

<u>TO</u>

NAPTOSA NORTH WEST

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NEWS FLASH

THE NAPTOSA NORTH WEST UNION REPRESENTATIVE

Please make this communication available to <u>ALL NAPTOSA</u> members at your school/college/office.

HOUSING ALLOWANCE: HOME-OWNERS

In News Flash 40 of 2015 members were informed that the employer had still not implemented the increased Housing Allowance and that payment should not be expected in December 2015.

A circular by the DPSA now indicates that departments are in a position to implement the increased allowance, provided employees who are home-owners enrol with the Government Employees Housing Scheme and submit the required proof. The application form, that will indicate the required documentation, is available from the HR sections of departments.

Whilst departments would technically be in a position to effect the increased Housing Allowance (back dated to 1 July 2015) in January 2016, it will depend on how soon employees are able to submit their applications and documentation and whether departments are prepared to deal with the matter on a case by case basis or await the **cut-off date of 31 January 2016** (extended from the initial date of 31 December 2015) and then do a bulk implementation.

Members should take cognisance of the definition of "home-owner" as per the DPSA circular to determine if they are eligible for the Housing Allowance of R 1 200 p.m. According to the circular a "home-owner" is:

- An employee with a registered title over a residential property **with** a mortgage bond or home loan, and who occupies the house, or
- An employee with a registered title over a residential property **without** a mortgage bond or home loan (i.e. where the bond or home loan has been paid off or where the property was purchased without a bond/home loan), and who occupies the house, or
- An employee residing on communal land with valid permission to occupy (PTO) (deemed to be a home-owner), provided he/she and/or his/her immediate family is/are occupying the house in question.

Qualifying members are encouraged to obtain the application form, as soon as possible, from the HR sections of their respective departments and ensure that they submit the form, together with the required documentation, to their departments <u>before 31 January 2016</u>.

The position in respect of employees who rent and are eligible for the Housing Allowance (i.e. the issue of the individual-linked savings account) is expected to be addressed in an amended Determination on Housing by the Minister of Public Service and Administration, currently awaiting approval.

GREGG MASONDO
CHIEF EXECUTIVE OFFICER