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## TO ALL HEADS OF NATIONAL DEPARTMENTS AND PROVINCIAL ADMINISTRATIONS

## ADJUSTMENT OF THE GOVERNMENT EMPLOYEES HOUSING SCHEME (GEHS): HOUSING ALLOWANCE FOR PUBLIC SERVICE EMPLOYEES

- 1. The Government Employees Housing Scheme (GEHS) Housing Allowance as contained in the Public Service Co-ordinating Bargaining Council (PSCBC) Resolution 7 of 2015 clause 4.5.3 and 4.6 provides that the amount of the Housing Allowance shall be adjusted annually on the basis of the average Consumer Price Index (CPI), for the preceding financial year, with the first adjustment being effective on 1 July 2017.
- 2. The Minister for the Public Service and Administration has in terms of section 3(5)(a) and 5(6)(b) of the Public Service Act, 1994, as amended, consequently approved that the GEHS Housing Allowance be increased to R1 276-00 with effect from 1 July 2017.
- 3. According to the average CPI for the period 31 March 2016 to 1 April 2017 a 6.3% increase will be effected.
- 4. The adjustment gives effect to provisions of PSCBC Resolution 7 of 2015 as indicated hereunder:-
  - 4.1. The GEHS Housing Allowance, for home-owners, is increased from R1200-00 to R1276-00 per month effective from 1 July 2017 as provided in the Resolution 7 of 2015 clause 4.5.3 and 4.6.
  - 4.2. Employees who are eligible to receive the GEHS Housing Allowance but do not own a house shall continue to receive R900-00 per month.
- 5. Therefore the difference (R376-00) between the total GEHS Housing Allowance (R1276-00) and the R900-00 shall be diverted into and accumulated in the Government Employees Housing Scheme: Individual-Linked Savings Facility (GEHS: ILSF).

- 6. The necessary instruction has been communicated to PERSAL to programmatically adjust the GEHS Housing Allowance and to recover arrear payments from 1 July 2017.
- 7. Expenditure resulting from the adjusted allowance must be met from current departmental budget allocations in terms of National Treasury approval.
- 8. In terms of Clause 4.1.4 of the PSCBC Resolution 7 of 2015 it is mandatory for all employees to enrol with the GEHS if they wish to use the services offered through the GEHS. Employees may enrol in one of the following ways:
  - 8.1. Enrol on-line on www.gehs.gov.za; or
  - 8.2. Enrol by calling the Enrolment Call Centre at 0861 12 34 34; or
  - 8.3. The Human Resources (HR) units in Departments may also compile a list of employees' cell numbers and email it to gehs@dpsa.gov.za. A call centre agent will call the employee to telephonically enrol the employee

DIRECTOR-GENERAL

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