



RENTAL ALLOWANCE POLICY 2021/22

Summary

This Policy requires an employee requiring rental allowance to submit a memorandum together with a valid written rental agreement entered into by the employee and the landlord with his/her Director's support to the Corporate Services for submission to the Municipal Manager for his approval.

Publication Date	
Review Date	September 2021
Related Legislation/Applicable Section of Legislation	<ul style="list-style-type: none"> • Local Government: Municipal Systems Act, Act No. 32 of 2000; • Labour Relations Act, Act No. 66 of 1995, as amended • Basic Conditions of Employment Act, Act No.95 of 1997 • SALGBC's Conditions of Service
Related Policies, Procedures, Guidelines, Standards, Frameworks	Collective agreement
Replaces/ Repeals (whichever is relevant, if any)	
Policy Officer (Name/Position)	MW MXEKEZO
Policy Officer (Phone)	040-6733095
Policy Sponsor (Name/Position)	
Department Responsible	Corporate Services
Unit responsible	Human Resources
Applies to	All employees

Key Words	Rental Allowance Policy
Status	New
Council approval date	
Version	1

REVISION RECORD

Date	Version	Revision Description

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1. TITLE

Rental Allowance Policy

2. PURPOSE

To provide guidelines with regard to assisting qualifying employees of Ngqushwa Local Municipality who pays rental for accommodation.

3. SCOPE

- 3.1** An employee appointed in the institution, who has successfully completed her/his probation period and who complies with the prescribed conditions may receive a rental allowance.
- 3.2** To qualify for the allowance, an employee –
 - 3.2.1** Must be a permanent and fixed term contract employee of not less than 3 years of the Municipality.
 - 3.2.2** Must not be a Section 56 employee in terms of the Local Government Municipal Systems Act 32, 2000
 - 3.2.3** The employee's spouse or life partner may not receive a similar allowance in respect of the same or another rental property;
 - 3.2.4** An employee must provide a reasonable proof in a form of a lease agreement from the landlord confirming that he/she is a tenant.
 - 3.2.5** In the absence of a lease agreement it must be a letter written by the landlord together with a sworn affidavit that has been done by the landlord confirming that an employee is a tenant.
 - 3.2.6** An employee receiving Housing Subsidy from the municipality shall not receive any other Rental allowance from the Municipality.

4. PROCEDURE DETAIL

4.1 Rental Agreement

Agreements related to the following circumstances are recognised for **this purpose**:

- Occupational rent as part of a purchase of a home.
- Renting from a private landlord.
- Renting from municipalities.
- Renting from family/friend(s) on condition that it is a separate unit.

4.2 Allowance for Tenants

4.2.1 An employee who meets the requirements is entitled to a rental allowance equal to 50% of the total rent up to a maximum of R300.00.

4.2.2 The maximum allowance will increase at the same rate as the annual percentage increase of housing subsidy which is agreed to from time to time by the parties to the SALGBC.

4.3 Quantum and Payment Intervals of the Rental Allowance

4.3.1 A rental allowance is payable to the employee together with his/her salary for each month;

4.3.2 An employee may not receive a rental allowance in respect of any residential property in which he/she has any interest as owner

4.3.3 4.4. Leave of absence/suspension

Payment of the allowance is continued during periods of absence of any nature, or suspension, so long as the rental instalments are in fact paid by the employee during such periods.

4.5 Duties of employees in receipt of a rental allowance

4.5.1 An employee shall be required to advise the Corporate Services Department in writing immediately once his/her personal circumstances change to such an extent that he may no longer qualify for a rental housing allowance in accordance with these conditions

4.5.2 Should it be established that an allowance is paid to a person who does not qualify for it, or that a higher allowance than that he qualifies for, then the allowance will be recovered from him/her.

5. ROLES AND RESPONSIBILITIES

Role	Authority
Create, evaluate, review and adopt the Rental Policy	Council
<ul style="list-style-type: none"> • Implement and enforce this policy • Establish and control the administration necessary to fulfil this policy, and report efficiently and regularly to the Committee in this regard. 	Municipal Manager
<ul style="list-style-type: none"> • Ensure that there is compliance with the Rental/Housing Policy 	Director Corporate Services

6. MONITORING, EVALUATION AND REVIEW

To expedite the decision-making process the municipality should authorise a designated employee, preferably Municipal Manager to consider and approve applications for the Rental Allowance. Director Corporate Services or a nominated candidate from Human Resource Section shall be responsible for overall monitoring, evaluation, review and ensuring that there is compliance with the Rental allowance Policy.

7. DEFINITIONS AND ABBREVIATIONS

Term	Meaning
Occupational rent	
Spouse	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; may register all spouses entered into under customary or Indigenous law with the Employer; may register only one life partner at a time with the Employer; 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

8. SUPPORTING DOCUMENTS

NONE

9. REFERENCES

NONE

10 APPENDIX

NONE

11. ADOPTION AND APPROVAL OF THE POLICY BY COUNCIL

This policy is adopted and approved by the full Ngqushwa Local Municipality Council for Implementation



MUNICIPAL MANAGER

22/08/2022

DATE



MAYOR

30/08/2022

DATE