as a digital leader taking advantage of any possibilities to adopt new technologies early or as part of pilot initiatives. This would include positioning ourselves to influences where possible becoming an early adopter city for 5G mobile telephony technology when this is available.
- Digital delivery and ambition will have been realised and will be actively enabling economic growth and improving the wellbeing of Coventry residents by boosting competiveness, increasing productivity in the public and private sectors, reducing reliance on public services and securing public service reform.
- In order to keep pace with technology and to respond to changes in public services including reductions in resources, we will be working much more closely with other partners to help design and deliver the required changes.

For more information or for any queries regarding this strategy, please contact:

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Director of Customer Services and Transformation **lisa.commane@coventry.gov.uk**

Paul Ward
Head of ICT Strategy, Systems and Development **paul.ward@coventry.gov.uk**

Get involved using #digitalcov

Digital Coventry

Digital customer and inclusion

Making sure our online systems are easy to use and everyone has the skills and opportunity to use them, so they can get the service they want when they want it.

Digital communities

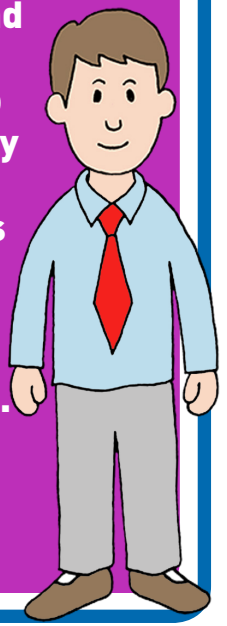
Using the latest technology to talk to city people and encourage them to talk to each other so they can do more for themselves and their communities by going online. Helping people live independently for longer.

Digital place

Developing the city's internet connectivity for residents and so local businesses have the digital/ online tools they need to create jobs and prosperity helping us offer a better quality of life to Coventry people.

Digital workforce

Giving workers the skills and equipment they need to work flexibly and putting digital skills at the heart of recruitment and training.



Find out about our journey and what's planned for the future: www.coventry.gov.uk/digitalcoventry

Digital Transformation Scrutiny Panel Work Programme

Responsible Body	Meeting Date	Item	Scope	Invitees/Officers	Notes
Digital Transformation Scrutiny Panel	Meeting 1 28 February 2022	Report/presentation on current projects	To enable the panel to understand current workstreams To include; current projects, difficulties identified, usage of e-reports pre-Covid and during Covid.	Karey Barnshaw/Aymen Khan	
Digital Transformation Scrutiny Panel	Meeting 1 28 February 2022	Assignment of tasks to panel members	To enable panel members to begin to gather relevant information to inform the panel	Karey Barnshaw	
Digital Transformation Scrutiny Panel	Meeting 2 March 2022	Feedback on Tasks	To enable panel members to highlight findings from tasks assigned		
Digital Transformation Scrutiny Panel	Meeting 2 March 2022	Identify Key Stakeholders	To consider useful contacts to speak to the panel		
Digital Transformation Scrutiny Panel	Meeting 2 March 2022	Paul Ward Head of IT and Digital, Coventry City Council			
Digital Transformation Scrutiny Panel	Meeting 2 March 2022	Planning Applications	To consider the current process involving planning applications and potential ways to improve this	Planning Officer	
Digital Transformation Scrutiny Panel	Meeting 3 27 April 2022	Feedback on Tasks	To enable panel members to highlight findings from tasks assigned		

Digital Transformation Scrutiny Panel Work Programme

Digital Transformation Scrutiny Panel	Meeting 3 27 April 2022	Stakeholders	Stakeholder interviews. To include someone with Marketing background and other councils.		
Digital Transformation Scrutiny Panel	Meeting 3 27 April 2022	Developing Survey	To create a survey for customers. To include what questions should be asked, who should answer the survey, how should the survey be distributed	Karey Barnshaw/Ayman Khan	
Digital Transformation Scrutiny Panel	Meeting 4 30 May 2022	Feedback on Tasks	To enable panel members to highlight findings from tasks assigned		
Digital Transformation Scrutiny Panel	Meeting 4 30 May 2022	Survey Results	To review the results of the survey.		
Digital Transformation Scrutiny Panel	Meeting 5 27 June 2022	Draft Panel Report and Recommendations	To agree final version for submission to the Scrutiny Commission and Cabinet	Karey Barnshaw	