FutureDotNow London Tech Week policy briefing

A digitally capable workforce is the foundation for an AI-ready UK

This messaging has been prepared to help FutureDotNow partner organisations bring the essential digital skill narrative into their London Tech Week activity.

It sets out why essential digital skills are critical to AI adoption, the scale of the current skills gap, evidence of what works, and practical actions for government and industry leaders. It can be used to inform:

- Panel contributions and speeches
- Media and stakeholder conversations
- Partner announcements and blogs
- Policy and industry engagement

The key essential digital skills message

The UK's AI ambitions will not succeed at scale unless everyone has strong digital foundations.

Currently, less than half of working age adults can do the essential digital tasks that modern work already requires. This is not a niche inclusion issue. It impacts productivity, resilience and workforce participation and cuts across every sector, region and demographic. Evidence shows the situation is getting worse, not better.

Why this matters now

- **AI adoption depends on digital basics.** Workers cannot productively use AI tools without foundational digital confidence.
- **The gap is structural, not accidental.** Most adults were never taught these skills; they have been assumed rather than built.
- **Government priorities are directly affected.** Productivity, growth, "Keep Britain Working", cyber resilience, and inclusive adoption of AI technologies all depend on this foundation.
- Without action, AI risks widening divides and delivering weaker returns than expected.

The scale of the challenge

- Only 45% of working age adults can complete all 20 Essential Digital Skills for Work tasks[1].
- Around 22.4 million adults, 55% of the labour force, lack at least one of these basic skills[1].
- 1 in 2 young people (aged 18-24) cannot complete the essential digital task for work[1].
- Capability levels have declined compared with previous years.
- Gaps exist in every sector and region, including among people in work and those with higher qualifications.
- These are not advanced skills. They are the basics modern workplaces already assume.

The hidden barrier to productivity

- Digital technology does not deliver productivity on its own. Productivity comes from people using technology effectively.
- Many adults appear digitally active but lack confidence or consistency across the full set of tasks required at work, particularly around:
  - using digital tools to solve problems,
  - handling information safely and legally,
  - adapting to new systems and tools.
- The impact of the essential digital skill gap includes:
  - Industry missing out on a £23bn p.a. productivity boost[2]
  - £10bn p.a. lost in extra income for workers[2]
  - higher cyber security risks
  - exclusion from increasingly digital recruitment and workplace practices.

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Why AI raises the stakes

- AI is being adopted faster than any previous workplace technology, widening skills gaps and demanding critical understanding and scrutiny of its outputs.
- Workers need confidence to interact with tools, not just access to them.
- Without foundations, AI adoption risks benefiting only a minority.
- Government has set a clear pro adoption AI direction. That ambition depends on raising the digital floor, as well as extending the tech ceiling.

Proof not theory: evidence of what works

- Embedding essential digital skills into existing activity works. FutureDotNow's employability trial (funded by DSIT, and delivered in partnership with Accenture and Cosmic) embedded essential digital and AI skills into the existing Restart Scheme.
- The results were stark:
  - Participants were twice as likely to enter work (26% vs 14%) and did so more quickly.
  - The model was low disruption, built on existing systems and highly replicable.
  - Adding AI related tasks increased motivation and engagement, not anxiety.
- This demonstrates that impact can be achieved quickly if policy focuses on enhancement over reinvention.

Practical actions for government and business leaders

1. Treat essential digital skills as the baseline for AI readiness

- Position the Essential Digital Skills Framework as the minimum digital foundation for workforce AI adoption across programmes and policy.
- FutureDotNow has made recommendations for AI task updates - see the AI-embedded Essential Digital Skills Framework (funded by DSIT).

2. Scale through existing systems and interventions

- Embed essential digital and AI tasks into all employability programmes, including Restart and its successors, for young people and all life stages.
- Ensure apprenticeships and adult skills pathways include the Essential Digital Skills Framework as baseline skills and help people shore up their capability.
- Use public procurement and social value to deliver mass workforce digital upskilling activity. The Ripple Effect report sets out the measurable social impact of essential digital skills.

3. Use the Essential Digital Skills Framework to measure and report on progress

- Coalesce around the Essential Digital Skills Framework across government, reporting on the state of the nation and ongoing progress
- Encourage consistent baselining by employers against the framework so interventions are targeted and impact can be tracked.

Alignment with existing policy priorities

Uplifting core digital capability among working age adults supports existing government priorities:

- Growth and productivity: Effective tech and AI adoption is critical to business performance.
- Keep Britain Working: Essential digital skills are a proven gateway to employment.
- Cyber resilience: Human capability is the core risk factor.
- Skills reform: A clear, nationally agreed baseline for adults will drive and focus action.

References | 1. Lloyds Bank Essential Digital Skills Report 2025 | 2. Economic Impact of Closing the Work Digital Skills Gap, FutureDotNow, 2025

Annexes

1. The Essential Digital Skills Framework, including the AI-embedded framework
2. The Essential Digital Skills Sector Heatmap
3. The Essential Digital Skills Place Heatmap

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