

Greater Manchester Combined Authority

Date: 29 July 2022

Subject: Mitigating the impact of Digital Telephone Switch over in Greater Manchester

Report of: Councillor Eamonn O'Brien, Portfolio Lead for Digital and Joanne Roney
Portfolio Lead Chief Executive for Digital

Purpose of Report

The purpose of this report is to:

- Raise GMCA awareness of fundamental changes to the telecoms infrastructure which is likely to impact upon GM small and medium sized businesses (SMEs), digitally excluded residents and the delivery of some public sector services.
- In the context of the above, update GMCA on the work being undertaken to address digital exclusion across the City Region

Recommendations:

GMCA is requested to:

- Note the timeline for the switchover and ensure that all public sector organisations are undertaking appropriate steps to upgrade or mitigate.
- Support a review to evaluate the risks and impacts (financial and operational) to GM public sector organisations and business community.
- Encourage an industry led conference to increase awareness of the digital telephone switchover to businesses, public sector and residents in Greater Manchester
- Press Government for a national campaign working with industry to highlight the change for UK residents and SMEs
- Highlight to Government the implications of the change for the digitally excluded and ensure that action is taken by the Government working with industry to support vulnerable people most impacted by the change

Contact Officers

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BOLTON
BURY

MANCHESTER
OLDHAM





ROCHDALE
SALFORD

STOCKPORT
TAMESIDE

TRAFFORD
WIGAN

Report authors must identify which paragraph relating to the following issues:

Equalities Impact, Carbon and Sustainability Assessment:

Impacts Questionnaire		
Impact Indicator	Result	Justification/Mitigation
Equality and Inclusion	G	
Health		
Resilience and Adaptation		
Housing		
Economy		
Mobility and Connectivity	G	
Carbon, Nature and Environment		
Consumption and Production		
Contribution to achieving the GM Carbon Neutral 2038 target	The PSTN switch off will have a carbon reduction benefit for the whole of the UK and for that reason alone it should be supported, however industry needs to better mitigate negative impacts on individuals and communities, and GM's public sector will need to prepare	
Further Assessment(s):	Equalities Impact Assessment	
 Positive impacts overall, whether long or short term.	 Mix of positive and negative impacts. Trade-offs to consider.	 Mostly negative, with at least one positive aspect. Trade-offs to consider.
		 Negative impacts overall.

Risk Management

The switch off the Public Service Telephone Network (PSTN) poses a significant risk to many SMEs, vulnerable residents and would impact on delivery of support services unless mitigations actions are undertaken.

Legal Considerations

There are no legal considerations for the GMCA from this report and its recommendations.

Financial Consequences – Revenue

There are no revenue finance consequences for the GMCA from this report and its recommendations.

Financial Consequences – Capital

There are no capital finance consequences for the GMCA from this report and its recommendations.

Number of attachments to the report: None

Comments/recommendations from Overview & Scrutiny Committee

None

Background Papers

[Upgrading landlines to digital technology – what you need to know - Ofcom](#)

Tracking/ Process

Does this report relate to a major strategic decision, as set out in the GMCA Constitution:

No

Exemption from call in

Are there any aspects in this report which means it should be considered to be exempt from call in by the relevant Scrutiny Committee on the grounds of urgency? No

GM Transport Committee

Not applicable

Overview and Scrutiny Committee

Not applicable

1. Introduction/Background

- 1.1. Telecoms companies providing physical copper lines to homes and businesses intend to withdraw the existing analogue telephone system called the Public Switched Telephone Network (PSTN) by 2025. The reason for the switch over is that PSTN is an aging network that is becoming harder and more expensive to maintain.
- 1.2. The switch off will have significant impact on UK energy demand as the Openreach exchanges and street cabinets current account for over 85,000 kWh of energy equating to 20,000 tonnes of CO₂ per year. Industry stakeholders have highlighted other benefits of the switch to digital, such as improved call quality.
- 1.3. Unlike the move to digital TV from 2007 to 2012 which was government led, the Government has decided that the withdrawal of the PSTN should be industry-led.
- 1.4. To date, there has been relatively little publicity about this major change which will impact on businesses, the public sector and all domestic telephone users who wish to retain a landline telephone and all businesses whose current telephone systems connect to either the PSTN or ISDN (Integrated Services Digital Network).
- 1.5. The replacement is based on an Internet service, known as VoIP (Voice over Internet Protocol) and therefore anyone wishing to maintain a landline telephone is required to install an internet connection.
- 1.6. Even for those domestic customers who have an internet connection, it is likely they will need a new 'router' to connect to the internet, a new telephone, or an adapter to convert their existing telephone to the new service. The cost implications for residents are unclear.
- 1.7. Importantly, as a conventional landline telephone is powered from the telephone exchange if electrical power fails within a home, a corded telephone still works. The replacement VoIP system is powered from the home, meaning that any failure of electrical power results in the loss of the telephone too. Ofcom is therefore requiring providers to take measures to ensure uninterrupted access to emergency services including during a power cut. This could include, for example, a back-up battery unit for all home routers or a guaranteed mobile phone connection.
- 1.8. Of additional relevance to Greater Manchester's public sector, many other devices use PSTN and these will need to be changed or upgraded. These include:
 - Some emergency and telecare call buttons and pendant alarms used by the elderly or disabled living alone in their homes.

- Fax machines (they are still used in small numbers, particularly in health & social care)
- Remotely monitored alarm systems.
- Some point of sale terminals.
- Anyone with an ISDN service, either an office PBX or ISDN modem. This includes traditional commercial phone systems used by many organisations.
- Emergency telephones in lifts (of particular concern in office and multi-occupancy buildings).

1.9. The switch over began in 2020 and was due to complete by 2025 with no new PSTN installed from 2023, however this has been paused following escalation of concerns by industry and residents' groups. Decisions on migrating customers to digital are being made by the companies that operate and provide services on the network (for example, BT Openreach and Virgin Media).

1.10. This is a temporary pause to allow BT Openreach time to re-assess impacts on those who rely more heavily on their landline telephone and customers living in rural areas impacted by power-outages resulting from storms, citing the recent examples of storms Arwen and Eunice. Their letter to MPs is attached to this report in Annex A. Roll out is expected to resume taking into account findings from a pilot BT Openreach is running in Salisbury.

2. Resident Impact

2.1. The most significant concern is around the impact on residents – where current awareness levels are very low.

2.2. In reality, the PSTN switch over will not have a major impact for most people. However, according to a survey by Uswitch, it showed that 95% of over-65s still have a landline compared to 52% of 18-24 year olds and ownership in rural areas is 83% compared to 65% in urban areas.

2.3. Those who will be most impacted will be:

- People who do not currently have a broadband service to their homes – according to Ofcom, this is about 6% of UK households. In Greater Manchester this equates to 166,000 residents
- The elderly for whom the landline is their lifeline, and a change of technology may be difficult to cope with and manage.

- Anyone who will struggle financially with the cost of changing technology, including the purchase of a broadband service or mobile phone if they do not currently have these.
- People living in rural areas where broadband coverage and quality is poor and those impacted by severe weather that cause outages in the supply of electricity or broadband both of which will now cut-off the telephone.

3. Implications for Digital Exclusion

- 3.1. PSTN switch-off sites is highly relevant within the context of digital exclusion in Greater Manchester – an agreed focus and Commitment for action in the refreshed Greater Manchester Strategy.
- 3.2. Digital exclusion in Greater Manchester is estimated to impact 450,000 residents who are not online, plus a further 700,000 who are digitally marginalised through poor access and skills. In an increasingly digitised society this means these people are likely struggle to access health, work, transport, and for social interactions.
- 3.3. Through the GM Digital Inclusion Action Network and Taskforce plus the work of Localities, Greater Manchester is seen as being at the forefront of progressive action to tackle digital exclusion. Work across city region can be summarised as the need for “Access, Skill, and Will”.
 - a. Access: the need for affordable, reliable and resilience access
 - b. Skill: The essential digital skills to use the internet effectively and safety
 - c. Will: The motivation for people to get online who feels “it is not for them”.
- 3.4. Activity underway includes a Social Housing pilot in five areas, a Care Leavers programme piloted in Salford, work with the Good Things Foundation on access to their National Databank (as the “GM Data Bank”), the GM Tech Fund for device donations, and creation of guidance such as “Doing Digital in Later Life” developed by the GM Aging Hub.
- 3.5. The wider challenge for both Greater Manchester and the England is there is absence of a national Digital Inclusion Strategy. Alongside areas such as the West Midlands, GMCA is requesting that Government prioritises this.

4. Mitigating the Impact in Greater Manchester

- 4.1. PSTN switch-off has been raised with localities at the Smart GM Places Leadership Group and GM Digital Portfolio Executive, and with industry and community representatives at the GM Digital Inclusion Action Network which is chaired by the

GM Mayor, plus the wider GM Digital Inclusion Taskforce which has over 200 members.

- 4.2. GMCA has begun to engage with DCMS and Ofcom to express concern about the lack of awareness of this major change and the urgent need for a campaign along similar lines to the digital TV switch over. It is already clear from engagement with the Greater Manchester Chamber of Commerce that awareness amongst SMEs is low. Anecdotal evidence suggests that most of the largest corporations are aware of the change and implementing plans. The GM Chamber of Commerce is, however, concerned that most SMEs are not sighted and are likely to be suspicious of the telecoms industry selling solutions which may not be needed. Many recalling the hype around the millennium bug.
- 4.3. It is understood that most major public sector organisations have been alerted to the change through their current providers. However, many may not be aware of the urgency.
- 4.4. It is proposed that GMCA encourages public sector organisations review their use of traditional phone system and technologies which utilise them, and that local authorities and GMCA work with industry, business and residents groups to raise awareness as per the Recommendations at the top of this report.

5. Next Steps

- 5.1. GMCA is working with TalkTalk and other telecom providers to undertake research to determine impact within GM with the intention of reporting findings to a significant event to be held early in 2023 about PSTN. This will be aimed at increasing awareness amongst GM business and residential communities and public sector organisations.
- 5.2. GMCA will continue to engage with DMCS and Ofcom to ensure that Government plays its part in a campaign supporting industry in increasing awareness of this major change in digital infrastructure. This will include better understanding how they will ensure that the most vulnerable will be supported through this change.
- 5.3. Through the work under the Mayor Digital Inclusion Action Network we will continue to gain local learning about the potential impacts. In particular, drawing upon findings from the digital inclusion social housing pilot in GM to test the potential for the market to deliver affordable connectivity on a sustainable commercial basis to social housing tenants. Over the next six months, the learning from these pilots, supported by the

Universities of Liverpool and Cambridge will inform adoption by more social housing providers across GM.