

Inclusive Economy

Digital Connectivity - Our Considerations

1. Issues and Opportunities

- 1.1. From fibre broadband to 5G, the Combined Authority has a goal for the City Region to become the most digitally connected region in the UK, recognising that ultrafast connectivity can transform the economy, and the way we all work, live and play.
- 1.2. Fixed broadband infrastructure is generally good across the City Region, with 97.6% of premises having access to superfast broadband capability (although rural areas have a slightly lower level of access) whilst 72% have access to ultrafast broadband¹. Whilst fibre to the premises (FTTP) coverage is greater than regional and national levels, it is clustered in certain areas in the City Region². However, despite the infrastructure in place, the take up of broadband is still relatively low, and City Region broadband speeds have scope for improvement, as can be seen in Figure 1.
- 1.3. A number of different types of digital connections are available, with FTTP recognised as the fastest and most capable digital connection. This is evident in the comparison with other typical broadband speeds (measured by megabits per second - Mbps) below:
 - Superfast broadband, speeds in excess of 30 Mbps.
 - Ultrafast broadband, speeds in excess of 300 Mbps.
 - FTTP, speeds in excess of 1,000 Mbps.
- 1.4. For the City Region, other notable digital connectivity related statistics show that:
 - 16.4% of premises have access to full fibre in the Liverpool City Region which remains lower than Leeds City Region³.

¹ LCRCA Evidence Research & Intelligence.

² LCRCA Evidence Research & Intelligence.

³ Ofcom Connected Nations summer update 2020



- Over 60% of Liverpool City Region neighbourhoods in the 10% most nationally deprived areas are characterised as ‘e-withdrawn’, compared to just 23% overall⁴.
- Rural areas have a slightly higher proportion of premises without access to superfast broadband infrastructure (around 5%⁵).
- Despite having more widespread broadband infrastructure than average, take up is still relatively low, this could be partly down to the lack of skills and affordability⁶.
- Compared to national and regional averages, a greater proportion of City Region premises have good 4G services from all operators both outdoors and indoors⁷.

2. Why does the Spatial Development Strategy need to address this?

- 2.1. The [National Planning Policy Framework](#) (NPPF) states that planning policies should support the expansion of electronic communications networks, including next generation mobile technology (such as 5G) and full fibre broadband connections. It goes on to say that policies should set out how high quality digital infrastructure accessible from a range of providers is expected to be delivered and upgraded over time; and should prioritise full fibre connections to existing and new developments.
- 2.2. The NPPF also states that planning policies should have regard to Local Industrial Strategies when setting out a clear economic vision and strategy which positively and proactively encourages sustainable economic growth. ‘Digitalisation’ is a recurring theme throughout the [draft Liverpool City Region Local Industrial Strategy \(LIS\)](#).
- 2.3. The [National Infrastructure Commission](#) have set a nationwide full fibre broadband coverage target by 2033. This target would ensure full fibre connectivity is available to 15 million homes and businesses by 2025, 25 million by 2030, and all homes and businesses by 2033. The Government has also set an ambition for the

⁴ Alexiou, A. and Singleton, A, 2018.

⁵ Ofcom Connected Nations, 2020.

⁶ LCRC Evidence Research & Intelligence

⁷ LCRC Evidence Research & Intelligence.

UK to be a global leader in the next generation of mobile technology - 5G (see '[A 5G Strategy for the UK](#)'), and in March 2018 the [Liverpool 5G Testbed was awarded Government funding](#). Recently the Government set out its intention to support the deployment of 5G infrastructure through [reforming permitted development rights](#).

- 2.4. The COVID-19 pandemic has further emphasised the growing importance of digital connectivity, with an increasing number of people remotely working, socialising and accessing services from home. However the ability to work remotely varies across sectors, for example homeworking is less likely in manufacturing, construction, retail, and health and social care. Although we are not in a position to predict with certainty what the long term trends will be, it appears likely that homeworking will increase, particularly for some sectors, and accessing services and socialising online may well become more common owing to improved familiarity and user confidence. This would mean that those places without access to adequate and reliable digital infrastructure, alongside people who do not have the necessary skills or resources, are at risk of being left behind economically and socially.

3. What is being done by the Combined Authority?

- 3.1. The Metro Mayor in his Manifesto sets out his belief that the City Region's future prosperity will depend on its ability to renew and modernise its connections, including revolutionising digital capacity. Of specific relevance to digital connectivity, the Manifesto envisages:

- The City Region as an exemplar smart city and a connected digital city.
- Expanding opportunity and ensuring digital equality to ensure everyone in the City Region have the skills and online access they need.
- The City Region becoming a hub for expertise in artificial intelligence, virtual reality, augmented reality and robotics.

- 3.2. Digitalisation is one of five core competencies identified in the LIS, which when applied to key City Region assets results in a number of ambitions including 'industrial digitalisation for sustainability'. The LIS envisages that this particular ambition 'will play a key role in supporting the City Region's clean growth ambitions, harnessing and applying the innovations of the fourth industrial

revolution to clean growth and creating a sustainable industrial future’.

Infrastructure is a key foundation of productivity, namely ‘connecting all of our communities to opportunity’. Key priorities to strengthen this foundation of productivity include future readying and integrating infrastructure and connecting all homes, businesses, and communities to the fastest possible fibre broadband.

- 3.3. It is the above aspects of the LIS that a digital connectivity policy in the SDS could specifically address. More widely and outside of the direct influence of the SDS, analysing and addressing gaps in digital skills in the City Region forms part of the [Digital and Creative Skills for Growth Action Plan 2018 – 2020](#).
- 3.4. A key part of being the most digitally connected region will be creating a full fibre network through the ‘LCR Backhaul Network’ to cover the six local authority areas in the City Region, connecting key assets such as the Hartree Centre in Daresbury, and one of the UK’s main transatlantic fibre optic cables which comes ashore in Southport and carries internet traffic between the UK, North America and the rest of the world. The LCR Backhaul Network will be developed using a ‘dig once’ principle, ensuring that digital infrastructure is installed at the same time as highway works to save time, money and disruption.

4. What you told us

- 4.1. Of relevance to digital connectivity, responses to the previous SDS engagement highlighted:
- A lack of high speed internet across the City Region.
 - That not all places have sufficient digital infrastructure, particularly in rural areas.
 - The importance of residential and employment properties having access to sufficient internet speeds, to allow optimum use and flexible working.

5. How we could respond

- 5.1. As noted, the Government intends to reform permitted development rights to support the deployment of 5G. In addition we note the Government’s planning system reform white paper [Planning for the Future](#) which envisages a move towards a map and rule based approach as opposed to vague statements of policy. Whilst

the Combined Authority is supportive of improving 5G provision across the City Region, we consider that the SDS is not in a position to set out specific requirements for its deployment at this stage. We will review what role the SDS could have in 5G provision once the Government's permitted development proposals are fully set out.

- 5.2. In its response to its consultation on [delivering gigabit-capable connections](#), the Government intends to amend Building Regulations to place obligations on housing developers to work with network operators to install gigabit broadband where this can be done within a commercial cost cap. However, at the time of writing the Building Regulations have not been amended. Whilst we will review our options should the Building Regulations be amended to deliver gigabit-capable connections, we are considering whether the SDS should have a policy that requires gigabit connections for specified residential development proposals.
- 5.3. We are also considering whether the requirement for a gigabit connection could be widened to non-residential development, particularly specified types of workplaces and social infrastructure facilities. An example of a policy that requires FTTP for residential and non- residential schemes is included in [Ashford's Local Plan](#), adopted February 2019 (see Policy EMP6). However, we appreciate that any Gigabit policy requirement must be considerate of viability, site feasibility, other equivalent technological solutions, and the investment plans of telecom operators.
- 5.4. A suggested SDS policy approach to enhance digital connectivity across the City Region is set out below:

A gigabit connection requirement for specified thresholds and types of residential and non- residential planning applications would be set prior to residents or businesses moving in.

Where certain connections are demonstrated not viable or site feasibility is an overriding issue, the requirement would be for the next fastest broadband speed to be secured.

5.5. We will continue to develop our evidence base on digital connectivity and give further consideration to what thresholds, types and sizes of development the gigabit connection requirement could apply to. This will include consideration of bringing forward the changes to building regulations proposed by the Government, as noted above. We also envisage that the suggested policy approach would recognise the strategic significance of the backhaul network. In addition, by avoiding the need to retrofit digital infrastructure, the suggested policy approach would help support the ‘dig once’ principle. Notwithstanding this, we are considering other ways the SDS could further support the ‘dig once’ principle, for example by ensuring public and private sector investment is fully coordinated.

6. Which Objectives will this approach help to achieve?



Delivering an Inclusive Economy



Tackling Climate Change and creating a greener City Region



Addressing health inequalities and creating a healthier City Region



Creating high quality buildings and places that allow our communities to flourish



Embedding Social Value in all aspects of development

7. How can we make sure this approach would work?

- 7.1. We could measure the number of new development that delivers gigabit connectivity in accordance with the suggested policy approach, and the overall levels of digital connectivity across the LCR.