Dear Chris

Notification of changes to KCOM's KC Social Access Package

I am writing to formally notify you of a change to the eligibility criteria for our KC Social Access Package, which we provide in the Hull area in accordance with Condition 2 of KCOM's Universal Service Conditions. Under the conditions we are required to notify Ofcom of any significant change to the scheme designed to meet our obligations at least three months ahead of introduction.

At present our KC Social Access Tariff is available to consumers in the Hull area meeting any of the following criteria:
- Care home residents
- Lifeline customers referred to us by Social Services
- In receipt of Income Support, Pension Credit, Job Seekers Allowance, Housing Benefit or Disability Living Allowance.

As you are aware, the Department for Work and Pensions (DWP) is beginning rollout of the Universal Credit from April 2013. The DWP has proposed the new credit will supersede several existing benefits, with the intention of simplifying the benefits system. KC's Social Access Package currently has a set of eligibility criteria partly based on benefits which will eventually be withdrawn. Therefore it is now appropriate we review our criteria to ensure compatibility with Universal Credit.

KCOM's primary objective in reviewing this tariff was to ensure it continued to meet the particular social need in Hull. We also worked on the assumption that for the tariff to continue adequately meeting the social need, the eligibility criteria should be clear and easy to understand in order that those who might benefit from it are not put off from applying.

Our intention is any consumers in the Hull area receiving Universal Credit with zero earnings will qualify for our Social Access Package going forward. Consumers receiving Pension Credit, care home residents and Lifeline customers referred to us
by Social Services in the Hull area will remain eligible. We believe this will best meet our objectives, consistent with our Universal Service Obligations.

In parallel we will continue to use the existing benefits criteria until they are eventually withdrawn by the DWP. We have no plans to proactively reassess existing customers on the scheme.

In summary, our KC Social Access Package will be available to consumers in the Hull area meeting any of the following criteria going forward:

- Care home residents
- Lifeline customers referred to us by Social Services
- In receipt of Pension Credit
- In receipt of Universal Credit, with zero earnings
- In receipt of Income Support, Job Seekers Allowance, Housing Benefit or Disability Living Allowance (until withdrawn by the DWP).

In line with KCOM's aim of increasing broadband penetration in Hull, we intend to continue allowing customers on the Social Access Package to also take our entry level broadband products, Karoo Lite or Weekday Broadband. KCOM believes these broadband packages are chiefly suited to customers who have not previously had access to home broadband, particularly job seekers with limited income but who may want to use the internet to search for employment.

I hope you find this information useful in demonstrating KCOM's continued commitment to our Universal Service Provider designation. Please let me know if you require any further information about these changes. I look forward to hearing from you.

Yours sincerely

[Signature]

Richard Neudegg
Regulatory Advisor