



FutureDotNow Regional Guide

**Helping Combined and Local Authorities
close the Essential Digital Skills gap**

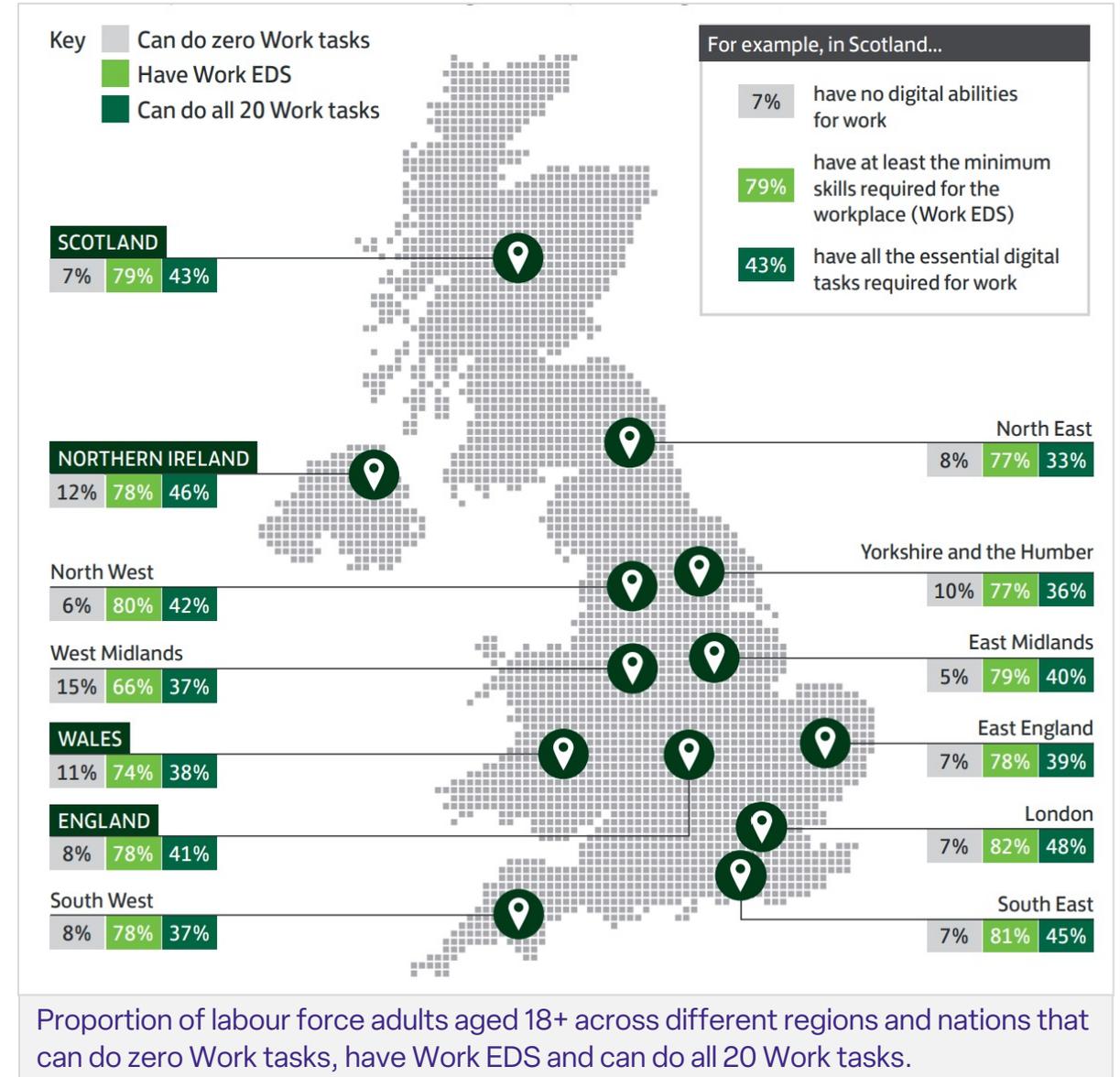
Introduction

There is a significant Essential Digital Skills gap in the UK labour force that has implications for individuals, business and the UK economy.

- Latest data shows almost 60% of working-age adults cannot complete the 20 digital tasks industry and government deem essential for the workplace.
- No region in the UK has more than 50% of working age adults with all 20 digital basics for work.
- London and the South-East are ahead but only by a narrow margin, at 48% and 45% respectively.
- The biggest area for opportunity is the West Midlands, where 15% of the labour force can't complete *any* of the essential digital work tasks, followed by Northern Ireland (12%), Wales (11%) and Yorkshire and the Humber (10%).

Addressing this gap offers opportunities to improve prosperity for individuals, boost productivity for business and grow the UK economy.

[\(All data from the UK Essential Digital Skills report, FutureDotNow and Lloyds Bank, 2023.\)](#)



We are accelerating progress through collaboration

Through 2022/2023, FutureDotNow has partnered with Greater Manchester Combined Authority, West Yorkshire Combined Authority and Dorset Council to support and learn from their current work to build digital confidence and capability in a regional setting.

We are grateful to Accenture who have funded this work through a Global Grant. The scope has been both internal and external; which has meant working with HR to build skills in the Authority, working with Digital Policy teams to engage businesses in the region and with Transformation/Innovation teams to improve front-line services for the community.

The FutureDotNow Regional Guide seeks to capture the collective knowledge of these regional players for the benefit of other regions. It combines first hand experience from multiple regional teams, together with expertise from FutureDotNow. We do not yet have all the answers but we do have a wealth of collective insight. This has been distilled into six recommended action steps, together with links to extra resources to help you take action locally.

As you learn from your own upskilling journeys, we'd love to include your reflections. Not only does this help us to shape the assets for members, it enables us to champion the needs of regional teams in our discussions with policy makers.

Please get in touch via hello@futuresdotnow.uk to share your story.

Developed in partnership with:



Overview

<p>Who is the guide for?</p>	<p>Leaders and teams in Combined and Local Authorities tackling the EDS gap in their organisation and across the region. Responsibility for digital skills often sits with many different teams; you may be from HR, Digital Policy, Digital Transformation and Innovation teams, among many others.</p>
<p>What's the purpose?</p>	<p>This guides provides an overview of the essential digital skills gap in regions, what this means for you and how to take action. By sharing insight into what has worked for others, we hope to make your EDS journey easier.</p>
<p>Where's the insight come from?</p>	<p>First-hand experience of Greater Manchester Combined Authority, West Yorkshire Combined Authority, Dorset Council, as well as FutureDotNow insight, built over the past three years working with our 200-strong coalition of businesses tackling this issue.</p>
<p>What's included?</p>	<ul style="list-style-type: none">• An overview of the issue and why it matters• Six action steps for regional teams<ol style="list-style-type: none">1. Take Stock2. Get buy-in3. Understand the gap in your region4. Take action externally5. Take action internally6. Be a part of the movement• Appendix of additional resources and support

Why regional authorities are well placed to build digital skills

Combined and local authorities have a pivotal role in regions, and this extends to building digital confidence and capability.

There is a significant and pressing opportunity for authorities to build the Essential Digital Skills (EDS) of their own workforce as well as influencing and supporting businesses and communities in the region. Tackling the EDS gap as a region is not without its challenges but it does offer many opportunities.

There are several reasons why authorities are well placed to take action:



Training provision: You have access to training provision in its different guises, whether that is a devolved Adult Education Budget (AEB) or links with local universities and colleges. You can influence how that provision is structured, offered and promoted. If you have devolved powers, you have even more flexibility in how your AEB is allocated. This guide will help you think about how best to use that provision to make it accessible and impactful.



Regional strategy and case for change: In the past few years, businesses have been, and continue to be, under even more pressure. During the Covid-19 pandemic, some businesses thrived, some have closed, and some had to dramatically change their way of working and embrace digital adoption overnight. There will continue to be many competing priorities for you as a local or combined authority, and your businesses and communities. However, the EDS gap can't be ignored, and you have the opportunity to build the case for change strategically and embed it across your existing programmes of work. You're in a unique position to influence, or even change policy for your region.



Leverage the network: It can be challenging to allocate resource when budgets are tight, but getting senior buy-in at the start is critical. The first step is to engage a sponsor and appoint a project lead who can tap into the rich regional network of teams working in "digital". This network will likely include digital inclusion projects, HR colleagues, IT colleagues, and partner organisations with reach into businesses, especially those harder-to-reach. There will be learning and synergies that can be shared across digital programmes and at a minimum you can 'work with what you've got' and focus on tackling the EDS gap by embedding small additions into existing work and programmes.



Deep regional knowledge: You will have deep knowledge of what's happening in local communities. Use this unique perspective, together with the information in this guide to help local initiatives on this topic thrive.

Who are FutureDotNow?

FutureDotNow is uniting business to tackle the gap in the digital capability and confidence in the UK workforce.

FutureDotNow is a coalition coordinating industry action to equip working-age adults with the digital capability and confidence they need to thrive in work and prepare for our digital future.

We help businesses understand that a significant proportion of the labour force does not have the digital basics needed for the workplace, and we're empowering industry leaders to take action.

Our action-centred coalition of more than 200 leading organisations cuts across all business sectors.

We convene the reach and influence of industry leaders such as Accenture, BT, Marks and Spencer, Lloyds Banking Group, Cisco, PwC and many others.

Through the employees, customers, and supply chains of our members, we have a reach of millions. Together we can have an exponential impact, closing the UK's digital skills gap through collaboration and coordinated action.

Closing this fundamental skills gap could unlock prosperity for millions, improve business productivity and is a key foundation to the UK's ambitions as a global technology and science superpower.





The Essential Digital Skills gap

And why it matters

Understanding the issue

There is a pervasive but hidden Essential Digital Skills gap in the UK labour force that has implications for individuals, business and the UK economy. However, addressing it could act as a prosperity multiplier and help super-charge the UK economy.

Building a digitally confident and capable workforce is now non-negotiable. Each year, basic **digital skills gaps are costing the UK economy at least £12.8bn**, and workers without these skills are missing out on an estimated £5.69bn in additional wages. At a time when inflation and cost-of-living are sky-high, this persistent basic digital skills gap is a real concern. Whether collaborating with colleagues, accessing online payslips, protecting personal data, or just sending an email, very few of us can do our jobs without digital skills.

But the data shows **c.23.4 million (59% of adults in the labour force) can't complete the 20 tasks** that government and industry agree are **essential for work**. With a figure this high, it's **not just disadvantaged groups that are impacted**. And the data proves this.

The UK Essential Digital Skills report from FutureDotNow and Lloyds Bank shows us that across all age groups, more than 50% of the labour force are unable to complete those 20 essential digital tasks. The figure sits at 48% for 25-34 year-olds and goes down to 23% for those 65+ (not retired).

But age is just one lens through which we can consider the issue. In fact, the **industry** a person works in **is the greatest determiner of digital capability**. The gap between the highest performing sector (Media and Advertising at 68%) and the lowest (Construction, 25%) is the largest of any demographic factor.

It may be unsurprising that a traditionally manual sector like Construction is falling behind but it's worth noting that **Tech is not the best performing sector** (coming in just behind Media at 67%) and even these **'advanced' sectors still have around 1/3 of workers with skills gaps**.

The impact of these gaps isn't only economic. They also affect employers in specific and tangible ways. The biggest skills gaps across the labour force are in *using the internet safely* and *problem solving*. In both areas, **only 60% of working-age adults can complete the full suite of essential work tasks**.

Closing the safety gap represents a **huge opportunity for employers** to mitigate a significant business risk, especially when more than a third of all businesses reported a security breach or attack in 2021, and 77% of business leaders say cyber security is a high priority.

Addressing skills gaps in *problem solving* (as well as others in the top 10 around *transacting* and *communicating*) would have **significant implications for productivity**, improving industry's ability to embrace **digital transformation**, respond to disruption, and accelerate **performance**.

Put simply, building a **digitally capable and confident workforce couldn't be more important – for individuals, industry and the nation**.

We live in a digital society and yet millions aren't equipped with the skills they need. We must shift capability and confidence at pace and scale and challenge the assumption that digital skills can be acquired without training. The data shows this simply isn't the case.

The Essential Digital Skills for Work report

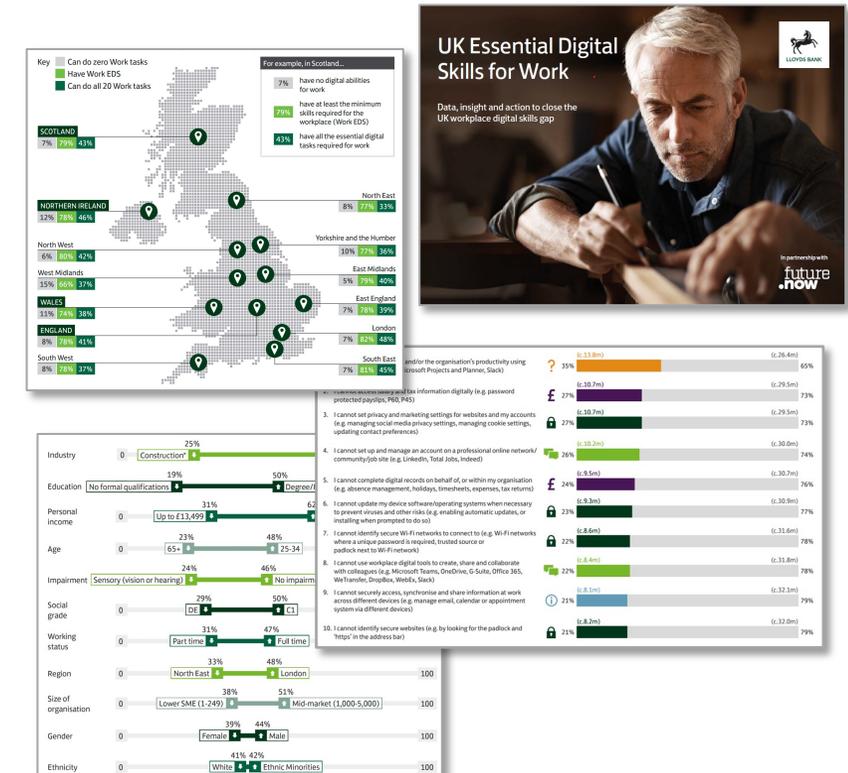
Launched in March 2023, the [UK Essential Digital Skills for Work](#) report reveals the scale of the workforce skills gap

The report identifies who's being left behind, and how this impacts industry and the economy, while providing clear steps on what can be done to tackle it. It brings together research conducted by Lloyds Bank with new analysis and insight from FutureDotNow. The research uses [The Essential Digital Skills Framework](#) which identifies five key digital skills areas and 20 tasks that are considered essential for the modern workplace.

Key headlines from the report

There are many surprising data points in the report, which can act as useful hooks when engaging stakeholders and creating awareness of the issue. In this guide, we've taken excerpts and provided a headline view of the EDS gap from three perspectives – regions, top ten and demographics. For a more detailed view of the data, analysis and commentary, please see the full report.

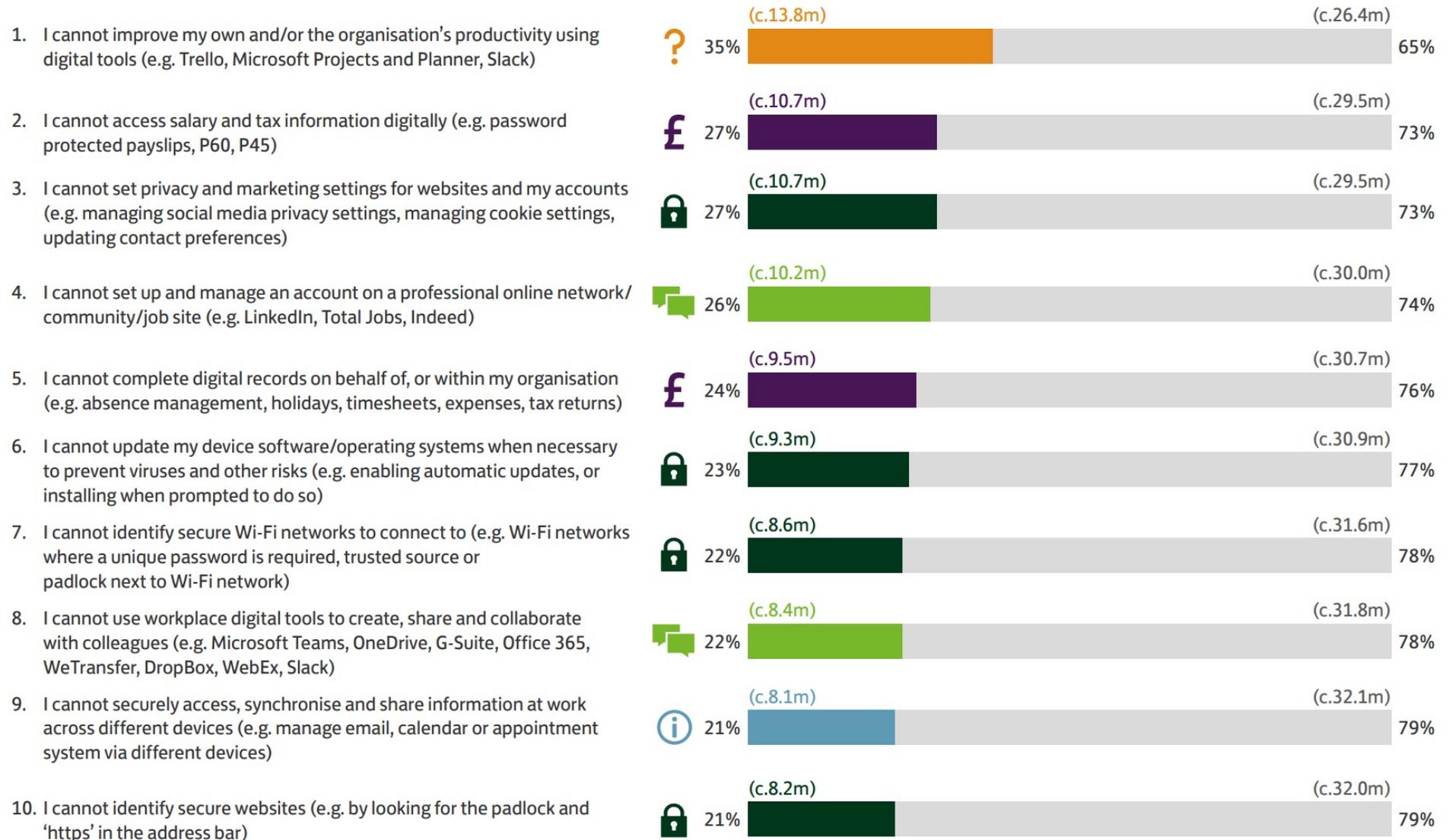
- **Regions:** As seen on page three, in no UK nation or region can more than 50% of the labour force complete all 20 digital tasks government and business agree are essential for work.
- **Top ten tasks:** On page 10 you can see the 10 tasks that are most likely to be missing across the UK. Four of the ten relate to being safe and legal online, and number one relates to productivity.
- **Demographics:** On page 11 we look at the full demographic range and who has the highest and lowest percentage of people able to do all 20 tasks. Many demographics have several groups in between – see the report for full detail.



The top ten digital skills gaps

Proportion of labour force adults aged 18+ and the ten Work tasks across the five Work skills they are least likely to be able to do.

Key:
 Colour bar = "I cannot do"
 Grey bar = "I can do"



View by demographics

The EDS for work report breaks down the digital capability and confidence across several different demographics.

This graphic shows the groups that performs the best (the highest proportion that can complete all 20 of the essential digital tasks) and worst (the highest proportion that can complete none of these tasks).

Key findings:

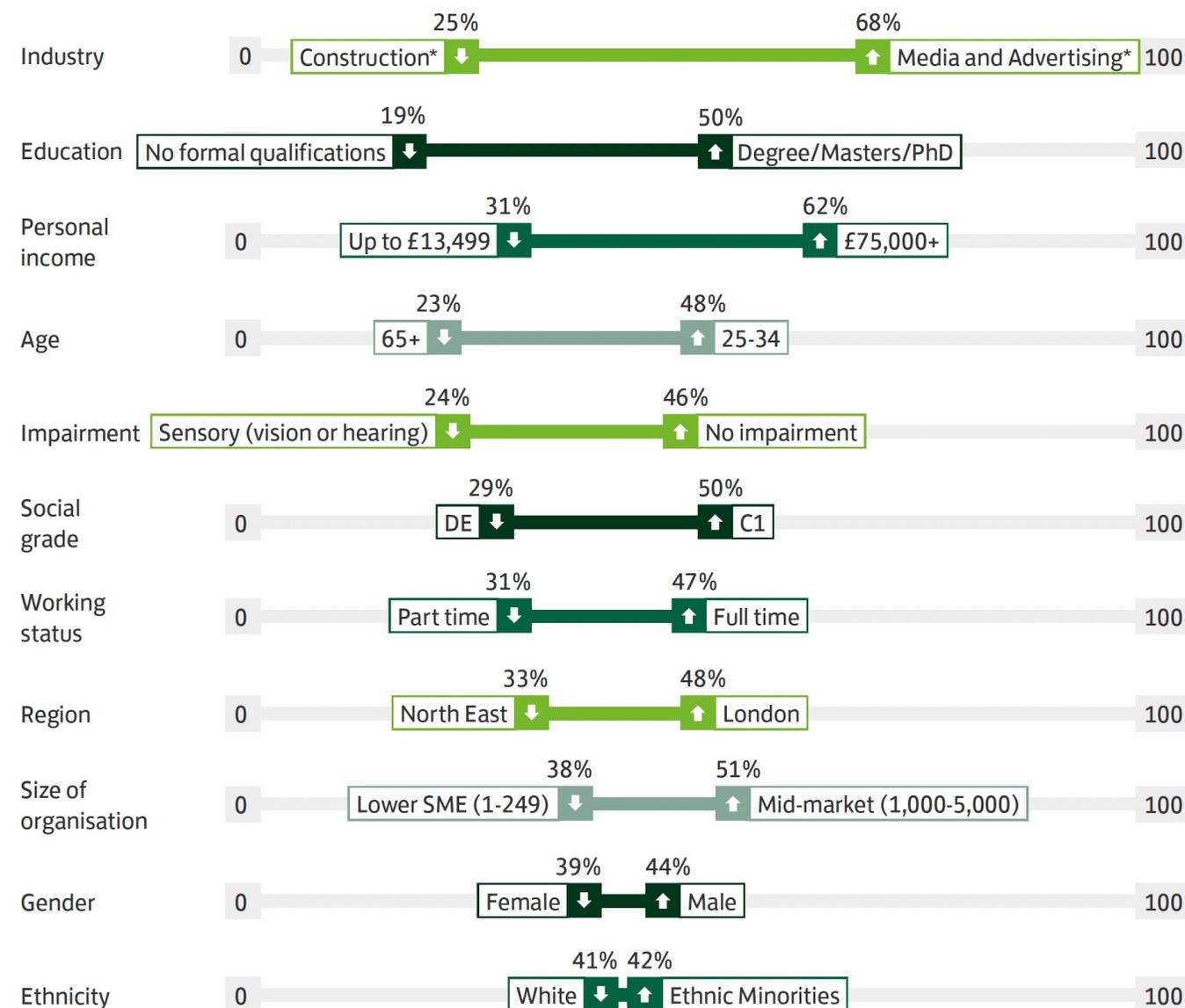
Age: The best performing group is the 25-34 year olds. That means the youngest group (18-24 year olds) is falling behind this older cohort in Essential Digital skills for Work. This challenges the idea all young people are natives and don't require any support building their digital capability.

Sector: it's worth noting that *Media and Advertising*, not *Technology* is the best performing sector (67% in tech can complete all 20 tasks). Although this difference is nominal, these figures show that no sector is immune from basic digital skills gaps and there will be gaps in all organisations regardless of the area of work.

Size of organisation: SMEs (1-249 employees) account for 99.9% of all UK businesses and a workforce of 16.6 million, however, in 2021 only 43% of SMEs provided any level of training. Capacity constraints can be acute for small organisations so it can be hard to prioritise work that is not core business. However, the growth, resilience and efficiency benefits that come from a digitally enabled business can be game changing.

There is more data on all of the demographics seen here, in [the UK Essential Digital Skills for Work report](#).

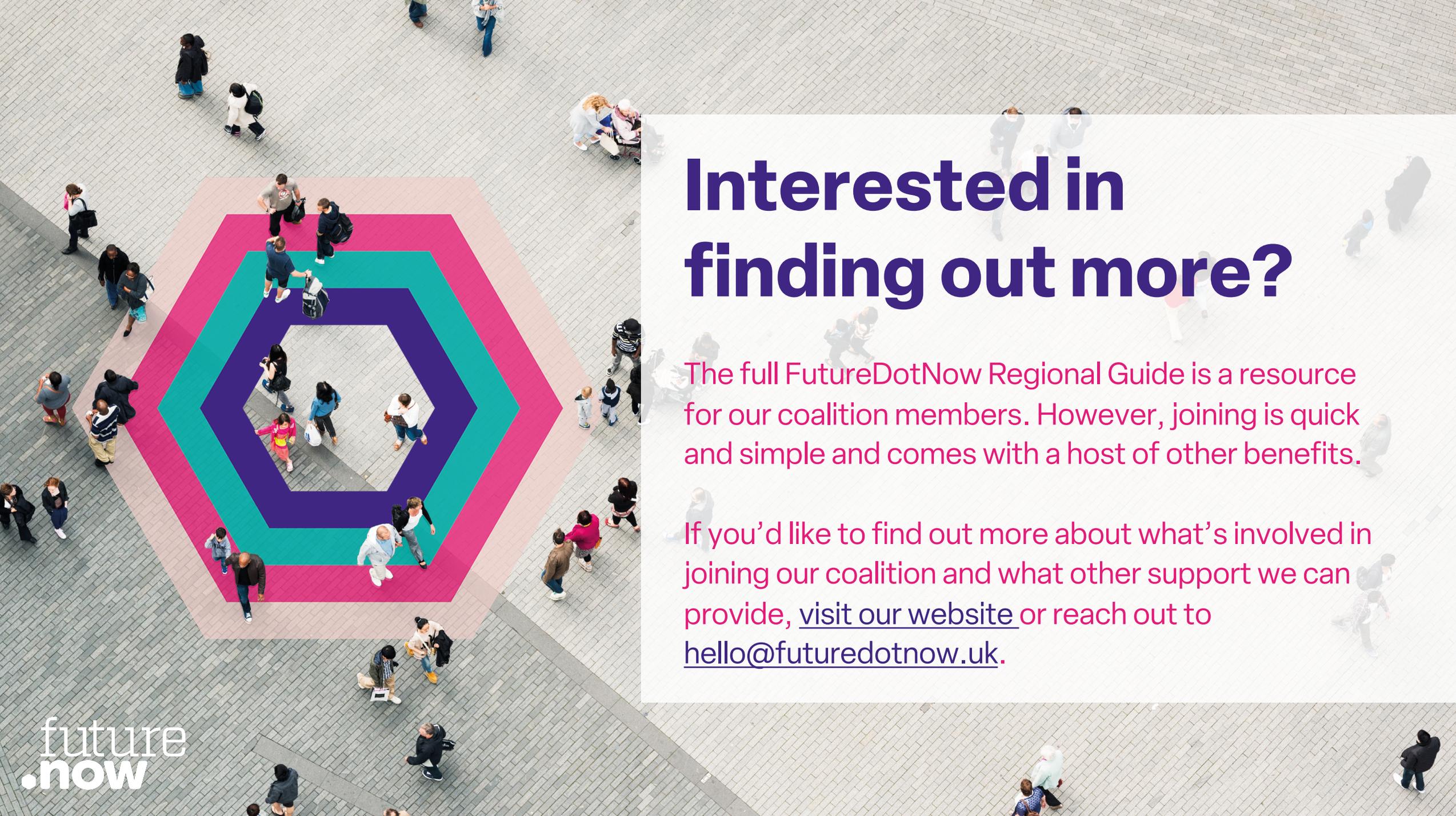
Proportion of labour force adults aged 18+ across different demographics that can do all 20 Work tasks.



Guide index

This guide will take you through the six key action steps required to start closing the Essential Digital Skills gap in your region.

1	Take stock
2	Get buy in
3	Your regional gap
4	Take action externally
5	Take action internally
6	Be part of the movement



Interested in finding out more?

The full FutureDotNow Regional Guide is a resource for our coalition members. However, joining is quick and simple and comes with a host of other benefits.

If you'd like to find out more about what's involved in joining our coalition and what other support we can provide, [visit our website](#) or reach out to hello@futuredotnow.uk.