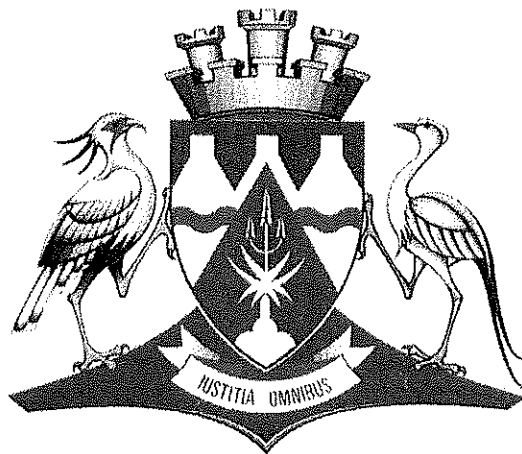


# **PIXLEY ka SEME DISTRICT MUNICIPALITY**



## **RENTAL ALLOWANCE SCHEME POLICY**

## **Part 1: General**

### **1. Interpretation**

1.1 Unless the context indicates, any word or expression to which a meaning has been assigned in this policy bears that meaning, and -

"immediate family", in respect of an employee means the employee's-

- (a) spouse, and/or
- (b) dependent child(ren) ;

1.1.2 "spouse" means a person or persons registered with the Employer as the lawful husband or wife (wives) or life partner (including same sex life partner) by the employee at the time of use of the benefit, worker compensation or work facility: Provided that an employee: -

- (a) may register all spouses entered into under customary or indigenous law with the Employer;
- b) may register only one life partner at a time with the Employer;  
(Note: In terms of the registration of 'only one life partner at a time' employees should be aware that if a new domestic partnership is established, i.e. replacement of one registered life partner with another, the onus is on the employee to terminate the registration of the previous life partner and follow the registration process in respect of the new life partner.)
- c) who has (a) spouse (s) registered with the Employer in terms of the recognition of Customary Marriages Act, 1998 and the Marriages Act, 1961, may not register a life partner with the Employer;

## **PART 2: Rental Allowance Scheme Policy**

### **1. Purpose**

1.1 The rental Allowance Scheme is introduced to assist employees with their recurring (monthly) costs of their accommodation. The Rental Allowance is intended to assist employees to get access to rented accommodation.

1.2 Rental Allowance payable in terms of this Scheme is a monthly non-pensionable allowance.

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## **2. Requirements for Accessing the Rental Allowance**

### **2.1 Eligibility for Employees**

2.1.1 An employee appointed on a full time basis, i.e. permanent or on a fixed-term contract, for three (3) or more years, (temporary workers are excluded) may receive a Rental Allowance if s/he meets the requirements regulating the payment of the said allowance.

2.1.2 The Rental Allowance shall be paid-

2.1.2.1 for **one home** only;

2.1.2.2 for **one spouse** only if both spouses are in the employ of the municipality, unless for operational reasons they are **stationed in different magisterial districts** and occupy and maintain **two separate homes**; and

2.1.2.3 to an employee should the spouse not be in receipt of any form of housing assistance.

### **2.2. Tenant**

2.2.1 An employee applying for the rental Allowance as a tenant must have a valid written rental agreement in his/her name for the home s/he is occupying.

2.2.2 Rental agreements related to the following circumstances are recognised for this purpose:

(a) Occupational rent as part of a purchase of a home.

(b) Renting from a private landlord.

(c) (Renting from municipalities.

2.2.3 A rental agreement between an employee and his/her spouse, who is the only registered titleholder to the home, to rent the home or part of the home that the employee and his/her spouse is occupying, is not recognised for the purpose of the Rental Allowance Scheme.

### **2.3 Occupancy of the Home**

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

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2.3.2 In respect of employees who receive a rental allowance in terms of rental allowance scheme.

## **2.4 Location of the Home**

The home in respect of which the employee receives the Rental Allowance subjected to clause 2.3 must be located within the jurisdiction area of where the worker reports for duty.

## **2.5 Documentary Proof**

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

## **3. Value Of The Rental Allowance**

### **3.1 Tenants**

3.1.1 An employee who meets the requirements are entitled to a housing allowance equals to 50% of the total rent up to a maximum of R500.

## **4. Validation Of Eligibility For The Rental Allowance**

4.1 The decision-making process, whether to approve or decline an employee's application for a rental allowance, is supported by a simple validation process. This process comprise of two stages:

4.1.1 Stage 1: The documents are verified and contents checked against certain significant features attributed to the documents to be submitted with the employee's application.

4.1.2 Stage 2: The cross-checking of information across all the different documents, including the application.

4.2 The municipality may adapt these processes according to own internal administrative arrangements. In doing so it should be ensured that the activities described are carried out effectively and efficiently.

4.3 To expedite the decision-making process the municipality authorises the Municipal Manager or his nominee to approve applications for the Rental Allowance.

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## **5. General Measures**

- 5.1 An employee is obliged to notify the Human Resource Division each time in writing of any changes that affects his/her eligibility for the Rental Allowance.
- 5.2 If an employee terminates her/his rental agreement, the payment of the Rental Allowance will stop. The employee may re-apply for the Rental Allowance on the new home s/he rents.
- 5.3 If an employee fails to inform the Human Resources Division of any changes affecting his/her eligibility of the Rental Allowance, the Human Resources Division shall immediately stop the Housing Allowance and recover the monies, which have been over – paid.
- 5.4 NB: The Human Resources Division should consider instituting the disciplinary process, if necessary.

## **6. Qualifying And End Date**

- 6.1.1 An employee shall start to receive his/her Rental Allowance on the employee's pay date in the month s/he has submitted her/his signed application, including the correct documentary proof required.
- 6.1.2 The employee's Rental Allowance will stop on the employee's pay date in the month that s/he no longer meets the requirements of the Housing Allowance Scheme

## **7. Rental Allowance – General Information**

1. The Rental Allowance will cease after expiry of the original term of agreement.
2. No homeowner's allowance is paid on an additional payment.

### **The following documents must accompany your application:**

1. Water and electricity account of property in respect of which a subsidy is applied for.
2. Affidavit from husband/wife to confirm that he/she receives no subsidy/rental allowance.

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**MUST BE COMPLETED BY THE OFFICIAL**

**(NB: IF THIS APPLICATION FORM IS INCOMPLETE IN ANY RESPECT, OR IF ANY OF THE REQUIRED DOCUMENTS HAVE NOT BEEN ATTACHED, NO RENTAL ALLOWANCE WILL BE PAID TO YOU)**

**1. PERSONAL PARTICULARS**

Full name: \_\_\_\_\_

Pay number: \_\_\_\_\_

Identity number: \_\_\_\_\_

Tel (W): \_\_\_\_\_

Cell: \_\_\_\_\_

Marital status: \_\_\_\_\_

Sex: \_\_\_\_\_

Do your husband/wife / partner receive any form of housing aid from his/her employer?

If "yes, state the amount per month R

Who is his/her employer? \_\_\_\_\_

Telephone number \_\_\_\_\_

**2. PARTICULARS IN RESPECT OF WHICH A RENTAL ALLOWANCE IS APPLIED FOR**

Street name and number: \_\_\_\_\_

Flat name and number: \_\_\_\_\_

Suburb: \_\_\_\_\_

City/Town: \_\_\_\_\_

Are you leasing the dwelling/property or a portion thereof? YES or NO

If "yes", state the amount per month

MTK

Purchase price of property: R \_\_\_\_\_

### 3. UNDERTAKINGS AND DECLARATION

(a) If my application for a rental allowance is approved, I undertake to inform my employing department immediately in writing if any change takes place with regard to –

- i. my own or my dependants' personal circumstances; or
- ii. the mortgage loan(s) or the dwelling with regard to which I will receive a homeowner's allowance; or

(b) I understand and accept that if at any time it should be established that the rental allowance is being paid to me while I do not qualify for it, or if the rental allowance has been paid to me for a period longer than that for which I have qualified because I, at the time of completing this form or at any other later stage, deliberately furnished wrong information or kept back relevant information-

- i. payment of the rental allowance to me will be suspended immediately;
- ii. the rental allowance paid in excess will be recovered from me, together with interest thereon at a rate determined by the Council; and
- iii. Only in extremely extraordinary circumstances will be considered again for a rental allowance.

(c) I understand and accept that if the amount of any rental allowance which may be paid to me appears to be wrong as a result of incorrect application, the mistake will be rectified immediately and any amount which as a result of such a mistake-

- (i) was paid in excess will be recovered from me without interest; or
- (ii) was paid short will be paid to me without interest

Signed at \_\_\_\_\_ on this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_

\_\_\_\_\_  
SIGNATURE OF APPLICANT

\_\_\_\_\_  
DATE

MTR

**APPLICATION FOR RENTAL ALLOWANCE**

Name:.....Pay No: .....

Designation: ..... Department: .....

Date of appointment: ..... Tel/cell no: .....

Marital Status

|         |           |       |         |          |
|---------|-----------|-------|---------|----------|
| Married | Unmarried | Widow | Widower | Divorced |
|---------|-----------|-------|---------|----------|

Address of Property: .....

Name Of The Owner/Leasing Agent: .....

If municipality's property does you occupy it:

|     |    |
|-----|----|
| YES | NO |
|-----|----|

Monthly rental: ..... Commencing on: .....

Remarks:

.....  
.....

Do you presently receive rental allowance: .....

If yes, how much per month: R .....

I the undersigned hereby declare that the foregoing information is true and correct, and undertake to immediately notify:

- the Manager Corporate Services or Human Resources Division of any changes to:
- my address;
- when my existing lease contract expires, to supply him with a new lease contract;
- if there is any change in my monthly rental (proof of change and the latest receipt must be Submitted).

*ATK*



**NB: Penalty and withdrawal of the housing allowance**

If it is discovered that a housing allowance is paid to an employee who does not qualify for or whereby a higher housing allowance is paid to the employee than what he/she is qualifying for, as a result of giving wrong information or withholding relevant information.

- (i) Payment of the housing allowance shall immediately be discontinued.
- (ii) The overpaid amount together with interest rate determined by the Municipality shall be recovered from the employee; and
- (iii) Future applications will only be considered in exceptional cases.

.....  
SIGNATURE

.....  
DATE

Attached

|  |
|--|
|  |
|  |
|  |
|  |

copies of:  
Signed lease contract or declaration by both parties/proof of occupation  
Latest rental receipt/occupation lease.  
Latest water and lights account/water and lights deposit.  
Identity document.

**EXECUTIVE MAYOR :**

  
\_\_\_\_\_

**DATE POLICY APPROVED :**

**27 AUGUST 2013**

**DATE REVIEWED :**

**30 MAY 2017**

**RESOLUTION :**

**R 2017 – 05 – 30 (9.12.12)**

