

Welsh Government Draft Budget 24/25 – impact on Digital Communities Wales

We are writing to give evidence as part of your scrutiny of the Welsh Government's draft budget for 2024-25 and to raise awareness of the implications within it for the ambition to create a fair and equal Wales. In an increasingly online world it's imperative that everyone has a fair opportunity to gain the skills, access and motivation to be a confident user of digital technology. 7% of adults in Wales today remain offline, many of them the most vulnerable and excluded in our communities.

The budget proposes a 50% cut, equivalent to £1m, to the Digital Communities Wales: Digital Confidence, Health and Well-being programme which aims to reduce digital exclusion in Wales. The programme helps a range of organisations that provide critical services to be more digitally inclusive by working with them to support people to gain basic digital skills. As more and more vital public services are being delivered online, these people – often already marginalised – are in danger of being left behind. Key bodies providing support services, particularly in the health and care sector, must be digitally inclusive so that everyone in Wales has equal access to the support and services they need to live well. The impact of the work of Digital Communities Wales has been widely commended. In the 22-23 Impact Report, we noted that 40,201 people had been supported to get online, with 2,741 members of staff or volunteers being trained in digital skills.

Those most likely to be digitally excluded include older adults, people with disabilities or long-term health conditions, those with lower educational attainment, lower income individuals or families, people in rural areas, Welsh speakers, lonely or isolated people, or homeless. They are often also the heaviest users of health and social care services. As pressures on these services intensify at a time of high demand, set against a challenging financial climate, most are looking to digital transformation as a solution. During the pandemic we saw these already marginalised groups disproportionately affected, and in the current cost-of-living crisis they are at increased risk of experiencing data poverty – having to choose between data, devices and feeding themselves or their families. Increasingly we are seeing the gap widen for these groups of people.

Just this week, the Older People's Commissioner in Wales has published '[Access denied](#)' which highlights older people's experiences of digital exclusion and the impact this has on people's lives. It shows that it is increasingly difficult to undertake day to day activities if you are not online and that digital exclusion is now resulting in social exclusion.

Importance of digital inclusion

The Welsh Government has previously stated its understanding of the importance of digital inclusion - the Digital Strategy for Wales states that:

"When people are confident and motivated to engage with digital, they can enjoy the wider benefits of health, well-being, reduced loneliness and being financially better off..."

We know the Welsh Government itself believes in the potential of digital transformation to deliver more effective and efficient public services. The Digital Strategy states that the Welsh Government will “ensure **no one is left behind** as we embrace a digital first approach, keeping digital inclusion at the heart of all we do”.

Mission 6 of the Welsh Government’s Digital and data strategy for health and social care in Wales focuses on Digital Inclusion and specifically makes the following commitment:

*“Our ambition is to give everyone in Wales the opportunity, motivation, skills, and confidence to engage with health and social care services digitally. To achieve that, we will continue to work closely with delivery partners and across government to support a cross-cutting policy which improves connectivity, digital literacy, and confidence. For example, **we will maintain our investment in the Digital Communities Wales programme**, and we will work closely with the economy and digital portfolios in Welsh Government.”*

The business case for the digital transformation of health and public services is reliant on people being able to use the new services. The improvements in the quality and greater efficiencies of the services will be significantly impeded by people not being able to access them – especially so when we know that those with the greatest needs are among those most likely to be digitally-excluded.

In addition, last year Audit Wales published its research into digital inclusion in Wales. It noted that:

“The Welsh Government has invested heavily in improving broadband infrastructure and the past few years have shown how reliant many of us have become on good quality internet access. However, spending on infrastructure needs to be balanced with work to tackle the root causes of digital exclusion to manage the risk of creating a two-tier society when it comes to access to public and other services.”

The DCW programme is a key enabler for other services to ensure people are included and not left behind. If patients cannot access digital services confidently and securely the pressures on the health service will increase, in turn placing greater pressure on future Welsh Government budgets.

Digital Inclusion Alliance Wales

Our colleagues in the Digital Inclusion Alliance Wales, a network of organisations that are working together to make Wales a digitally inclusive nation, have also stated their concern over the proposed cut.

With over 90 members, the Alliance comprises public and third sector organisations, private sector companies and academia, all focused on ensuring that everyone who wants to in Wales is able to access and use digital tools and technologies in their everyday lives and has the confidence to do so.

They are deeply shocked and saddened to see the proposed cut at a time when the programme has a vital role to play.

The impact of spending reprioritisation

Our work on digital inclusion is longstanding but remains more important than ever, especially in light of the current financial pressures across sectors where increasingly organisations are turning to digital means of delivery to make efficiencies themselves.

The announcement in the Draft Budget for 24/25 will have a catastrophic impact on the service we can offer, the communities we can support, and Cwmpas as an organisation itself. Ultimately it will result in more people in some of our most marginalised communities unable to access the support they need, increasing the digital divide and inequalities that already exist.

We are passionate about creating a fairer, more resilient Wales and a truly digitally-inclusive nation. If this is to be achieved then investing in key enabling support to ensure we are a digitally inclusive nation is vital at a time when services are increasingly moving online in response to their own budget pressures. Failure to invest now will see a significant proportion of our most vulnerable and marginalised communities further excluded.

Ask of Committee Members

We urge the committee to note the devastating impact this proposed funding cut will have on the programme and communities across Wales and seek your support in reversing this decision at a time when the programme is needed more than ever.