ICON Independent Commission on Neighbourhoods

Hyperlocal Digital Inclusion

A report for the Independent Commission on Neighbourhoods

Sophia Knight
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The Independent Commission on Neighbourhoods

The Independent Commission on Neighbourhoods (ICON) was launched with the support of Alex Norris MP, Minister for Local Growth, in September 2024. The Commission aims to address the significant challenges faced in England's most disadvantaged neighbourhoods and how tackling them could generate significant social and economic improvements in the lives that live in them. The initiative aims to build on existing research, generate new insights and propose concrete actions that could improve the lives and prospects of people living in these areas.

About this report

ICON asked Sophia Knight to explore the connection between neighbourhoods and digital inclusion. The ideas set out here are the author's, and so should not be ascribed to the Commission as a whole, or to any individual Commissioners or their associated organisations.

About the author

Sophia Knight is a social scientist and technology policy researcher, with expertise in the social and political implications of emerging technologies. The following report for ICON was written on an independent, freelance basis and the ideas within should not be ascribed to any of her associated organisations.

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Executive Summary

Digital technologies are embedded across daily life, from online banking and digital health apps, to keeping in touch with family and friends. As a result, individuals who struggle to use digital technologies, whether from a lack of digital skills, devices, or affordable WiFi, are increasingly shut out of our modern economy and society. Digital inclusion is a social problem, not just a technological problem. The digital divide reflects and reinforces existing socio-economic disparities between the richest and poorest areas of the country.

This report argues that achieving digital inclusion requires building trust with people who are currently disconnected from digital society and technologies, by reaching out and supporting them in their own communities. Through interviews with leading experts and a review of the current policy and evidence landscape, this report makes the case that the most effective way to achieve digital inclusion is by creating the conditions throughout the system to empower community-led initiatives at a neighbourhood level.

Recommendations for action

Key Recommendations

Recommendation 1

Government departments undergoing digital transformation of their services should be required to embed digital inclusion into their design and plans for transition, by:

A. Setting up a **pooled fund to embed digital inclusion into digital public services**, into which each department must set aside a portion of their digital transformation budget to fund local digital inclusion support for the most deprived communities;

B. And demonstrating that they have built into their digital transformation strategies **specific plans to ensure that digital public services can be accessed by all citizens**, including an assessment of the funding and means to achieve this, such as:

   i. Training resources for frontline public services and voluntary and community sector organisations on navigating new digital services;

   ii. Co-ordination with local third sector organisations in advance of the roll-out of new digital services.

Recommendation 2

The Ministry of Housing, Communities & Local Government and the Department for Science, Innovation and Technology should develop a **Neighbourhood Plan for Delivering Digital Inclusion**, in order to:

A. Co-ordinate the **creation and allocation of the pooled Digital Inclusion Embedding Fund**;

B. Identify opportunities to **bring digital inclusion into the next stage of the Plan for Neighbourhoods**, such as:

   i. Adding additional digital inclusion initiatives to the list of Approved Interventions ahead of future funding rounds;

   ii. Arranging information webinars on digital inclusion for Neighbourhood Boards with Good Things Foundation and/or local third sector organisations, to explore opportunities to digital inclusion into Regeneration Plans.

Supporting Recommendations

Recommendation 3

The Innovation Fund announced in the Digital Inclusion Action Plan should include resources to enable awardees to explore avenues for longer-term financial sustainability, such as administrative support with grant applications.

Recommendation 4

The Digital Inclusion Action Committee should push to make sure that any new metrics developed as a result of the Digital Inclusion Action Plan include data at the LSOA level, and that these metrics are adopted across government, including in the 2031 Census.

Introduction

From accessing online banking, booking GP appointments and paying taxes, to keeping in touch with family and friends, finding local news or selling second-hand furniture, our daily lives are increasingly mediated by smartphones, laptops, tablets and smart devices. For those of us who are digitally included, these technologies are so ubiquitous as to be almost invisible. However, for those who lack the digital skills to set up an email account, or cannot afford WiFi or a smartphone, the integration of digital technologies into daily life threatens to shut them out of our modern economy and society.

Following a decade-long gap in the policy landscape, in February 2025 the Government released the Digital Inclusion Action Plan: First Steps, an ambitious policy agenda co-signed by five departments. The First Steps have been received positively by practitioners and researchers in this space, as an opportunity to shift the dial on a tricky, complicated area of social and digital policy.

Defining Digital Inclusion and Exclusion

The Government's Digital Inclusion Action Plan defines digital inclusion as the ability of an individual to participate in and benefit from our modern digital society, regardless of their circumstances[1].

The DIAP sets out four key criteria a person needs to be fully digitally included:

- **Essential digital skills** and media literacy skills, as set out in the Essential Digital Skills Framework, such as communicating online and problem solving.
- **Data, internet connectivity and devices** that are sufficient, affordable and reliably accessible enough to allow for essential online activity each month, such as applying for jobs and making GP appointments.
- **Accessible digital public services** that are easy to use, including for users of assistive technologies, and well-supported alternative pathways for those that need them, to complete tasks such as renewing car tax or applying for a passport.
- **Confidence and motivation** to understand what benefits can be gained from the internet, how to navigate online safety and security, and where to find appropriate local, offline support when needed.

The Minimum Digital Living Standard, developed in collaboration with members of the public, provides a more detailed overview of the specific digital goods, knowledge and skills required by every household to ensure that each of these criteria are met[2].

Digital exclusion can result from a lack of one, or all, of these dimensions, and can change over time as a person's life circumstances evolve.

1 Department for Science, Innovation and Technology, 'Digital Inclusion Action Plan: First Steps', GOV.UK, February 2025, https://www.gov.uk/government/publications/digital-inclusion-action-plan-first-steps/digital-inclusion-action-plan-first-steps.

2 Katherine Hill et al., *A Minimum Digital Living Standard for UK Households in 2025* (Good Things Foundation, 2025), https://www.goodthingsfoundation.org/policy-and-research/research-and-evidence/research-2025/mdls-full-report.

Digital exclusion follows the paths of existing socio-economic disparities, between places and populations. Echoing previous research into overlapping socio-economic disadvantage, those who are digitally excluded are likely to be facing numerous other barriers, and therefore are more likely to be among the handful of heaviest users of public services[3]. In this way, digital exclusion is part of a cycle of compounding disadvantage, whereby those who are struggling with issues such as homelessness, for instance, are more likely to be digitally excluded, and therefore unable to access digital services such as signing up for council accommodation waiting lists, making it harder for them to find housing.

Tackling digital exclusion requires taking a joined-up approach across multiple frontline public services and charities providing support, drawing on the expertise and knowledge of the staff and volunteers who have established trusted relationships with vulnerable individuals. At the same time, central government and departments have a critical role to play in setting the right systematic conditions and enablers, from service design to co-ordination.

In this report, I make the case that to tackle digital exclusion, it is essential to 'think neighbourhoods'. Hyperlocal, neighbourhood services are a critical frontline in building relationships, establishing trust and delivering digital inclusion support when, where and how people need. To continue their vital work in tackling digital exclusion, these services must be appropriately supported by local and national services and authorities. Furthermore, expanding digital inclusion is a necessary foundation for advancing neighbourhood-level regeneration and achieving the Government's Five Missions across all corners of the nation.

In **Section One**, I present an **overview of the digital inclusion policy landscape**, highlighting opportunities for a hyperlocal focus, and how digital inclusion is essential to achieving the Government's Five Missions.

In **Section Two**, I set out the **current state of data on digital inclusion**, what we know about digitally excluded populations, and where more comprehensive data can support better provision.

In **Section Three**, I highlight **examples of best practice** for hyperlocal, community-led digital inclusion support, and how these kinds of services can be supported and scaled-up.

3 Toby Lowe and Mark Smith, 'Relational Public Service Can Tackle Hardship in Neighbourhoods', *Joseph Rowntree Foundation*, April 2024, https://www.jrf.org.uk/neighbourhoods-and-communities/relational-public-service-can-tackle-hardship-in-neighbourhoods.

Part One: Digital Inclusion and the Wider Policy Landscape

> *"For too long, this work has been left to the sterling efforts of industry, local government and charities, with central government at worst, absent – at best, standing on the sidelines calling on businesses to do more." - Sir Chris Bryant, Minister for Data Protection and Telecoms at London Tech Week on 11th June 2025*[4].

In the years following the previous Digital Inclusion Strategy, published in 2014, digital inclusion had largely fallen off of the political agenda. Ongoing efforts were led by the voluntary and charitable sector, with industry collaboration through initiatives such as the Good Things Foundation's Digital Inclusion Network. A handful of pioneering local authorities set up digital inclusion programmes and teams during this period, but progress was often driven by passionate individuals, rather than strategic priorities.

Digital inclusion has risen up the policy agenda

Since the election of a new Labour government in 2024, digital inclusion policy has started to gather momentum at a national level. In February 2025, the Department for Science, Innovation and Technology published the Digital Inclusion Action Plan: First Steps, setting out its initial actions and longer term focus areas[5]. The plan also established the Digital Inclusion Action Committee, an external advisory body of national and local experts to shape the Government's ongoing work in this area, which had its first meeting in July 2025[6].

Across the interviews for this report, interviewees expressed a sense that the current Government is taking digital inclusion seriously. While the experts stressed that the Action Plan is only a starting point, there was a broad sense of optimism regarding the direction of travel. In particular, the inclusion of the Department for Health and Social Care, Department for Education; Department for Work and Pensions and the Ministry of Housing, Communities and Local Government as signatories to the Action Plan was viewed as a recognition of the importance of accessible service design and cross-department coordination in tackling digital exclusion upstream[7].

4 Chris Bryant, 'Speech at London Tech Week 2025', GOV.UK, 11 June 2025, https://www.gov.uk/government/speeches/sir-chris-bryant-speech-at-london-tech-week-2025.

5 DSIT, *Digital Inclusion Action Plan: First Steps*.

6 Department for Science, Innovation and Technology, 'Digital Inclusion Action Committee', GOV.UK, July 2024, https://www.gov.uk/government/groups/digital-inclusion-action-committee.

7 Dominique Barron and Anna Dent, *Affordable, Accessible, Easy to Use: A Radically Inclusive Approach to Building a Better Digital Society* (Promising Trouble, 2024), https://www.promisingtrouble.net/blog/a-radically-inclusive-approach-to-digital-society.

Neighbourhood policy and digital inclusion can be mutually beneficial

> *"Digital inclusion helps people to get work, helps people to save money, helps people to access the public services that they need - that underpins neighbourhood regeneration, and helps every person participate in the digital society." - Helen Milner, Good Things Foundation (Interview, 3rd July 2025)*

In March 2025, the Ministry for Ministry of Housing, Communities & Local Government launched the Plan for Neighbourhoods - a £1.5 billion programme of investment to regenerate 75 neighbourhoods across the UK[8]. As part of the plan, each location has established a Neighbourhood Board, which will be responsible for establishing a Regeneration Plan for the local area by the end of 2025, drawing on a list of pre-approved interventions[9]. Two of the pre-approved interventions specifically relate to digital inclusion: funding for children and families in poverty to overcome barriers to digital inclusion, and community-based adult learning programmes, including digital skills. The second phase of the Plan for Neighbourhoods was announced in June 2025 as part of the Spending Review, but the details have not yet been finalised, presenting an opportunity to further embed digital inclusion[10].

The Digital Inclusion Action Plan highlights the importance of being able to find appropriate local, offline support when needed. One of the most effective ways to tackle digital exclusion is to support existing local amenities, such as libraries, food banks and adult education centres, to deliver appropriate digital inclusion support for the communities they work with[11]. This hyperlocal approach allows support to be tailored to a specific social and physical context[12]. For example, people living in a rural neighbourhood with limited access to 5G or high-speed broadband may need a different kind of intervention than a neighbourhood in a city with better digital infrastructure, but lower levels of education in digital skills. In addition, by drawing on existing relationships and knowledge, community-based digital inclusion support has been shown to be effective[13], enabling staff and volunteers to identify and support individuals who may have otherwise fallen through the cracks, building on existing trusted relationships[14].

Achieving existing policy goals requires a foundational level of digital inclusion

Digital inclusion is one of the rare policy areas that can be a genuine win-win for all involved. When individuals become digitally included, they have better access to the full range of public services they may need, greater convenience and ability to save money through handling shopping and finances online, and more agency and ability to make decisions over their lives. Vital social and civic activities, from volunteering to petitions to staying in touch with family, are increasingly mediated by digital technologies[15]. As a result, digital exclusion can deepen social

8 Ministry of Housing, Communities & Local Government, 'Plan for Neighbourhoods: Prospectus', GOV.UK, June 2025, https://www.gov.uk/government/publications/plan-for-neighbourhoods-prospectus-and-tools/plan-for-neighbourhoods-prospectus.

9 Ministry of Housing, Communities & Local Government, 'Plan for Neighbourhoods: Pre-Approved Interventions', GOV.UK, accessed 27 June 2025, https://www.gov.uk/government/publications/plan-for-neighbourhoods-prospectus-and-tools/plan-for-neighbourhoods-pre-approved-interventions.

10 HM Treasury, 'Spending Review', GOV.UK, June 2025, https://www.gov.uk/government/publications/spending-review-2025-document/spending-review-2025-html.

11 Hannah Whelan, 'Community-Based Digital Inclusion: The Solution on Your Doorstep', Good Things Foundation, May 2025, https://www.goodthingsfoundation.org/discover/digital-inclusion-insights/digital-inclusion-insights-2025/community-based-digital-inclusion.

12 Ellen Helsper, 'Why Location-Based Studies Offer New Opportunities for a Better Understanding of Socio-Digital Inequalities', in *Desigualdades Digitais No Espaco Urbano* (2019), http://eprints.lse.ac.uk/102262/.

13 Sarah Tudor, *Digital Exclusion in the UK: Communications and Digital Committee Report* (House of Lords Library, 2024), https://lordslibrary.parliament.uk/digital-exclusion-in-the-uk-communications-and-digital-committee-report/.

14 Hannah Whelan, 'Community-Based Digital Inclusion: The Solution on Your Doorstep'.

15 Kat Dixon, 'A Periodic Table of Internet Elements', Good Things Foundation, 2022, https://www.goodthingsfoundation.org/discover/digital-inclusion-resources/learning-and-skills/internet-periodic-table.html.

exclusion[16]. On the flip side, successful digital inclusion initiatives have the foundational benefit of helping to address social exclusion and build social capital in a digital age.

Furthermore, once more individuals are digitally included, public sector organisations such as the NHS save time and money that would have been spent on additional support and helping people who had previously experienced delays in accessing services due to digital exclusion. The Good Things Foundation has estimated that Government would save £1.4 billion in efficiency savings, with a return of £9.48 across the whole economy for every £1 invested[17]. The combination of improved social capital and direct cost savings means that digital inclusion delivers a double dividend, leading to widespread positive social and economic outcomes.

Across each of the Government's core Five Missions, digital inclusion can help to achieve the missions, and digital exclusion can be a barrier[18].

Table 1: The Five Missions and Digital Inclusion

Mission	Benefit of digital inclusion
Kickstart economic growth	• Ability to apply for a wider range of jobs and access career support online[19] • Digital skills can boost employability and increase potential earnings[20] • A more digitally skilled population leads to an uptick in local growth and innovation, as well as higher national productivity[21]
Make Britain a clean energy superpower	• Similar to above, greater ability to access online learning and skills development, enabling workers to transition to new employment opportunities in green industries[22]
Take back our streets	• Reducing reoffending by improving prisoners digital skills, encouraging them to build support networks and/or reconnect with family[23] • Supporting incarcerated individuals who are about to be released to prepare for reintegration into the community on release, using online services to access housing, employment and banking[24] • Supporting women's safety and confidence, i.e. through access to digital navigation apps, or ability to share location data with loved ones[25]

16 Kat Dixon, *Local Communities and the Internet Ecosystem: Scaling Solutions to Data Poverty in the UK* (Data Poverty Lab, 2022), https://digitalpovertyalliance.org/research_directiory/local-communities-and-the-internet-ecosystem-scaling-solutions-to-data-poverty-in-the-uk/.

17 Centre for Economics and Business Research, *The Economic Impact of Digital Inclusion in the UK* (Good Things Foundation, 2022), https://www.goodthingsfoundation.org/policy-and-research/research-and-evidence/research-2024/digital-inclusion-uk-economic-impact.

18 Dominique Barron and Anna Dent, *Affordable, Accessible, Easy to Use: A Radically Inclusive Approach to Building a Better Digital Society*.

19 Jacqueline O'Reilly and Rachel Verdin, *Better Outcomes for Everyone? The UK's Fragmented Digital Ecosystem of Work and Welfare* (Digital Futures at Work Research Centre, 2023), https://digit-research.org/publication/better-outcomes-for-everyone-the-uks-fragmented-digital-ecosystem-of-work-and-welfare/.

20 Cambridgeshire Poverty Strategy Commission, *Final Report* (Cambridgeshire County Council, 2025), https://www.cambridgeshire.gov.uk/asset-library/Cambridgeshire-Poverty-Strategy-Commission-final-report.pdf.

21 Rachel Coldicutt, *From Hype to Hope: How Networked Neighbourhoods Can Make Innovation Work for Everyone* (Careful Industries, 2025), https://www.careful.industries/inclusive-innovation.

22 Dominique Barron and Anna Dent, *Affordable, Accessible, Easy to Use: A Radically Inclusive Approach to Building a Better Digital Society*.

23 100% Digital Leeds, 'Reducing Reoffending', *100% Digital Leeds*, 2022, https://digitalinclusionleeds.com/our-work/key-initiatives/reducing-reoffending.

24 Sophie Ellis et al., *Update and Restart: Post-Pandemic Prison Digitisation in England and Wales* (Prison Reform Trust, 2025).

25 Shiona McCallum, 'The Technology Helping Keep Women Safe on the Streets', *BBC News*, December 2021, https://www.bbc.co.uk/news/technology-59520815.

Mission	Benefit of digital inclusion
Break down barriers to opportunity	• Support for struggling families with young children with access to digital services, devices and data, improving access to employment and public services for parents[26], and ensuring that children can access online learning[27] • Ensuring all young and adult learners have essential digital skills to access a broad range of educational and career opportunities
Build an NHS fit for the future	• Improved access to healthcare and support[28] through digital health services, such as apps and wearable devices[29] • Support for those who struggle to access healthcare as a result of the transition to digital services, helping them to navigate online systems via digital drop-in sessions[30], and/or providing analogue alternatives[31]

We are currently in an exciting moment for both digital inclusion and neighbourhoods policy. By aligning the momentum and commitment from the government in these two areas, there is the opportunity to make a real difference on the ground, in the day-to-day lives of digitally excluded citizens across the country.

26 100% Digital Leeds, 'Supporting Families with Young Children', *100% Digital Leeds*, 2023, https://digitalinclusionleeds.com/supporting-families-with-young-children.

27 Becky Faith and Emma Daniel, 'Digital Levelling up: Starting Early to Tackle Digital Poverty', Digital Futures at Work Research Centre, November 2022, https://digit-research.org/blog_article/digital-levelling-up-starting-early-to-tackle-digital-poverty/.

28 Dominique Barron and Anna Dent, *Affordable, Accessible, Easy to Use: A Radically Inclusive Approach to Building a Better Digital Society*.

29 Department for Science, Innovation and Technology, 'Shake up of Tech and AI Usage across NHS and Other Public Services to Deliver Plan for Change', GOV.UK, January 2025, https://www.gov.uk/government/news/shake-up-of-tech-and-ai-usage-across-nhs-and-other-public-services-to-deliver-plan-for-change.

30 100% Digital Leeds, 'Partner Profile: Leeds Caring Hands', *100% Digital Leeds*, 2025, https://digitalinclusionleeds.com/partner-profile-leeds-caring-hands.

31 Claire Thorstensen-Woll et al., *Connection Lost: People's Experiences of Using Digital Technology in Health and Care* (The King's Fund, 2023), https://features.kingsfund.org.uk/connection-lost/.

Part Two: Understanding Digital Inclusion at the National and Local Level

> *"Wherever you find people living in poverty or on a low-income, a preponderance of people who are not in work or are in low-paid work, places that experience higher levels of health inequality [...] Those are also the places that are higher in terms of digital exclusion." - Jason Tutin, 100% Digital Leeds (Interview, 27th June 2025)*

One of the gaps highlighted by the Digital Inclusion Action Plan is the lack of comprehensive data on digital inclusion and exclusion[32]. The best available data at present is a patchwork, which can be grouped into two broad categories: survey data, which gives us a good indication of the demographic indicators of digital exclusion, but does not provide a fine-grained picture of geographic distribution. The second category of data are proxy measures which estimate the likelihood of people in a geographic area to be digitally excluded, based on a range of socio-economic indicators. In combination, these measures provide a useful starting point for targeting interventions.

Digital exclusion re-entrenches existing disparities

The profile of a person likely to be digitally excluded has been well-established through previous research and on-the-ground observation. Consistent with previous research into heavy users of public services, digitally excluded people are likely to be facing multiple, overlapping barriers to participation in wider society and the economy, of which lack of digital participation is only one part[33].

The following demographic characteristics are associated with greater likelihood of digital exclusion[34]:

- Single parent households
- Households with more than 2 children
- Household is in receipt of at least one state benefit
- The main income earner of the household is unemployed
- At least one household member has a health issue affecting their daily activity
- At least one household member identifies as ethnically non-white
- Social grades C2, D or E
- Older age, particularly 65+[35]

32 DSIT, *Digital Inclusion Action Plan: First Steps*.
33 Toby Lowe and Mark Smith, 'Relational Public Service Can Tackle Hardship in Neighbourhoods'.
34 Simeon Yates et al., *A Minimum Digital Living Standard for Households with Children: Overall Findings Report* (University of Liverpool, 2024), https://mdls.org.uk/wp-content/uploads/2024/03/MDLS-final-report-v1.11-1.pdf.
35 Simeon J. Yates et al., 'Who Are the Limited Users of Digital Systems and Media? An Examination of U.K. Evidence', *First Monday* 25, no. 7 (2020), https://doi.org/10.5210/fm.v25i7.10847.

Geographic location also has a significant bearing on the likelihood of an individual to be digitally excluded:

- Living in an area of higher multiple deprivations
- Living outside a large city, particularly outside London
- Living in a low-skilled, migrant, or student community
- Living in the South West, North East or North West

In an increasingly digital world, digital exclusion can reinforce a vicious cycle, driving already struggling individuals deeper into poverty, as they face limited access to the social support, employment opportunities and public services they need to get back on their feet[36].

Measuring hyperlocal digital inclusion and exclusion

Building on the demographic and geographic dimensions of digital exclusion, proxy indices for digital exclusion have been developed by mapping demographic characteristics of groups more likely to experience digital exclusion. For example, the Digital Exclusion Risk Index (DERI) was developed by Greater Manchester Combined Authority to identify hyperlocal areas where there are likely to be higher concentrations of digitally excluded residents[37]. Proxy indices have the advantage of providing more fine-grain geographic data, down to the level of individual neighbourhoods.

However, it is important to note that the statistical likelihood of a person being digitally excluded within a given neighbourhood, is not the same as knowing for certain exactly who is and who is not digitally excluded. To understand the circumstances of particular individuals requires personal relationships and trust, built by community organisations and hyperlocal services. Looking across the current data landscape, there is a need for measures which can be used to build a more holistic, place-based understanding of digital exclusion, combining aspects of in-depth, survey-based measures such as the Minimum Digital Living Standard[38], with the geographic coverage of proxy indices. A comprehensive neighbourhood-level understanding of digital exclusion should incorporate measures of the infrastructure and assets in an area, such as prevalence of trusted public and third-sector organisations providing digital inclusion support. Such measures should be developed in collaboration with on-the-ground service providers.

Visualising the distribution of digital exclusion, compared to hyperlocal need

Figure 1 shows a map of the **Digital Exclusion Risk Index** (DERI) across England at the local authority level. The DERI, developed by Greater Manchester Combined Authority, is a proxy measure which uses a range of indicators of socio-economic disadvantage that are correlated with digital exclusion to map the distribution of likely hotspots, down to the neighbourhood level[39].

Figure 2 shows the **Hyperlocal Need Index**, developed by the Independent Commission on Neighbourhoods to identify the neighbourhoods across England which are furthest away from achieving the Government's 5 missions, due to persistent economic and social challenges. For the purposes of comparison, the HLNI is also shown at the local authority level.

36 Becky Faith et al., *Digital Poverty in the UK* (Institute of Development Studies, 2022), https://doi.org/10.19088/IDS.2022.057.

37 Greater Manchester Combined Authority, 'Digital Exclusion Risk Index (DERI)', 2021, https://www.greatermanchester-ca.gov.uk/what-we-do/digital/get-online-greater-manchester/greater-manchester-wide-support/digital-exclusion-risk-index-deri/.

38 Katherine Hill et al., *A Minimum Digital Living Standard for UK Households in 2025*.

39 Greater Manchester Combined Authority, 'Digital Exclusion Risk Index (DERI)'.

The two maps show a large amount of visual overlap, with concentrated areas of need on both measures occurring in the South West, North East and North West, consistent with the areas of digital exclusion identified by the data sources referenced above.

The statistical correlation between the two measures is moderately strong (0.66), indicating that rates of digital exclusion are likely to be higher in mission critical neighbourhoods. However, as some of the underlying measures in each index are the same, this figure should be taken with a pinch of salt. See Appendix for more detail.

Better data is needed at a national and local level

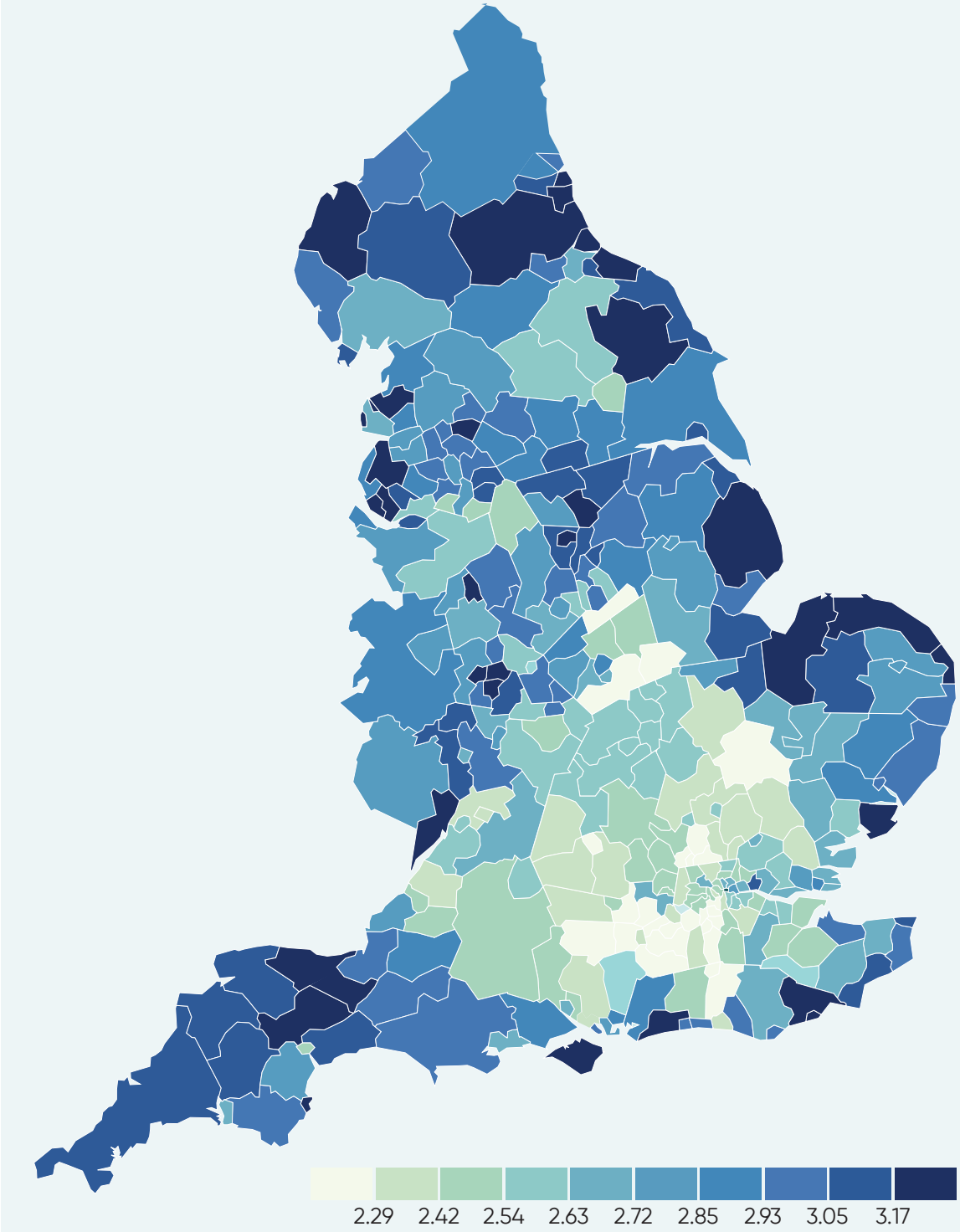
Better data at the hyperlocal level can help to address gaps in the provision of digital inclusion support, ensuring that funds are allocated fairly, and that support is tailored to the specific needs of a given area. Official measures of digital exclusion have tended to be binary, operating on the assumption that individuals are either connected to the Internet, or not[40]. Yet, measures such as the Minimum Digital Living Standard present a more complicated picture[41], setting out multiple dimensions needed for digital inclusion across skills, devices, confidence and access, as reflected in the Digital Inclusion Action Plan.

At the minimum, the commitment in the Digital Inclusion Action Plan to develop new measures for digital inclusion at the national level must include detail down to LSOA granularity, allowing for targeted support at the neighbourhood level. In addition, the Digital Inclusion Action Committee should push for these measures to be adopted across a range of government data collection, including the 2031 Census. Future versions of the Hyperlocal Need index should incorporate at least one resulting measure of digital exclusion at the neighbourhood level.

40 Kevin Hernandez and Faith, Becky, 'Measuring Digital Exclusion: Why What Is Counted Is Also What Counts', *ESRC Centre for Digital Futures at Work*, April 2022, https://digit-research.org/insights/measuring-digital-exclusion/.

41 Katherine Hill et al., *A Minimum Digital Living Standard for UK Households in 2025*.

Figure 1: Digital Exclusion Risk Index (DERI) scores, by council

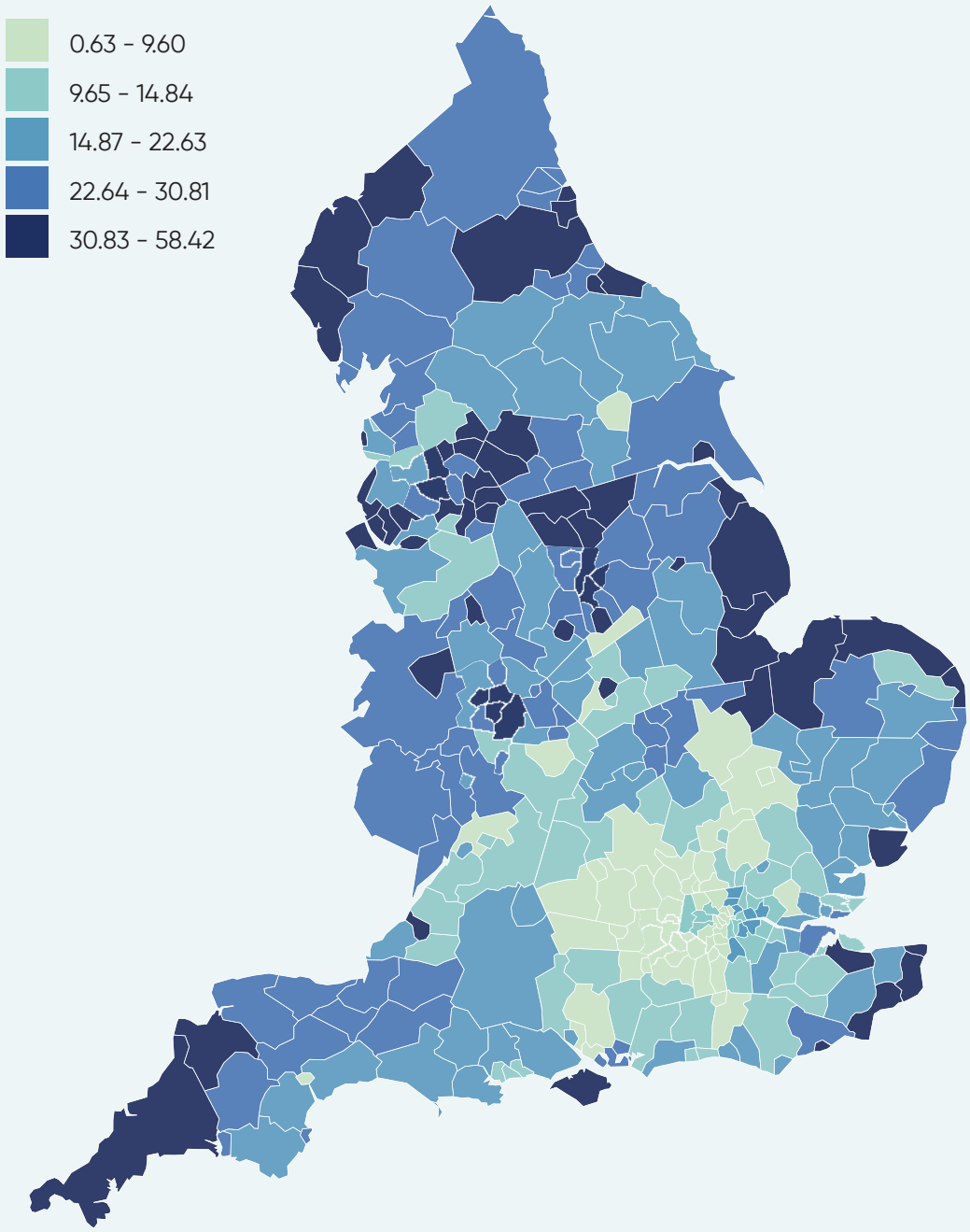


The darkest colours are for those areas with a higher relative risk of digital exclusion, those with the lightest colours have a lower relative risk of digital exclusion.

Source: Greater Manchester Combined Authority[42]

42 Greater Manchester Combined Authority, 'Digital Exclusion Risk Index (DERI)'.

Figure 2: Hyperlocal Need Index (HLNI), by council



The darkest colours are for those areas with the highest level of need, those with the lightest colours are lower levels of need.

Source: Independent Commission on Neighbourhoods[43]

The correlation between the DERI and HLNI is moderately strong (**0.66**). However, as some of the underlying measures in each index are similar, this figure should be taken with a pinch of salt. See Appendix for more detail.

43 Oxford Consultants for Social Inclusion (OCSI), *Hyper-Local Need Measure: Technical Methodology Paper* (Independent Commission on Neighbourhoods, 2025), https://www.neighbourhoodscommission.org.uk/report/hyper-local-need-measure/.

Part Three: Making Hyperlocal Digital Inclusion Work

Tackling digital exclusion requires taking a holistic view, understanding both the people and places affected and tailoring appropriate support. This does not mean that central governments and departments should ignore digital exclusion and leave the sole provision of support to over-stretched community organisations, but rather that they need to create the conditions from the centre to enable thriving, well-resourced local ecosystems of digital inclusion, embedded within existing services. The balance between centre and local can be achieved by 'thinking neighbourhoods'.

Changing the system, from neighbourhood to nation

Allocating resources and addressing gaps in provision

Interviewees for this project highlighted success stories of digital inclusion initiatives across the country, with Leeds City Council frequently referenced. However, examples such as the 100% Digital Leeds initiative are largely successful because of sustained investment in dedicated digital inclusion teams, who have devoted time to bidding for funding, developing relationships with neighbourhood-level community organisations across the city and building their capacity to form partnerships and to become financially sustainable.

Across the country, there is drastic variation in the levels of digital inclusion support available to residents. In a climate where the vast majority of councils are under significant funding pressures, it is not surprising that only a small number have meaningfully invested in digital inclusion. Without dedicated staffing, councils may struggle to even put together a bid for digital inclusion funding, let alone implement a substantial programme if the funding is awarded[44].

The Innovation Fund announced in the Digital Inclusion Action Plan could act as a potential catalyst to set up new community-based digital inclusion initiatives, as well as scaling up or sustaining existing success stories. However, to have a long-lasting impact, this funding should come with longer term support for capacity building, enabling these initiatives to build local networks of support and to achieve greater financial stability.

Service design and accessibility

A core priority for the government is modernising the delivery of public services using technology, to be more convenient, efficient and cost-effective[45]. However, if digital inclusion is not considered when designing digital public services, the roll-out of these services will be more difficult, inefficient and expensive. For example, many GP practices across the country have been incentivised to move their patients onto digital health apps, including both the NHS app and third-party apps such as Patchs, to save time on managing appointments and

44 Digital Inclusion APPG, *Third State of the Nation Report* (Digital Inclusion APPG, 2024), https://www.datapovertyappg.co.uk/news/the-digital-inclusion-appgs-third-state-of-the-nation-report.

45 Department of Health & Social Care, 'Fit for the Future: 10 Year Health Plan for England - Executive Summary', GOV.UK, July 2025, https://www.gov.uk/government/publications/10-year-health-plan-for-england-fit-for-the-future/fit-for-the-future-10-year-health-plan-for-england-executive-summary#powering-transformation-innovation-to-drive-healthcare-reform.

prescriptions[46]. The GP surgeries introducing new apps rarely have the capacity to support those who are digitally excluded, leaving the voluntary and community sector to take on the burden of supporting patients with the transition to a digital service, often without warning, funding or training to do so. In the worst case scenario, if digitally excluded patients are unaware of, or cannot access, support services, they may face barriers to accessing timely and effective medical care, leading to worsening health conditions, and more expense for the NHS later down the line.

There are two components to tackling digital exclusion upstream and ensuring that digital public services are inclusive and effective. The first is to embed an inclusive approach to the design of digital public services, considering the needs of those with low digital skills from the outset[47]. The Government Digital Service's mandatory Service Standard includes provision for those who lack digital skills or internet access, stating that they must not be excluded from accessing public services[48]. However, research from the Department for Work and Pensions indicates that there are still many gaps in digital inclusion support to access digital public services[49]. The second component is better funding, collaboration and communication between public services and the third sector. With specific financial support and shared resources, voluntary and community organisations would be better placed to support digitally excluded people when a new digital service is introduced[50]. Following the design stage for digital public services, departments could develop materials and training for volunteers prior to roll-out, giving organisations adequate time to prepare.

Case Study: Learn for Life Enterprise, Sheffield[51]

Learn for Life is a community hub based in Sheffield that supports vulnerable local residents, as well as refugees and asylum seekers, in order to promote social integration and community cohesion. The digital inclusion support provided by Learn for Life takes multiple forms, the majority of which is provided by volunteers:

Digital Champions in Libraries

- The hub provides English as a Second Language (ESOL) classes for new arrivals to the UK
- Through these classes, they identify individuals with digital skills, such as those who may have worked in IT or related fields in their home countries, and offer them volunteer roles as Digital Champions to gain work experience in the UK
- The Digital Champions volunteer at local libraries across Sheffield every week, teaching digital skills and supporting members of the public with online forms, applying for jobs, and other digital tasks

46 Claire Reidy et al., 'Qualitative Evaluation of the Implementation and National Roll-out of the NHS App in England', *BMC Medicine* 23, no. 1 (2025): 20, https://doi.org/10.1186/s12916-024-03842-w.

47 Dominique Barron and Anna Dent, *Affordable, Accessible, Easy to Use: A Radically Inclusive Approach to Building a Better Digital Society*.

48 Government Digital Service, 'Make Sure Everyone Can Use the Service', GOV.UK, 2019, https://www.gov.uk/service-manual/service-standard/point-5-make-sure-everyone-can-use-the-service

49 Ipsos UK, *Digital Skills, Channel Preferences and Access Needs* (Department for Work and Pensions, 2024), https://www.gov.uk/government/publications/digital-skills-channel-preferences-and-access-needs-dwp-customers.

50 Kris Southby et al., *Co-Producing a Theory of Change (ToC) and Evaluation Framework for Local Authority Led, City-Wide Digital Inclusion Programmes* (Leeds Beckett University, 2024), https://www.thebritishacademy.ac.uk/publications/co-producing-theory-of-change-evaluation-framework-local-authority-led-city-wide-digital-inequalities-programmes/.

51 'Learn For Life Enterprise', https://www.learnforlifeenterprise.co.uk/.

Tenants and Residents Associations

- Learn for Life has been commissioned by Sheffield City Council to support people in social housing with digital skills, by attending Tenants and Residents Association (TARA) groups
- Volunteers support older residents with tasks such as setting up printers, email addresses and using laptops

NHS Digital Trials

- NHS Digital has hosted research sessions at Learn for Life, to trial new websites and apps to test their accessibility for groups with low digital skills

Digital Skills Training

- Learn for Life offers beginner IT classes, hosted by a tutor provided by Sheffield City Council

Data and Device Bank

- As part of the National Databank and National Device Bank, the hub receives and distributes donations of SIM cards, mobile data, refurbished laptops and tablets

Moving from punishment to possibility

A striking insight from one of the research interviews was that the motivation for citizens to adopt digital services is often framed as a threat – i.e. if you don't complete your Universal Credit journal online, you will be sanctioned. To effectively address the barriers to digital adoption requires not just devices and data, but also confidence. Hyperlocal digital inclusion embeds digital support in the places people already know and trust, enabling support workers and volunteers to recognise the intrinsic motivations and abilities of the person they are working with and to present them with the opportunities that digital tools can offer them[52].

As highlighted throughout this report, there are pockets of best practice across the country, in community centres, digital health hubs and adult education centres, where people are working extraordinarily hard to support digitally excluded citizens. Bolstering these organisations and allowing this work to scale up and spread to every neighbourhood where people are struggling will require change from the top.

52 Leeds City Council, *A Community-Based Approach to Digital Inclusion* (100% Digital Leeds, 2022), https://digitalinclusionkit.org/wp-content/uploads/2022/12/100-Digital-Leeds-model-for-a-community-based-approach-to-digital-inclusion.pdf.

Conclusion

Digital exclusion reflects and reinforces socio-economic disparities across populations and places. Regenerating the physical elements of left-behind neighbourhoods is essential to building a better nation, but in an increasingly digital society and economy, it is vital we do not forget the barriers that digital technologies create and reinforce.

Creating a digitally inclusive society requires investing in the community-led organisations that are already supporting the most vulnerable, who have built deep relationships of trust and knowledge of place. It also means setting the right system-level conditions, from service design to co-ordination across national, local and hyperlocal.

Recommendations for action

Key Recommendations

Recommendation 1

Government departments undergoing digital transformation of their services should be required to embed digital inclusion into their design and plans for transition, by:

A. Setting up a **pooled fund to embed digital inclusion into digital public services**, into which each department must set aside a portion of their digital transformation budget to fund local digital inclusion support for the most deprived communities;

B. And demonstrating that they have built into their digital transformation strategies **specific plans to ensure that digital public services can be accessed by all citizens**, including an assessment of the funding and means to achieve this, such as:

   i. Training resources for frontline public services and voluntary and community sector organisations on navigating new digital services;

   ii. Co-ordination with local third sector organisations in advance of the roll-out of new digital services.

Recommendation 2

The Ministry of Housing, Communities & Local Government and the Department for Science, Innovation and Technology should develop a **Neighbourhood Plan for Delivering Digital Inclusion**, in order to:

A. Co-ordinate the **creation and allocation of the pooled Digital Inclusion Embedding Fund**;

B. Identify opportunities to **bring digital inclusion into the next stage of the Plan for Neighbourhoods**, such as:

   i. Adding additional digital inclusion initiatives to the list of Approved Interventions ahead of future funding rounds;

   ii. Arranging information webinars on digital inclusion for Neighbourhood Boards with Good Things Foundation and/or local third sector organisations, to explore opportunities to digital inclusion into Regeneration Plans.

Supporting Recommendations

Recommendation 3

The Innovation Fund announced in the Digital Inclusion Action Plan should include resources to enable awardees to explore avenues for longer-term financial sustainability, such as administrative support with grant applications.

Recommendation 4

The Digital Inclusion Action Committee should push to make sure that any new metrics developed as a result of the Digital Inclusion Action Plan include data at the LSOA level, and that these metrics are adopted across government, including in the 2031 Census.

Appendix

This report builds on interviews with five leading experts, as well as a review of the current policy and evidence landscape.

The data sources referenced in Section 2 are the Digital Exclusion Risk Index (DERI), developed by Greater Manchester Combined Authority[53], and the Hyperlocal Need Index (HLNI), developed by the Independent Commission on Neighbourhoods[54].

Page number to be checked at final proof.

As stated on page 15, as some of the underlying measures in each index are similar, the measure of correlation should be taken with a caveat.

The measures which are similar across both indices are as follows:

Index	Measure	Source	Date
HLNI	Average download speed (Mbit/s)	Ofcom, Connected Nations report	2023
DERI	Average download speed (Mbit/s)	Ofcom, Connected Nations report	2022
HLNI	Universal Credit - searching for work	Department for Work and Pensions	2024
DERI	Unemployment rate	Alternative Claimant Count	2022
HLNI	Indices of Deprivation Crime domain rank	Ministry of Housing, Communities and Local Government (MHCLG)	2019
HLNI	Indices of Deprivation Children and Young People Sub-domain Rank	Ministry of Housing, Communities and Local Government (MHCLG)	2019
DERI	Composite Index of Multiple Deprivation	mySociety, Ministry of Housing, Communities and Local Government (MHCLG)	2019
HLNI	People with no qualifications	Census	2021
DERI	People with no qualifications	Census	2011

53 Greater Manchester Combined Authority, 'Digital Exclusion Risk Index (DERI)', 2021, https://www.greatermanchester-ca.gov.uk/what-we-do/digital/get-online-greater-manchester/greater-manchester-wide-support/digital-exclusion-risk-index-deri/.

54 Oxford Consultants for Social Inclusion (OCSI), *Hyper-Local Need Measure: Technical Methodology Paper* (Independent Commission on Neighbourhoods, 2025), https://www.neighbourhoodscommission.org.uk/report/hyper-local-need-measure/.