Borders Broadband Contract Award and Partnership Agreement
APPENDIX A Equalities Impact & Needs Assessment for Herefordshire

Vision of Borders Broadband "To ensure that Herefordshire and Gloucestershire have a fast and affordable broadband service that contributes to better outcomes for all; encourages a greater range and quality of service delivery, creates a competitive advantage for business and increases the social inclusion of those living in the most isolated areas."

1.   Introduction

1.1   In accordance with the vision outlined above the purpose of the Borders Broadband project is to enable residents and businesses in Herefordshire and Gloucestershire to have access to better broadband. This means universal service commitment of 2Mbps speeds for everyone along with access to next generation access broadband for as close to 100% of the population as possible.

1.2   The first step to achieve this purpose is to contract with a telecommunications company to design, build and maintain a wholesale broadband network.

1.3   The focus of the project is on the rural parts of the county (eligible areas) which would not see significant investment by the private sector without a financial incentive or "gap" funding by the public sector.

1.4   The public sector capital contribution to the project in Herefordshire is £20.2m split between local and national government sources. The investment is high, but so are the rewards through economic benefits to the county, the improved well being of residents, and the opportunity for public services to become more efficient and accessible through electronic delivery.

1.5   This Equalities and Needs Assessment supports the Herefordshire Council cabinet report "Broadband Contract Award and Partnership Agreement" (September 13th, 2012). A mirror assessment has been produced for Gloucestershire. The assessment examines the negative and positive effects of the Borders Broadband project on equalities, especially in paying "due regard" to "promote equalities with regard to the protective characteristics" in reference to the Public Sector Equalities Act.

2.   Drivers for change

2.1   The existing broadband provision in the county is currently failing to deliver the national universal service commitment of 2Mbps to 23.8% of premises in Herefordshire (Ofcom[1] 2011) with the same data revealing that there is no access to Superfast Broadband in Herefordshire (though BT have announced superfast deployment for Hereford as part of a commercial roll-out).

2.2   Herefordshire faces particular challenges because of the limited amount of existing telecommunications infrastructure and its relatively low population spread over a large area making premises costly to reach compared to more urban areas. Without public sector funding, telecommunications companies would not invest in the wholesale Broadband

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[1] Communications Infrastructure Report 2011

network across the rural areas because of the limited return on investment, even in the long term. Consequently without public sector intervention, rural areas will increasingly become digitally excluded with businesses losing competitive advantage and residents unable to take advantage of the financial, educational, social and health benefits of being on-line.

3. Policy Drivers

3.1 Via Broadband Delivery UK (BDUK), the Government has made a commitment to invest £10.1m into Herefordshire's broadband infrastructure. The national aspiration is for every premise to have access to a 2Mbps service and with next generation access of 24Mbps speeds available to 90% of households and businesses by the end of this parliament. The European expectations for service standards are for all citizens have access to 30Mbps by 2020.

3.2 Herefordshire Public Services' Corporate Plan contains the specific objectives to "improved access to superfast broadband and wider use of technologies". In addition the improved broadband network will have a positive impact in meeting other Corporate Plan objectives of:

- Growing businesses, jobs and wage levels
- Accessible services
- Sustainable education provision
- More people retaining their independence through greater choice and control
- Reduced child poverty
- Families and communities that are able to support all children and young people effectively
- Increased equality of opportunity

3.3 The Borders Broadband project is a key element of the Economic Development Strategy for Herefordshire (published 2011). A core source of evidence for the priorities in the strategy was the Herefordshire Employers Survey 2010. Around 10% of Herefordshire's businesses responded to this survey and it represents the most comprehensive picture yet of the county's economic factors. 81.5% of the respondents said they needed broadband internet access in order to effectively operate.

4. Economic Drivers

4.1 A core reason for national and local investment in Broadband is to enable businesses to compete on a level playing field with companies in more urban areas who have access to fast broadband speeds. Maximising digital connectivity can enable firms to do their business more effectively, communicate with customers and diversify into new markets. Additional profits can be re-invested in the growth of the business creating better wages and more employment.

4.2 These factors are important to the county in creating better circumstances for individuals and families, whilst also supporting the cyclical flow of income and creating a wealthier county.

4.3 It is expected that the Borders Broadband project will have a positive impact on the economic productivity of indigenous business and it is estimated that the county's GVA will increase by £120,493,247 over 10 years (assuming 90% coverage of NGA and a 10% increase in take-

up and optimisation)[2]. Having wider access to NGA will also add credence to Herefordshire's inward investment efforts in adding to the attractiveness of the county as a place to locate.

5.   Social Drivers

5.1   96% of Internet users say it has improved their life (UK online centres). There is a range of national research to support this including:

- 2 higher grades can be achieved by children with use of the internet in their homes (e-Learning Foundation) and students who utilise the Internet for study on a regular basis can benefit from improved attainment when assessed compared to those who do not utilise the Internet and ICT (Centre for Economic Performance, CEP Discussion Paper No 625)
- Consumers who shop regularly online can make 'typical savings' of £560 per annum (The Economic Case for Digital Inclusion, Price Waterhouse Cooper). In addition those electing to switch to online accounts (i.e. e-billing) can make additional savings. According to the BBC using online accounts can save £239 per annum to the average family (www.bbc.co.uk/news/business-11787658).
- Remote diagnostics and monitoring services can assist the vulnerable and sick allowing them to remain in their own homes avoiding the need to visit hospital or for care workers to visit them as often. Patient experience with remote monitoring has indicated that they can feel empowered and more secure knowing they are being observed (Evaluation Report for COPD Telehealth Project, 2008)
- Access to social media such as Skype, email and social networking sites can help address issues of isolation, specifically older people who want to and are encouraged to live in their own homes - over 1 million people aged 65+ say they always or often feel lonely (Agenda for Later Life, Age UK)
- Access to benefits can also be improved via digital media. The wealth of information, assistance and advice that can be obtained from online sources ensures people better understand the benefits they are entitled to and can act as a driver to other information providers (www.direct.gov.uk/en/MoneyTaxAndBenefits/BenefitsTaxCreditsAndOtherSupport/Employedorlookingforwork/DG_10018757).

6.   Local Drivers

6.1   As part of the Borders Broadband Project, and with the help of Fast Broadband 4 Herefordshire, a survey into demand and use was distributed to every household in the county via the postal service. Whilst an on-line survey was available it was felt important that people without access to the Internet could make a response to ensure they were not excluded. The survey ran from September 2011 to February 2012 and generated 5,057 responses from the county (with 11,017 responses from both counties).
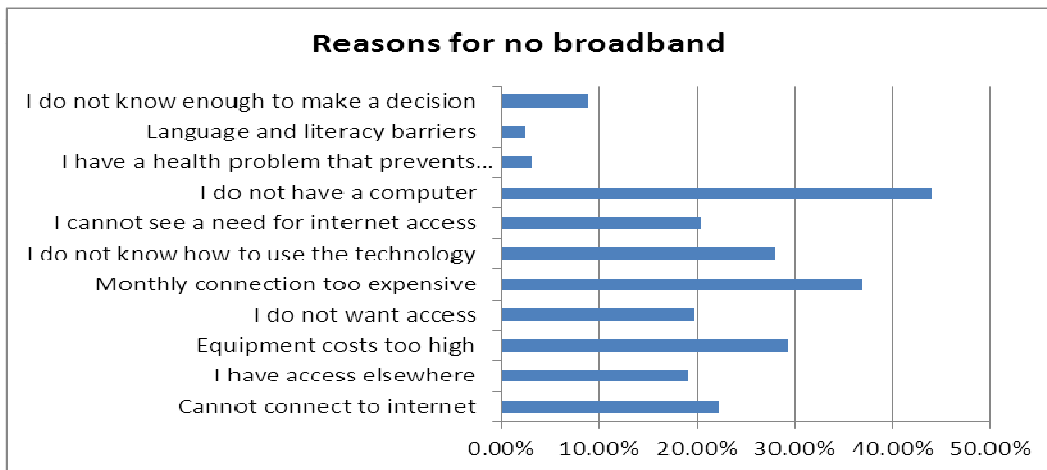
6.2   Key results show that:
- Over three quarters of survey respondents in Herefordshire see broadband as essential to their home life
- Over a third of households in Herefordshire have download speeds well below 2 Mbps and around one in ten households have speeds less than 0.5 Mbps
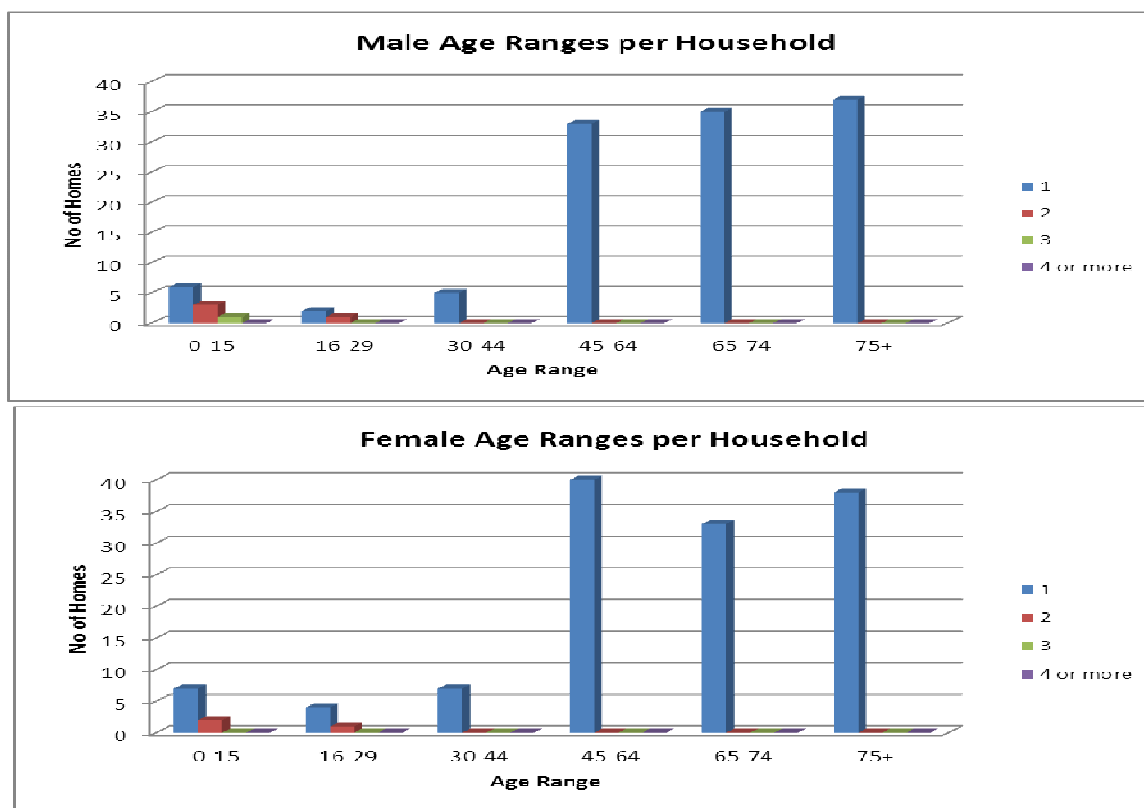
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[2] Calculating the Impact of NGA Broadband in Herefordshire and Gloucestershire, 2012.

- One in six people use their household internet for school, college or university studies, while over a third use the internet at home for work, either for their employer or to run their own business
- More than half of households spend over 20 hours a week on the internet at home (collectively as a household)
- Around one in ten households have four or more Internet connected devices
- The top three current uses for broadband at home are:
  - Searching for goods and services
  - Buying goods and services
  - Paying bills and online banking
- The top three desired uses for broadband at home (if they had faster broadband) are:
  - Watching TV or video
  - Using internet functions on TV
  - Using Skype

6.3 There were 157 responses from residents without the Internet. The main features of the responses are highlighted below. Respondents were able to tick all reasons for not having broadband that applied, so the percentages do not accumulate to 100%, but costs and lack of knowledge are raised more often than being unable to connect. For non-users, the age of respondents were generally higher.

Reasons for no broadband

Reason	Percentage
I do not know enough to make a decision	~9%
Language and literacy barriers	~2%
I have a health problem that prevents...	~3%
I do not have a computer	~44%
I cannot see a need for internet access	~20%
I do not know how to use the technology	~28%
Monthly connection too expensive	~37%
I do not want access	~20%
Equipment costs too high	~29%
I have access elsewhere	~19%
Cannot connect to internet	~22%

Age and gender profile of non-users:

Male Age Ranges per Household

Female Age Ranges per Household

7.   Digital Divide

7.1   In 2009, 10.2 million adults (21% of the UK population) had never accessed the internet and 7.8m households (30% of those in the UK) had no internet connection at home. For Herefordshire the immediate issue is access to any broadband or broadband of sufficient speeds to make connection worthwhile. By contracting with a telecommunications company to design, build and maintain the broadband network this will result in improved access. However, though significant, this is only one and the first step to ensure people have equal access to digital opportunities.

7.2   The take-up of any broadband service is important to ensure the public sector investment is maximised with residents and businesses making the most of the opportunities being e-connected can bring.

7.3   From national data[3] it can be determined that digital exclusion is one factor next to a range of other exclusions that are often linked including rural isolation, poverty, unemployment, poor housing, poor health. However, digital inclusion can help to address some of the wider issues of exclusion.

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[3] The Economic Case for Digital Inclusion 2009, Price Waterhouse Coopers

8.   Local Divide

8.1   The core aspect of the Borders Broadband project is to create equal opportunity for people to access broadband. However there are three "characteristics" where due regard needs to be given.

8.2   Age – national research[4] and the local survey results shows that older people are less likely to embrace the new technologies largely because of awareness and skills. However, it is this group who could significantly benefit into their older age through social contact, access to services and supporting care and health requirements.

8.3   Poverty – though the public sector are gap funding the installation of the broadband network, there will still be costs of connections and monthly internet charges payable by residents.

8.4   Geographic – In the contract with the telecommunication company all households will have access to universal services at 2Mbps and 88% of the premises in Herefordshire will have access to speeds of 30Mbps with a range of speeds in-between (which includes the commercial deployment). The contract is the first step in meeting the ambition for 100% of people to have access to next generation speeds. However, as the most costly areas to reach are those which are most rural some people may not have access to the speeds they want / need, and as the deployment is delivered in phases some communities will receive the improved service much quicker than others.

9.   Age

9.1   Just over a fifth of Herefordshire's population is aged 65 and over (22%), compared to 17% regionally and 16% nationally[5]. The numbers of older people has grown more rapidly locally than nationally, a trend which is expected to continue. The number of people aged 65+ forecast to be living in Herefordshire by 2026 will be 61,000. In particular, the number of people aged 85+ is expected to almost double, from 5,400 in 2009 to 10,200 in 2026.

9.2   Enabling older people to stay in their homes rather than residential care can enable people to have more control over their lives and is more cost effective than residential care (for the public sector or individual). However, isolation can be a key factor - 3.1m people in the UK over 65 years don't see a family, friend or neighbour even once a week[6] and 51% of people over 75 years live alone, with just over 1 million aged 65+ saying they always or often feel lonely[7]. Being connected digitally can help to address issues of isolation and keep people in contact with key services that will allow people to stay in their homes.

9.3   **Intervention**

- Be part of the National Go-On campaign to raise the profile of going-on line as a form of communication specifically using programmes such as Skype and email; also link to the national "give an hour campaign"[8] for people to volunteer for an hour to help kick-start people's use of the internet.

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[4] Aging and the Use of the Internet, Nominet Trust, 2011
[5] State of Herefordshire Report, 2011
[6] Participle.net
[7] Agenda for Later Life, Age UK
[8] www.go-on.co.uk/champions

- Specific elements of the **Go-On Here**fordshire programme to cater for older people including awareness sessions, training, internet clubs, etc.
- As part of the contract award, the supplier will be running a high level marketing campaign to create general awareness of broadband use, and retail ISPs will run their own product campaigns.
- Work with HPS services and key organisations that have contact with older people to raise awareness of going on-line and offer support programmes - including Age Concern, WIs, GPs, Residential Social Landlords, and via Broadband Champions.
- Implement Herefordshire's plans for tele-care with potential to develop tele-health.

10. Poverty

10.1 Poverty is a lack of income (or material possessions) to such a level that it is not considered acceptable by society. Officially a household is considered to be in poverty if its income (after taxes and housing costs) is less than 60% of the average (median) income nationally. In 2007-08 (the latest date for which local authority estimates are available) this was equal to £199 per week for a couple with no children. In the same year an estimated 19% of households (14,500 households) in Herefordshire had income below this level[9].

10.2 Of those people classed as living in poverty:

- 22% are married families
- 22% are working age adults (16-59 years)
- 46% are lone parents households
- 29% are under 16 years old
- 16% are older people

10.3 The Borders Broadband survey shows that cost is a barrier to going on line – this includes monthly subscription charges, purchase of equipment and connection charges.

10.4 Poverty can be a symptom of several circumstances – low wages (Herefordshire's weekly wage is £383.30 compared to £456.4 nationally); unemployment which has increased during the recession; under employment with the proportion of people working part-time is greater in Herefordshire (14%) than nationally (12%)[10].

10.5 Also, there are links between poverty, health outcomes and educational attainment when comparing the most and least deprived neighbourhoods in Herefordshire[11].

10.6 Whilst the greatest numbers of households in poverty live in urban areas, some households in rural areas also live in poverty. There are also other financial pressures associated with living in rural areas that, whilst not relevant to the official definition of poverty, do make it harder for residents of rural areas. Additional costs associated with transport and domestic heating mean some rural households have to spend more to achieve the same standards of living as equivalent households living in urban areas[12].

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[9] State of Herefordshire Report, 2011
[10] Annual Population Survey, Annual Business Inquiry, Herefordshire Employers' Survey 2010 and the UK competitiveness index
[11] Herefordshire Joint Strategic Needs Assessment 2010
[12] A Minimum Income Standard for Rural Households, Rowntree Foundations, 2010

10.7   Intervention

- Promote online@home which offers cheaper computer hardware via reconditioned equipment and lower cost subscription charges for people on benefits as an enabler for people to get online.
- The customer will be able to purchase a range internet packages from ISPs that suit their means.
- Wholesale pricing regulated by Ofcom ensures the infrastructure provider cannot charge more for services in rural versus urban areas).
- The contract will enable more ISP's to access the network and therefore increase a competitive market and to drive down costs.
- The deployment will enable next generation speeds to reach employment sites and home businesses helping with economic prosperity.
- As part of the national Go-On programme work with key organisations to reach people who would most benefit from going on-line.
- The Community Technology Grant is available to local areas to purchase IT equipment for community use.
- Internet access is available at each library in the county enabling people to go on line.
- Work through CAF (Common Assessment Framework) programme to address the specific needs of families in areas of cost, access to equipment and training.

11.   Geography

11.1   54% of Herefordshire's population live in rural areas, of which 43% live in the most rural locations. Providing services to a scattered population across a large geographic area is a challenge and often additional resources are required to service a sparsely disbursed population. Access to services particularly some health services such as the dentist, GP and hospital were felt to be difficult to access by Herefordshire residents, along with other services such as post office and public transport[13].

11.2   As more and more national and local services are delivered "digitally by default" there is a risk that the problems faced by accessing services will be compounded if people are not connected. Though many people can currently access services on a 2Mbps service, more upload and download speeds will be needed in the future as more services are delivered online.

11.3   Intervention

- The ambition remains that everyone will have access to at least 30Mbps by 2018. As a first step in that delivery the contract allows for:
- 100% of premises to have access to universal commitment by March 2016
- 88% of residencies in the whole county will have access to next generation broadband of 30Mbps.
- Of the remaining premises a range of speeds will be available between 2-30Mbps.
- A bursary scheme will be available to business, communities or individuals who make a social or economic case for next generation speeds if not provided in the contractual deployment.

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[13] State of Herefordshire Report, 2011

- To continue to embrace new technology and mobile phone infrastructure development to achieve 100% next generation speeds for everyone by 2018.

12. Summary

12.1 The Borders Broadband project is designed to create an equal opportunity for people to take advantage of digital services. The public sector investment will mitigate disadvantage caused by the limited broadband access in the county available commercially.

Glossary

BDUK: Broadband Delivery UK the funding arm of Department for Culture Media and Sport
HPS: Herefordshire Public Services
Mbps: Megabits Per Second the measure of Broadband bandwidth or speed
NGA: Next Generation Access, effectively the term for superfast broadband – project has elected to use 30Mbps and above
Protective characteristics: Age; Disability; Gender; Reassignment; Marriage and Civil Partnerships; Pregnancy and Maternity; Race; Religion or Belief; Sex; Sexual Orientation
USC: Universal Service Commitment, effectively the term for basic broadband (the USC is the Government's Commitment) – 2Mbps basic broadband