



**HM Revenue and Customs Consultation
Digital by Default
Response from the Low Incomes Tax Reform Group ('LITRG')**

1. Executive Summary

- 1.1. We broadly welcome the strategy to encourage the businesses to move to digital channels where they are able to do so, in line with wider government policy.
- 1.2. However, we strongly oppose 'mandation'. 'Digital by default' should mean just that – that digital is the default option, not the only one and we strongly believe that HMRC must commit to **permanent** retention of a range of options.
- 1.3. Digital communication does not suit all businesses. It would leave some, particularly the smallest, in real difficulty, by placing additional (sometimes even insurmountable) burdens on them or involve them in disproportionate cost. It is also unfair and potentially discriminatory that HMRC should expect or even ask businesses to rely on friends or family to help them with online transactions. (See Sections 3 and 4)
- 1.4. We recommend (see section 5) that HMRC should offer:

1.4.1. *Tailored support for those who want to move online, but who find it hard to do so.*

This should include face to face options and a telephone helpline. HMRC should seek cost effective ways of delivering additional support through co-operative working with the voluntary sector.

1.4.2. *A partial digital option for those who are content and able to move away from traditional paper channels*

Subject to appropriate safeguards, HMRC should:

- offer a telephone facility to register or file, which the operator converts into the final digital format.
- develop an intermediary service, assisted by tax voluntary sector with appropriate funding, for advisers to gather data for online submission.

1.4.3. *A paper option*

But most importantly, we see no alternative to the retention of a paper channel for those who are unable, or will find it 'excessively difficult'¹, to move to digital. This would include those who face barriers to 'digital inclusion' because of:

- lack of capability (through age, disability² or other circumstance),
- inadequate internet or broadband access,
- affordability,
- or indeed a mixture of the above.

- 1.5. Whilst encouraging those that can to use digital channels, HMRC must not hide the existence of a continued paper option, nor force people to accept assistance or use an intermediary service which is more onerous than the online service. This is particularly the case where HMRC are obliged to make reasonable adjustments for those protected under equality legislation.
- 1.6. To avoid confusion, HMRC must minimise the differences between online services and compliance requirements across the various taxes. We have therefore responded to the parallel consultation, *VAT: consultation on the next steps for moving VAT online*, reiterating that exceptions should be made and appropriate alternative options retained, including paper.
- 1.7. Importantly, in our response to the VAT consultation (section 4), we have outlined the need for exemptions from online to be set out in legislation where online filing is mandated by statute. Those comments apply equally to the mandate of PAYE online filing for employers.
- 1.8. We would be pleased to contribute further as HMRC's digital strategy develops.

¹ When looking to introduce or alter the obligations of citizens relating to tax administration the government should bear in mind the concepts of "virtual impossibility" or "excessive difficulty" established at an EU level in respect of various areas of domestic legislation. It has been used in a number of cases in connection with the principle of effectiveness and rights of taxpayers, mostly in relation to repayments of tax.

² As defined in Equality Act 2010

2. Introduction

2.1. About us

2.1.1. The Low Incomes Tax Reform Group (LITRG) is an initiative of the Chartered Institute of Taxation (CIOT) to give a voice to the unrepresented. Since 1998 LITRG has been working to improve the policy and processes of the tax, tax credits and associated welfare systems for the benefit of those on low incomes.

2.1.2. The CIOT is a charity and the leading professional body in the United Kingdom concerned solely with taxation. The CIOT's primary purpose is to promote education and study of the administration and practice of taxation. One of the key aims is to achieve a better, more efficient, tax system for all affected by it – taxpayers, advisers and the authorities.

2.2. Our response to this consultation – overview

2.2.1. Our response is in addition to and supplemented by that of our CIOT colleagues. CIOT are focusing mainly on how the proposals will affect agents and their clients; whereas LITRG's focus is on the entirely unrepresented taxpayer in the small business sector and particularly disadvantaged groups within it, who are struggling to cope with HMRC-related matters alone.

2.2.2. We stress that it is impossible for many small businesses, even some small companies, to be viewed separately from their proprietors. Effectively, the digital exclusion issues (age, disability and so forth) of the proprietor are problems for the business itself.

3. Our longstanding concerns regarding HMRC's online strategy

3.1. Our interest in those who are 'digitally excluded' and issues relating to 'mandation' of online interactions with HMRC stretches back to the first days of the Carter review.

3.2. In response to the *Partial Regulatory Impact Assessment (RIA) For Increasing Use of online services* (June 2006)¹ we said 'the promotion of a system of e-filing which may well bring benefits to both HMRC and others should not be made at cost to those who have recognised difficulties in coping with such a system'.

3.3. When responding to HMRC's *Equality Impact Assessment - Implementation of compulsory online filing for VAT, Corporation Tax and Employers' Annual and in-year PAYE returns* (October 2008)², we called for paper filing to continue to be available to small employers, particularly those with limited IT capability or certain types of disability.

¹ <http://www.litrg.org.uk/submissions/2006/response-to-the-partial-regulatory-impact-assessment-ria-for-increasing-use-of-online-services>

² <http://www.litrg.org.uk/submissions/2008/-implementation-of-compulsory-online-filing-litrg-response>

- 3.4. Furthermore, we have been supporting a number of taxpayers who are appealing against mandation of online filing of VAT returns.
- 3.5. ***'Digital by default' – the current consultation***
- 3.5.1. The current consultation, para 2.8, goes some way to acknowledging the concerns we have previously raised by reproducing a statement by the Minister for the Cabinet Office, Francis Maude, that 'we will not abandon groups less likely to use the internet: we recognise that we cannot leave anyone behind. Every single government service must be available to everyone – no matter if they are online or not.'
- 3.5.2. The Treasury Committee also recently concluded that 'requiring online filing prematurely runs the risks of... dissuading those who are not computer literate from being tax compliant'. We fully support this conclusion and are concerned that the Government's response to it still seems to suggest that everyone will be required to transact online¹.
- 3.5.3. In view of Mr Maude's statement, we would consider it disproportionate for HMRC to impose an obligation on all businesses to file or register online, as we strongly believe there will always be some who cannot, or would find it excessively difficult to, make that move.
- 3.5.4. This might be due to problems with access, motivation and skills²; on top of which some individuals face additional barriers to becoming digitally included compared to other groups because of age, disability, socio-economic status, education, location, language, affordability and so forth, although this list is not exhaustive.
- 3.5.5. We felt it helpful in this context to set out those who are indeed likely to be left behind. Information and statistics from our research on key digitally excluded groups are set out in the Appendix to this document.

4. Help and support channels – problems for the unrepresented

- 4.1. The smallest businesses³ are the least likely to have the training, skills and time to cope with their obligations. We know that the requirement to file VAT online has left individuals struggling to comply and even having to consider closing down businesses which are

¹ See *House of Commons Treasury Committee, Administration and Effectiveness of HMRC: Government response to the sixteenth report from the Committee*, page 17
<http://www.publications.parliament.uk/pa/cm201012/cmselect/cmtreasy/1533/1533.pdf>

² *Understanding Digital Exclusion: Research Report (Dept for Communities and Local Govt, 2008)*, chapter 3.2
<http://www.communities.gov.uk/publications/communities/understandingdigitalexclusion>

³ There are 3 million unincorporated businesses in the UK that have a turnover of £70,000 or less, including approximately 2 million with a turnover of £20,000 or less. Although these are the smallest businesses in the UK, they form a vital part of the UK economy
(See Office of Tax Simplification discussion paper, July 2011: *A Simpler Income Tax for the Smallest Businesses* - http://www.hm-treasury.gov.uk/d/ots_tax_for_small_business_discussion_paper.pdf)

otherwise viable or which are providing services essential to rural communities. Many are unrepresented and there is greater incidence of 'digital exclusion' compared to those which are represented.

4.2. However, people should not be forced into getting representation to meet their obligations to HMRC.

4.3. ***Professional representation***

4.3.1. Many small businesses are not able to afford professional help in relation to all aspects of their business taxes. And indeed, why should a taxpayer be forced to pay a professional to help them with an online obligation which they were hitherto competent to meet for themselves by using paper?

4.4. ***Informal representation – friends and family helpers***

4.4.1. Furthermore, in arriving at the conclusion that it is possible for everyone to file online, HMRC seem to have assumed that everyone will have a competent friend or relative to assist them. That assumption may have been unconscious but we do not believe it is valid. There are a number of persons, for example those with social or communication disabilities, for whom that is unlikely to be true.

4.4.2. But even if disadvantaged taxpayers are in contact with friends or relatives, it is unreasonable to impose on those people a duty to give assistance, or to force businesses to share confidential information with them to be submitted online. And what if that helper makes a mistake? Who would be to blame? This is altogether an unsatisfactory way to proceed.

4.4.3. No business should receive a second class service¹, involve themselves in additional costs or incur unwarranted penalties simply because they are unable to or unwilling to move to online channels.

5. **'Assistance into digital' – the way forward**

5.1. In summary, we are in favour of an 'assistance into digital' strategy, as opposed to statutory mandation.

5.2. ***Our view of statutory mandation***

5.2.1. We do not think blanket mandation of online compliance is appropriate.

5.2.2. Where a person is unable to transact with HMRC digitally because of (for instance) a disability, and the only alternative means of doing so is more costly or burdensome for them

¹ By second class service, we mean a service which those using a paper alternative might otherwise expect to receive if they were using a digital channel to transact.

than the digital route would have been, that in itself could constitute unlawful discrimination within the Equality Act 2010.

5.2.3. For this reason, if statutory mandation were to go ahead, exceptions would have to be made in legislation and subject to appeal before the Tax Tribunals to ensure that the vulnerable do not have to resort to expensive judicial review processes to secure their rights.

5.2.4. Indeed, our response to the parallel VAT consultation argues for such exceptions from mandation where it is already in statute but has caused great difficulty for those unable to comply. Those comments apply equally to the existing mandation of PAYE online filing for employers, for which the existing limited exceptions are similarly inadequate.

5.3. ***Our suggested strategy to Digital by Default***

5.3.1. A strategy of encouragement towards digital channels rather than statutory mandation will allow people to catch up with technology in their own time, rather than through force. Inevitably, many more people will move online over the next decade as a result of UK and EU digital strategies. For example, the European 'Digital Agenda' sets clear targets to give every European basic access to broadband by 2013 and to fast and ultra fast broadband by 2020.

5.3.2. Yet it is important to bear in mind that assistance should not be forced upon taxpayers who do not want it. The very act of pressing a person to accept assistance can itself be oppressive. Indeed, in *Delivering Digital Inclusion*, it was noted that: 'Some have made an informed choice not to engage directly in using the Internet, and no part of this action plan suggests they should be compelled to engage without a reason or need'¹.

5.3.3. Also, for those small businesses without Internet access at home and who have little or no IT expertise there would be real difficulties in accessing online services and information through public Internet access particularly given the ongoing reduction in library services and HMRC Enquiry Centres, limited opening times and privacy and security issues. We would also be concerned that rigid imposition of a requirement to file online where there is no reliable and safe Internet access could drive businesses into the hands of either unreliable (or, worse, fraudulent) agents out to exploit vulnerable people.

5.3.4. For all future moves to making digital the default channel, we therefore recommend that online transactions are not mandated but encouraged by offering a range of options, as below.

5.4. ***HMRC should offer tailored support for those who want to move online, but who find it hard to do so***

¹ *Consultation on Delivering Digital Inclusion: an Action Plan for Consultation* (Dept for Communities and Local Govt, 2008), chapter 1, para 4

See <http://www.communities.gov.uk/publications/communities/deliveringdigitalinclusion>

5.4.1. Within this group, there will be those for whom one-off assistance will suffice; but others might need ongoing support. Online support for an online service, whilst necessary, is inadequate.

5.4.2. HMRC's additional offering should therefore comprise:

a) Face to face options such as:

- Enquiry Centre appointments, where HMRC staff can give training on how to use the online system
- Workshops and local training events
- Home visits.

HMRC could seek cost effective ways of delivering additional support via adequate funding of the voluntary sector (reinvesting some of the inevitable cost savings from increased digital interactions). For example, the tax charities could deliver training events and train other frontline advisers in voluntary organisations and provide home visits, particularly to vulnerable groups.

b) Dedicated telephone helplines for those who need assistance with online filing

These helplines must:

- be adequately staffed,
- staffed by well-trained operators
- be open at evenings and weekends (when most small businesses deal with paperwork)
- committed to delivery of service standards such that repeated calls are avoided
- free of charge to the taxpayer, either by way of a free telephone number (both from landlines or mobiles) or by way of a call-back facility
- include textphone/Text Relay options for those with hearing or speech impairment.

5.4.3. Both face to face and telephone support must be well-advertised and signposted.

5.5. ***A partial digital option for those who are content and able to move away from traditional paper channels but who cannot move online, even with assistance.***

5.5.1. Building on (b) above, a partial digital option could mean having a telephone facility to register or file, which the operator converts into the final digital format.

5.5.2. Alternatively, it could mean surgery appointments with, or home visits by, an intermediary to gather data for electronic submission. Whilst we think this could be achieved for vulnerable groups by co-operative working with the voluntary sector, HMRC should expect to have to deal with some cases in-house since in some isolated regions access to alternative sources may not be possible.

- 5.5.3. Such facilities would need to be fully funded by Government. Charities and similar bodies cannot be expected to fund an unrealistic aspiration of unaided 100% online communication.
- 5.5.4. Careful consideration would need to be given to the structure of telephone filing and an intermediary service. Reservations discussed with HMRC during the consultation process include:
- There must be adequate checks in place to ensure there are no transposition errors, and safeguards for the taxpayer against the consequences of any errors that are not of his/her making. For example, a paper confirmation would need to be dispatched for checking afterwards.
 - How would digitally excluded taxpayers find the intermediaries available to help with online filing? HMRC would need to ensure the complete 'assistance to digital' package is well-advertised and signposted.
 - What if those intermediaries are too busy to help, and the taxpayer cannot get an appointment in time to meet the deadline? Would this be a reasonable excuse for late filing, if HMRC would not accept filing by another method?
 - Why should taxpayers be required to trust intermediaries with their business information, which is confidential? This is not equal treatment given that others (for example, those without disabilities who are able to file online for themselves) are not required to share their information in this way. Forcing people down this route rather than making it one of a range of options could therefore lead to further legal challenges on equality grounds. It is more onerous for the currently excluded groups than the simple paper option.
 - HMRC have suggested to us that a suitable alternative might be an automated telephone service that either allows the user to key in values or to speak into voice recognition software. We accept that this may be suitable for some people, but:
 - there are people for whom use of a telephone is also difficult/impossible;
 - voice recognition software does not recognise all accents and speech impediments caused by conditions, such as strokes and cleft palate, for example. Some people may not have English as their first language and therefore such provision would be unreliable in these circumstances.

5.6. ***A paper option***

- 5.6.1. Following on from the above comments, we see no alternative to the retention of a paper alternative, possibly to a dedicated PO Box, for those who are unable, or will find it 'excessively difficult', to move to digital channels. This would include those who face barriers to 'digital inclusion' because of:
- lack of capability (through age, disability¹ or other circumstance),

¹ As defined in Equality Act 2010

- inadequate internet or broadband access,
- affordability,
- or indeed a mixture of the above.

5.6.2. And although HMRC suggest (para 4.5 of the consultation document) that paper should not be a 'ready alternative', we do not believe that mandation should effectively be introduced by hiding the existence of a continued paper option. HMRC are obliged to make reasonable adjustments for those protected under equality legislation and must not put up obstacles which other taxpayers do not have to face.

5.6.3. Indeed, the Carter review said (para 5.9): '... HMRC should work with other public and voluntary organisations to ensure that access to the internet, and appropriate assistance with using IT, are available locally... for taxpayers **who wish to file their returns online** but do not own a computer.'¹ That is, whilst advocating co-operation with the voluntary sector, Carter did not recommend that taxpayers should be **forced** to use those options.

6. Consultation Questions

6.1. Our response focuses on the proposals insofar as they are likely to impact on the unrepresented business taxpayers, particularly those disadvantaged groups explained earlier in this document (para 1.4.3). We have answered only those questions where we have specific comments to make.

6.2. *Corporation Tax*

6.2.1. In the context of incorporated businesses our response is supplementary to that of the CIOT and focuses primarily on unrepresented small businesses.

Q1 HMRC would welcome views on the balance between a statutory and a non- statutory approach to making the digital channel the default option for obtaining CT information

6.2.2. As above, we oppose mandating digital compliance and we have recommended a non- statutory approach.

Q2 If respondents favour a non- statutory approach, we would welcome suggestions on the most effective way this might be achieved

6.2.3. For those willing to make the move but who need help to do so, we refer to our above suggestions for support channels. But we see no alternative but to retain a paper option for those that need it and would oppose any moves to withdraw paper templates.

Q3 We would welcome views on getting the balance right between the spirit of 'Digital by Default' and providing an 'Assisted into Digital' alternative in a narrow range of cases

¹ *Review of HMRC Online Services*, Lord Carter of Coles, March 2006
See <http://www.hmrc.gov.uk/budget2006/carter-review.pdf>

- 6.2.4. To ensure that the balance is right, there needs to be recognition that many disadvantaged groups cannot move to digital and that many need enhanced assistance. We have set out above our recommendations for a holistic range of support options and alternative channels.

Q4 Are there any particular groups for which CT Digital by Default will impact more heavily? Are there any mitigation strategies which might exist?

- 6.2.5. The vulnerable groups affected by CT digital by default are little different to unincorporated businesses, and we have already outlined those groups we think are particularly likely to be left behind. Small companies can be affected equally by rural location and therefore limited or no access to the internet/broadband, inability to afford professional representation or the cost of getting online and age/disability situation of the proprietor.
- 6.2.6. In the absence of Government grants enabling businesses to equip themselves to move forward into the digital era to meet online obligations, exceptions must be maintained. Again, we have outlined above the range of solutions we think should be in place.

Q6 HMRC would welcome views on these two alternatives

Q7 What might be an appropriate specified amount, under such a proposal? Would £250 seem a sensible level?

- 6.2.7. We welcome any proposal which would simplify and streamline repayments and favour a common sense approach as to the amount below which payments would not be made by HMRC other than electronically, unless specifically requested.
- 6.2.8. We regard £250 as a relatively significant and disproportionate sum for small business therefore do not think this seems a sensible level. We therefore recommend instead an amount of £20, which is acknowledged in the consultative document (para 3.10) as covering 60% of small repayments.

6.3. ***Income Tax***

Q10 HMRC would welcome views as between a statutory and non- statutory approach to making the digital channel the default option for registering for ITSA

Q11 If respondents favour a non-statutory approach, we would welcome suggestions on the most effective way this might be achieved?

- 6.3.1. We strongly oppose mandation of online filing for the reasons we have already covered, preferring encouragement into digital channels with appropriate support as outlined at above.

Q12 We would welcome views on how HMRC can best provide an 'Assisted into Digital' support

Q13 Are there any particular groups for which ITSA Digital by Default will impact more heavily? What mitigation strategies might exist?

6.3.2. We have explained above the range of support we would like to see for all moves to digital by default. Voluntary organisations, trade bodies and intermediaries could aid the success of our suggested strategy by publicising what help is on offer via their own networks – including via articles, newsletters, internal seminars and so forth.

6.4. ***Ceasing businesses***

Q15/17 HMRC would welcome views how best to proceed in this sensitive area when one timely notification would save much wasted administration and circumvent considerable anxiety

- 6.4.1. We would welcome the introduction of a de-registration process for taxpayers to notify HMRC that a business is ceasing or has ceased and for which year a final return will be needed. Again, an online option is fine for those who can use it but there should be alternatives for those who cannot.
- 6.4.2. We would be concerned, however, if a de-registration process were mandatory (with an associated penalty for non-compliance). Cessation is likely to be a particularly sensitive issue for many small businesses. Ceasing to trade might not happen on a clearly defined date.
- 6.4.3. Where a business is winding down, for example, it may be months or years before the proprietor accepts that the business has ceased and will not continue. This might increasingly occur with people working longer to supplement pension income. Or someone might be doing a combination of freelance and employed work where the balance gradually shifts to the latter rather than a conscious decision to cease trade at a certain point.

6.5. ***Non-business activities***

Q16 How can HMRC best ensure only those registering for self-employment go to Registration Wizard?

- 6.5.1. The Wizard, as with all online services, needs to carry a clear description of what it is for. Incorrect use could be prevented by an initial question which the user has to pass to move on to completing it.
- 6.5.2. But if the Government wishes to encourage all taxpayers to transact online 'by default', why limit use of the wizard to the self-employed? Why not allow all taxpayers to notify a liability and the need to file a self-assessment tax return by this channel? It seems counterintuitive to limit its use, meaning other taxpayers have to continue notifying on paper even if they do wish to use online services.
- 6.5.3. If the Registration Wizard is, however, limited to self-employment only, then there must be clear signposting from it for those not in business as to what they need to do to notify HMRC of a liability and why they cannot use the online facility.

6.6. ***Tax impact assessment***

Q19 On the basis of information in this document do you have any comments on the assessment of impacts?

- 6.6.1. HMRC's initial assessment is that the number of customers with a disability that will impair their ability to use the online portal will be low. From our research, we think this is unrealistic in the context of small businesses. According to the latest ONS statistics (Q2 2011) there were 4.24 million disabled people who had never used the Internet, comprising almost half of all those who had never used it.
- 6.6.2. Self-employment can be more advantageous than conventional employment for many disabled people and it is likely that for small business disability would be a key barrier to using the online portal. Just under a quarter (23%) of Federation of Small Business (FSB) members¹ say they have a long-standing illness, disability or infirmity.
- 6.6.3. In a recent Leonard Cheshire Disability survey referred to in the FSB Brief, 24 per cent of those in employment were self-employed, of whom 45 per cent chose to become self-employed because they could not find alternative employment.
- 6.6.4. It is also anticipated that many more disabled people will be encouraged under the current government back to work initiatives to become self-employed. For example, the current reassessment of Incapacity Benefit claimants has the objective of getting many more people back into work over the next three years; and self employment, potentially having more flexibility than employment, might be the best way forward for a significant proportion. For some of those, using an online portal could be a barrier to them doing so without assistance or in some cases a paper solution. We think this is likely to affect HMRC's 'low' impact figure for people with disabilities.
- 6.6.5. But even if the number of taxpayers with such a disability were only small, HMRC would have a duty to protect that minority both under equalities legislation and under wider Government policy (as reflected in Frances Maude's statement quoted in the consultation document).
- 6.6.6. The consultative document suggests that 'Default use of the online portal does not present any potential discrimination issues with regard to age' and various other factors. But our research (see appendix) suggests that age is a significant barrier to moving to digital. Furthermore, the numbers of older people running businesses is likely to increase given changes in retirement and working age profiles.
- 6.6.7. Furthermore, it has been suggested to us that HMRC's current online offering has functionality problems for people with certain disabilities such as impaired eyesight. In addition, the cost of equipping oneself with a computer adapted for users with certain

¹ Federation of Small Business, 'Disabled Entrepreneurs, one page briefing', September 2011
<http://www.fsb.org.uk/campaigns/assets/disabled%20entrepreneurs%20one%20pager.pdf>

disabilities is higher than for others. Therefore, mandation of online interactions presents them with a further disproportionate cost.

- 6.6.8. Under 'Other Impacts' it is stated there is a potential issue with rural businesses having access to slower dial-up internet. This is a significant barrier to use of the online portal for such businesses. Cost of dial-up internet from a mobile phone is particularly high and discriminates against people forced to use such a method. They should be able to communicate by post if it is unreasonable to expect them to do otherwise.

LITRG

31 October 2011

APPENDIX: PROFILE OF DIGITALLY EXCLUDED GROUPS

1. In the UK, at the second quarter of 2011 there were 8.73 million adults who had never used the internet which represented 17.4% of the total adult population. 4 million of these individuals were from disadvantaged groups (Office of National Statistics (ONS) Data Q2 2011). The profile of these groups includes older and disabled people, minority ethnic groups and those with lower socio-economic status.
2. One of the main digitally excluded groups is older people – of this group over three quarters of those over 65 were still non-users of the internet. This group comprised more than half of the overall population who did not have access to the internet at all (ONS Data 2011).
3. Of those living in households earning less than £11.5k per annum, 47% did not use the internet compared to only 4% of those with an annual income of over £30k (ONS Data 2011).
4. There were 4.24 million persons with a disability who had never used the Internet. This figures accounts for almost half of all those people who had never used it and represented 36.8 per cent of all those who had a disability. Of those adults who reported no disability, 11.6 per cent had never used the Internet (ONS Data 2011).
5. Location is a significant factor. Overall broadband availability is lower in areas of low population, such as Scotland and Wales and in many rural areas the broadband equipment supports a maximum speed of 8Mbit/s compared to up to 24Mbit/s in urban areas. (And of course maximum speed does not reflect the actual service delivery and certain broadband packages are limited in speed regardless of the line's potential.)
6. For broadband services delivered over telephone lines, achievable modern sync speeds are dependent on the length and quality of the line; in rural areas line lengths tend to be longer hence lower speeds are achieved. The North of England, urban areas of Scotland and South Wales had the highest concentration of working age people who are offline whilst rural and coastal areas have the highest concentration of older residents who don't use the internet (Communications Infrastructure Report 2011: Fixed Broadband Data).