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HOUSING ALLOWANCE POLICY

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CUSTODIAN OF THE POLICY	Municipal Manager		[signature]

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1. DEFINITIONS AND ACRONYMS

1.1 Statutory and Regulatory

This Procedure applies to the following meanings and interpretations:

#	TERM	DESCRIPTION
1.1	Home owner	The home, in respect of which the employee applies for homeowner's allowance, must be registered in his / her name, whether alone or with his / her spouse. For this purpose the following tenureships are recognised: 1. Title Deed, where ownership could be outright or freehold ownership and title deed is obtained when the ownership of the home is transferred into the buyer's name. Permission to occupy (PTO) State or Traditional Land
1.2	Immediate Family	in respect of an employee means the employee's spouse and / or dependent children
1.3	Spouse	a person registered with the Municipality as the lawful husband or wife / wives, or life partner, by the employee at the time of the use of the benefit, provided that an employee:- (a) may register all spouses entered into under customary or indigenous law (b) may register only one life partner at a time (c) who has a spouse/s registered with the Municipality in terms of the recognition of Customary Marriages Act, 1998 and the Marriages Act, 1961, may not register a life partner with the Municipality

1.2 ACRONYMS

#	TERM	DESCRIPTION
2.1	SALGBC	South African local government bargaining council

2. POLICY STATEMENT

2.1 Thulamela Local municipality acknowledges that its employees need access to Housing and that in certain circumstances home ownership may not be possible, as result, municipality must intervene in assisting employees to have shelter. This provision is line with relevant legislation and specific regulations. The Thulamela Local municipality housing allowance is intended to assist employees with their recurring (monthly) costs of their accommodation. This is further intended to assist employees in getting access to owned accommodation.

3. PREAMBLE

3.1 Thulamela Local Municipality acknowledges that its employees need access to Housing and that in certain circumstances home ownership may not possible, as result, the municipality must intervene and do so in line with specific regulations.

3.2 The Municipality abides by the collective agreement to extend housing allowance to all employees and subject to the requirements of the scheme a subsidy in respect of a mortgage bond.

4. PURPOSE

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

5. OBJECTIVES

5.1 The Housing Allowance Policy is introduced to assist employees with the recurring (monthly) costs of their accommodation. It is intended to assist employees to get access to the Housing market.

5.2 The Housing Allowance payable in terms of this Scheme is a monthly non-pensionable allowance.

5.3 To guide the municipality in implementation of the housing allowances.

6. SCOPE

6.1 The policy is applicable to all officials of Thulamela Local Municipality. Fixed term, temporary employees and interns are excluded from these benefits.

7. REQUIREMENTS FOR ACCESSING THE HOUSING ALLOWANCE

ELIGIBILITY FOR EMPLOYEES

7.1 An 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.

7.2 The Municipality pays a housing allowance to employees who own houses and who qualify for such a benefit in terms of the conditions of the housing scheme determined by the SALGA Bargaining Council (as per collective Agreement).

7.3 Documents submitted by the employee as an application to a housing allowance are checked and verified against significant features in line with the requirements.

7.4 The property on which the housing allowance will be payable must be registered in the employee's name and / or jointly in his / her spouse's names.

7.5 Housing allowance is payable to employees who has acquired a financial housing loan or bond and will be payable towards only one loan.

7.6 The determination of housing allowance is in accordance with circulars received from SALGA Bargaining Council.

7.7 An employee who wishes to access the Housing allowance as a new homeowner must hold a bond at a registered bank or any other financial institution approved by the SALGBC.

7.8 The Bond repayments are to be paid via stop order on the employee's salary

8. HOUSING TENURE

8.1 An employee must own (hereafter referred to as homeowner) a home to qualify for the Housing allowance, provided that he/she meets all the other qualifying requirements set out in this policy.

HOMEOWNER

8.2 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.

9. OCCUPANCY OF THE HOME

9.1 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.

10. LOCATION OF THE HOME

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

11. DOCUMENTARY PROOF

11.1 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

11.2 The maximum value of the Housing Allowance is based upon the collective agreement as at 01st of July of every financial year.

12. VALIDATION OF ELIGIBILITY FOR THE HOUSING ALLOWANCE

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

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

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

12.4 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 affect 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 overpaid.

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

14.1 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.

14.2 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. LEGISLATIVE AND REGULATORY FRAMEWORK

15.1 Municipal Finance Management Act (Act no 56 of 2003)

15.2 Local Government Municipal System Act (Act No.32 of 2000, as amended)

15.3 SALGBC Main Collective Agreement

15.4 Labour Relations Act (Act no. 66 of1995, as amended)

16. STAKEHOLDER ENGAGEMENT (if applicable)

16.1 All the relevant stakeholders internal and external will be consulted through the development and implementation of this policy.

17. IMPLEMENTATION: ROLES AND RESPONSIBILITIES

MUNICIPAL MANAGER

17.1 The Municipal Manager or his/her delegate assignee accepts overall responsibility for the implementation and monitoring of the policy.

SENIOR MANAGER: CORPORATE SERVICES

17.2 Approves the housing allowance application.

HUMAN RESOURCES

17.3 Responsible for the administration of the housing allowance.

18 MONITORING AND EVALUATION

18.1 On a continuous basis this policy will be assessed to determine its relevance and effectiveness and to assess whether it has achieved the intended objectives

19 CONCLUSION

19.1 In conclusion, the Housing allowance Policy outlines critical matters raised in the purpose and the objectives. The provisions in the policy contents highlights the need for municipality to adhere to the key issues narrated which will address challenges encountered and lead to effective and efficient implementation of the policy.

19.2 The Municipality commits to make resources available, monitor and evaluate the effectiveness of the policy, thus encouraging all relevant stakeholders to familiarise themselves with the policy and take necessary actions to fully participate and ensure compliance of the policy.

20 REVISION DATE

20.1 This policy shall be reviewed on an annual basis or as and when the needs arise

21 ANNEXURES

21.1 Business Process Map

21.2 Standard Operating procedures