

DIGITAL BRITAIN

IMPLEMENTATION
UPDATE

DECEMBER 2009



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1. The Digital Britain White Paper ('the White Paper'), published on 16 June 2009, set out the ambition of securing the UK's position as one of the world's leading digital knowledge economies. It included over 80 recommendations for action. On 30 June 2009, the Government published an initial update on implementation. This note reports on implementation progress since that date, including developments set out in the Smarter Government White Paper, 'Putting the frontline first', published on 7 December 2009. The consultations and other documents listed in this document can be found by following the links from the Digital Britain site at http://www.culture.gov.uk/what_we_do/broadcasting/5631.aspx

Implementation Plan

2. In August 2009, the Government published its implementation plan for Digital Britain. This document set out the governance arrangements for the Digital Britain implementation programme – including the membership of the Digital Britain Programme Board and the Digital Partner Contact Group – as well as breaking down the actions from the White Paper into 18 main projects and identifying policy leads for each.

Key developments to date

3. Around a quarter of the actions and recommendations set out in the White Paper have been completed in the first six months of implementation, with progress in all other areas. Key developments include the following:
 - The Digital Economy Bill has been introduced into the House of Lords and completed its Second Reading on 2 December. The Bill carries forward those elements of the Digital Britain Programme requiring legislative change. For more detailed information on the Digital Economy Bill, see <http://interactive.bis.gov.uk/digitalbritain/digital-economy-bill/> Further information on Parliamentary progress also be found at: <http://services.parliament.uk/bills/2009-10/digitaleconomy.html> ;
 - Martha Lane Fox, the Government's Champion for Digital Inclusion, launched the 'Race Online for 2012' campaign. In October 2009, PwC produced its report 'The Economics of Digital Inclusion, 2009' commissioned by the Champion for Digital Inclusion and assessing the potential scale of the 'digital dividend' to the UK of achieving greater digital inclusion. In December, the Prime Minister announced in 'Putting the frontline first' £30m of additional funding for UK Online Centres to get one million new people online over three years. This initiative will support the National Plan for Digital Participation (see below). The 'Race Online for 2012' forward strategy for 2010 is available at www.raceonline2012.org ;

- The Consortium for the Promotion of Digital Participation was formally launched on 15 October. It is working towards the publication of the National Plan for Digital Participation early next year. The Consortium will leverage the assets of over 50 organisations (e.g. the BBC, Channel 4, Microsoft, BT, Google, Apple, the Champion for Digital Inclusion, and UK Online) to get as many as possible of the 15 million people not online connected and increase the overall population's digital skills. The Consortium will work with the devolved administrations to ensure a co-ordinated cross-UK approach. Further information on the Consortium can be found at www.ofcom.org.uk/digitalparticipation ;
- The Higher Education Framework 2009 and the National Skills Strategy set out how to equip the British workforce with the skills required in a Digital Britain. The Higher Education Framework was published on 3 November and can be accessed at <http://www.bis.gov.uk/policies/higher-ambitions> . The National Skills Strategy was published on 11 November and can be accessed at <http://www.bis.gov.uk/policies/skills-for-growth> ;
- On 11 and 12 November, the Government successfully carried out a major test of the UK's ability to manage and recover from a major loss of network capacity. The test centred on the loss of the Public Switched Telephone Network.
- The Digital Britain White Paper proposed moves towards a Digital Switchover of Public Services Programme, including the identification by each Government Department, by 2012, of at least two services to form part of the Programme. 'Putting the frontline first' builds on that initiative, proposing that Departmental channel strategies should set out service by service how transactions with Government will move online as rapidly as possible, with a view to targeting near 100% by 2014. It also proposes accelerating the Digital Britain timetable with a Roadmap by the end of 2010 for the switchover of key services such as student loans, Jobseeker's allowance and Child Tax Credits.

Further consultations

4. As set out in the White Paper, a number of consultations on detailed issues have been or are being undertaken, as follows:
 - Ofcom duties: A consultation on proposed new duties for Ofcom, to promote efficient investment in infrastructure, to provide a full assessment of UK communications infrastructure every two years to Secretaries of State and to alert Secretaries of State to any matters of high concern regarding developments affecting the communications infrastructure, was published on 13 August and closed on 25 September. The Government published its response to consultation in November 2009.

- Ofcom duties – resilience: A consultation on how the changes to Ofcom duties might best be implemented, and specifically on the possibility of giving Ofcom powers to (i) require companies to report to Ofcom on risk assessments and emergency planning and (ii) require companies to test emergency plans and participate where necessary in Government testing of national response plans for telecoms, was published on 15 September and closed on 30 October. The Government will issue a response to the consultation shortly.
- Digital Infrastructure: A consultation on the overhead deployment of telecommunications cables, following up one of the issues raised in the Caio Review, was launched on 4 September and closed on 27 November. The Government will respond to the consultation in due course.
- Spectrum Modernisation: Having indicated that it would move to implement the proposals of the Independent Spectrum Broker in line with the response set out in the White Paper, the Government is carrying out a statutory consultation on a direction to Ofcom. The consultation was launched on 16 October and closes on 8 January 2010.
- Digital Radio: The Government has carried out a short consultation on proposals for a new licence renewal regime for community radio (16 June-25 August). A summary of responses to the consultation and the Government's response to consultation were published on 26 October.
- Digital Radio: Ofcom has consulted on the implications of Digital Britain for localness regulation (31 July-23 October) and the results of that consultation are being taken forward through the Digital Economy Bill.
- Online copyright infringement: The Government has consulted on its proposals take steps aimed at reducing online copyright infringement. The consultation was published on 16 June, followed on 25 August by a further statement setting out the Government's evolved thinking. The consultation closed on 29 September with over 200 responses and the Government's response to consultation was published in late November. Measures on reducing online copyright infringement are included in the Digital Economy Bill.
- Contained Contestable Element of the Licence Fee and Independently Funded News Consortia (IFNCs): The Government consulted on this issue 30 June-22 September and published its response to consultation on 16 November 2009. Pilot IFNCs will be rolled out from 2010. These Consortia will provide news in the Nations, regionally and locally which will be broadcast and syndicated more widely within the regional and local news environment. The Digital Economy Bill creates a new function for Ofcom, to enable it to procure and fund this type of news content; to appoint a regional and local news service provider in

a designated area; to distribute funds for the service; and to specify certain conditions and requirements that would need to be met in relation to the provision of such news content.

- Independent Production in the Nations: On 4 November, the Government published a consultation on potential reclassification of production companies owned by Channel 3 licence holders. The consultation will close on 2 February 2010.
- Consumer Protection: A consultation on raising the penalty for persistent misuse of a communications network was issued on 26 October, with a closing date of 25 January 2010.

Progress on other Digital Britain actions and recommendations

Digital Inclusion and Participation

5. The Consumer Expert Group (CEG) reported on 14 October on the issues facing people with disabilities in their use of the Internet in Digital Britain. The Government will respond to the CEG Report in the early part of next year, setting out how it proposes to act on the CEG's recommendations.
6. C4 have appointed a Digital Participation Champion, to ensure that the corporation engages with the Consortium for the Promotion of Digital Participation to make the most effective contribution to support wider policy goals.

Broadband Universal Service Commitment

7. As the first step towards the delivery of a £200m Universal Service Commitment at 2Mbps, the Government is preparing the details of how the procurement will be designed and structured, including discussion with industry and consumer bodies, with a view to commencing the tender next year.
8. Officials are working with the Devolved Administrations to gather market information from around the UK and leverage existing schemes where possible. We are also working with Intellect, the ICT trade association, to draw up outline technical specifications for a 2Mbps service.
9. Significant progress has been made towards agreement on funding to support localised and community networks through the Independent Networks Co-operative Association (INCA).

Next Generation Broadband

10. The Chancellor announced in the Pre Budget Report that Government intended to move ahead with the introduction of a 50p landline duty in 2010, in order to fund investment in Next Generation Broadband. We will be publishing consultations shortly on the basis for raising the duty and the

outline of the scheme for distributing it. Following these consultations, we intend to bring legislation before Parliament in 2010 to implement the duty.

Spectrum

11. On the issue of White Spaces, Ofcom published their statement on cognitive access on 1 July. The statement identified further work to be undertaken and was followed up by an Ofcom consultation entitled 'Digital Dividend: Geolocation for Cognitive Access' launched on 19 November (closes 9 February).
12. Discussions are underway with the Department for Transport as regards the availability of broadband on trains and with the office of the Mayor for London and Transport for London on the issue of mobile coverage on the tube network.

Digital Radio Upgrade

13. Following the consultation on the new licence renewal regime for community radio, an order - the draft Community Radio (Amendment) Order 2010 was laid before Parliament on 23 November. The Order takes forward the Government's proposals on criteria for, and extensions to, community radio licences, as well as various provisions on funding and on advertising and sponsorship restrictions.
14. A number of key elements of the Digital Radio Upgrade work programme will be dealt with by the Digital Economy Bill. These include measures to allow the Secretary of State to set a switchover date (to facilitate an orderly changeover from analogue to digital) and for Ofcom, as the regulator, to terminate relevant analogue licences, subject to a minimum notice period of two years.

Digital Test Beds

15. The Technology Strategy Board (TSB) is leading and co-ordinating the necessary investment for Next Generation Digital Test Beds, with an initial budget of up to £10m allocated for this purpose. The procurement process to develop a test bed is well underway, with TSB expected to make the final supplier selection at the end of January. TSB then expect the test bed will go live around Autumn 2010. The test bed will provide a low cost, low risk opportunity for industry to experiment with new ideas in real world environments. They will allow companies to trial their own products and will bring together participating companies from across the value chain to learn from each other, helping to identify new monetisation methods for online content and alternative business models to encourage the sharing and exploitation of intellectual property.

Public Service Content

16. The White Paper recommended discussing with Ofcom how it could take best account of the wider delivery of public service content in the future. The current statutory framework is still largely focused on public service content delivered through linear television, by specific institutions. As a result, Ofcom's ability to take account of and promote the wider delivery of public service content is limited. The Digital Economy Bill therefore contains measures to make limited, technical but essential amendments to require Ofcom to have particular regard to the need to promote investment in public service media content in all cases when performing its principal duty¹. The Bill also contains measures giving Ofcom new powers to adjust commercial Public Service Broadcasters' other public service obligations up to and beyond the completion of digital switchover, and on updated statutory functions for C4 Corporation.
17. The Government also undertook to bring into force Sections 272 and 273 of the Communications Act 2003. This has two effects: firstly it ensures that commercial Public Service Broadcasters' programming remains available on all specified platforms for the remaining duration of their public service licences; and secondly that they can ask Ofcom to bring forward by a year the re-valuation of their remaining analogue licences. To achieve this, a commencement order was published on 27 July.
18. Finally, Ofcom has been consulting on the review of the financial terms of C3 and C5 licences, with the consultation closing on 10 December.

Local and regional newspapers

19. The White Paper called on OFT to amend their guidance to ensure that in cases relating to local and regional newspaper mergers raising prima facie competition issues OFT would ask Ofcom to provide them with a Local Media Assessment covering relevant factors arising from their understanding of media markets. This revised guidance has now been published.

Independently Funded News Consortia (IFNCs)

20. The process to trial Independently Funded News Consortia (IFNCs) has begun, with tenders being invited for pilots in the Tyne Tees and Border television region, Scotland and Wales. An independent evaluation panel will select bidders to develop new and innovative ways of providing local and regional news. As a first step, a pre-qualification questionnaire (PQQ) and evaluation criteria have been published on the Digital Britain website, together with a forward timetable for future stages of the process. Announcement of preferred bidders is expected in March, with award of

¹ The Communications Act 2003 sets out what Ofcom must and can do and how they should do it. Ofcom's principal duty requires them, when carrying out their functions, to further the interests of citizens in relation to communications matters and to further the interests of consumers in relevant markets, where appropriate, by promoting competition.

the contract shortly thereafter and the start of the new service in Summer 2010.

21. Once established, the IFNC pilots will help to test how a new and innovative form of local and regional news can be delivered, using public funding to incentivise commercial delivery models and providing greater syndication between news providers. The news will be delivered on multiple platforms including television. The IFNC news output will replace the existing regional news programming in the relevant Channel 3 area and will help to enhance plurality of high quality, professional regional news in England and news in Scotland, Wales and Northern Ireland.

Research, Education and Skills

22. The Digital Economy Programme will invest £120m over 3 years in research, training and innovation to capture economic benefit and help to prepare the country for the next 20 years of digital evolution. Work on this project is ongoing.
23. The Government is working, in conjunction with the Consortium for the Promotion of Digital Participation, to take forward the recommendations from Estelle Morris's review on 'Digital Life Skills'. The work forms a strand of the National Plan for Digital Participation and a pilot will run from January to March 2010 under the title of 'Online Basics'.
24. The proposal set out in the White Paper to review with Channel 4 and Skillset the broadcaster's responsibilities in regard to the skills required for Digital Britain has been set in motion and will be concluded by June 2010.

National Digital Security

25. The White Paper sets out the UK Government's support for the continuation of the Internet Governance Forum (IGF) for a further five year term continuing to represent all stakeholders involved. The process of reviewing the IGF and consulting stakeholders on its future was launched at the 4th IGF in Sharm el Sheikh in November. The Government is now continuing to engage with other Governments in preparing for the UN General Assembly decision on the future of the IGF in December 2010.
26. Since June significant changes have taken place in improving the accountability of ICANN (Internet Corporation for Assigned Names and Numbers - the not-for-profit, multi-stakeholder organisation with responsibility for the management of the domain name system) to the global Internet community, including all governments, and ensuring that the outcomes of its policy development processes reflect the public interest. The Government has welcomed these developments.
27. The White Paper also proposed that the Government would seek reserve powers to enable it to regulate the domain name sector. The domain name system is an important element of the internet economy and is self-

regulated. This has largely worked well. However, there have been reported instances of abuse, largely regarding the .uk Top Level Domain. The Government has also publicly questioned, following disruptions at Board Level at Nominet (the .uk registry), how Nominet's present constitution and structure could protect the interests of all of its stakeholders in certain scenarios. The Government takes the view that, if self-regulation were to fail, it should have the power to intervene in order to protect the interests of consumers and UK internet users. The Government therefore proposes to take reserve powers which could be used to enable it, in certain circumstances, to regulate the allocation and registration of domain names by registries established within the UK's jurisdiction. The Digital Economy Bill contains proposals for these reserve powers.

Online Consumer Protection

28. The White Paper advised that the Consumer White Paper, published in Summer 2009, should outline how UK enforcers including the Office of Fair Trading, Standards and the Police, as well as business, could work together on national issues regarding online fraud and other consumer protection crime in order to gather intelligence and tackle them effectively. Following on from the Consumer White Paper, the Office of Fair Trading (OFT) has set up steering and working groups to develop the e-protection strategy. A scoping document and detailed project plan for the e-protection strategy was produced at the end of November 2009. The OFT has set up a small core internet enforcement team and BIS is working with OFT, Police and Trading Standards to enhance tasking and coordination between these enforcers. BIS is also providing investment to Trading Standards to enhance their capability in internet enforcement starting later this year.

Personal Digital Safety

29. The White Paper called on the Internet Watch Foundation (IWF) membership to propose a more secure funding model for the future. We asked IWF members for their views on this by the end of November and are now considering their responses.
30. It also suggested using the National Plan for Digital Participation to promote a one-stop-shop for information about how to be safe online. The National Plan is under development (scheduled for early 2010) and the one-stop-shop proposal is being pursued in that context.

Video Games

31. The Digital Economy Bill is taking forward the commitment to adopt a new and strengthened system of classification for boxed video games, incorporating the newly enhanced Pan European Game Information system (PEGI).

Cloud Computing

32. In line with the commitments made in the Digital Britain White Paper, Cabinet Office, on behalf of the CIO Council, have commissioned work for the high level design activity on the Government Cloud. This work is being jointly undertaken with industry and representatives from across the public sector. The current phase of work completes in early February 2010, at which point, subject to an acceptable business case, agreement will be sought to begin delivery and implementation planning.

Access to Public Data

33. The White Paper reported the announcement by the Prime Minister, on 10 June 2009, that Sir Tim Berners-Lee would form a panel of technical and delivery experts to deliver better use of public data. In December, the Smarter Government White Paper, 'Putting the frontline first', set out proposals to open up data and promote transparency, by releasing public data sets and making them free for reuse. These proposals included releasing health data such as NHS choices data; consulting on making Ordnance Survey mapping and postcode datasets available for free reuse from April 2010; increasing access to and reuse of public transport data; and opening up Met Office Public Weather Service data. The Smarter Government White Paper proposes to make government data available through a single access point at www.data.gov.uk, which will go live from January 2010.

Digital Delivery Agency

34. DCMS, BIS and Ofcom officials are continuing to explore the scope for bringing together either some or all of the delivery agencies either into one body or through a federated structure to achieve economies of scale and greater operational efficiency. The Government expects to draw conclusions on this issue around the end of the year.

*Digital Britain Programme Team
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