



**THULAMELA LOCAL MUNICIPALITY**

**HOUSING ALLOWANCE POLICY**

**2024/2025 FINANCIAL YEAR**

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# **THULAMELA LOCAL MUNICIPALITY HOUSING ALLOWANCE POLICY**

## **1. PURPOSE:**

The purpose of this Housing allowance Policy is to regulate the Housing allowance payable to permanent employees of Thulamela Local Municipality.

## **2. DEFINITIONS**

All terminology used in this policy shall bear the same meaning as in the applicable legislation.

## **3. LEGAL FRAMEWORK**

- Municipal Finance Management Act (Act no 56 of 2003)
- Local Government Municipal System Act (Act No.32 of 2000, as amended)
- SALGBC Main Collective Agreement
- Labour Relations Act (Act no. 66 of 1995, as amended)

## **4. SCOPE OF APPLICATION**

- 4.1 The policy is applicable to all officials of Thulamela Local Municipality.
- 4.2 Fixed term and temporary employees are excluded from these benefits.

## **05. OBJECTIVES OF POLICY**

The Housing Allowance Policy is introduced to assist employees with their recurring (monthly) costs of their accommodation. It is intended to assist employees to get access to the Housing market. The Housing Allowance payable in terms of this Scheme is a monthly non-pensionable allowance.

## **6. REQUIREMENTS FOR ACCESSING THE HOUSING ALLOWANCE**

### **6.1 ELIGIBILITY FOR EMPLOYEES**

- Ann employee appointed on a full time basis may receive a Housing Allowance if he/she meets the requirement regulating the payment of the said allowance.
- The Housing Allowance shall be paid as per the Collective Agreement.

## **7. HOUSING TENURE**

- An employee could either own(hereafter referred to as home owner) a home to qualify for the Housing Allowance, provided that he/she meets all the other qualifying requirements set out in this determination.

### **7.1.1 HOME OWNER**

- The home in respect of which the employee applies for a Housing Allowance, must be registered in his /her name, whether alone or with her/his spouse. For this purpose the following tenure ships are recognised.

## **08. OCCUPANCY OF THE HOME**

- The employee and his /her immediate family must occupy the home in respect of which the Housing Allowance is paid, except if he/she or the immediate family cannot occupy the home temporarily for reasons beyond his/her control.

## **09. LOCATION OF THE HOME**

- The home in respect of which the employee receives the Housing Allowance must be located within the borders of South Africa.

## **10. HOUSING ALLOWANCE REQUIREMENTS**

- An employee who wishes to access the Housing allowance as anew home owner must hold a bond at a registered bank or any other financial institution approved by the SALGBC.

The Bond repayments are to be paid via stop order on the employees salary.

## **11. DOCUMENTARY PROOF**

- An employee who wishes to access the Housing Allowance must submit the prescribed documentary proofs with his/her application for a Housing Allowance. Failure to do so or submitting incomplete or invalid documentation may result in the delay/refusal of the application.

-The maximum value of the Housing Allowance is based upon the collective agreement as at 01<sup>st</sup> July of every financial year.

## **12. VALIDATION OF ELIGIBILITY FOR THE HOUSING ALLOWANCE**

-The decision-making process whether to approve or decline an employees application for a Housing Allowance is supported by a validation process.

a) The documents are verified and contents checked against certain significant features attributed to the documents to be submitted with the employees application.

b) The cross checking of information across all the different documents including the application.

10.1.1 To expedite the decision making process the municipality should authorize signatories, preferably at the level of HOD or their nominees in Corporate Services to consider and approve applications for the Housing Allowance.

### **13. GENERAL MEASURES**

13.1 An employee is obliged to notify Corporate Services each time in writing of any changes that affects his/her eligibility for the Housing Allowance.

13.2 If an employee sells his/her house the payment of the Housing allowance will stop.

13.3 Employees must submit their Housing Bond documents and proof of payment annually to Human Resources.

13.4 If an employee fails to inform the Corporate Services of any changes affecting his/her eligibility of the Housing Allowance, the Corporate Services shall immediately stop the Housing Allowance and recover the monies which have been over-paid.

13.5 This policy will be communicated to all Municipal Employees using the full range of communication methods available to the Municipality.

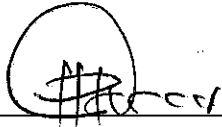
### **14. QUALIFYING AND END DATE**

- An employee shall start to receive his/her Housing Allowance on the employee's pay date in the month he/she has submitted his/her signed application including the correct documentary proof required.

- The employee's Housing Allowance will stop on the employee's pay date in the month that he/she no longer meets the requirements of the Housing Allowance

#### 15. POLICY REVIEW

- This policy will be reviewed annually or as need arise.



**ACTING SENIOR MANAGER: CORPORATE SERVICES**

**SIKHWIVHILU N.M**

31/05/2024

**DATE**



**MUNICIPAL MANAGER :**

**MAKUMULE M.T**

31/05/2024

**DATE**