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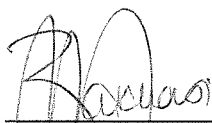
CIRCULAR 12 OF 2022

TO: ALL DIRECTORS-GENERAL OF NATIONAL DEPARTMENT AND PROVINCIAL HEADS OF DEPARTMENTS

GEHS: INDIVIDUAL LINKED SAVINGS FACILITY - PAYMENT OF SAVINGS OF EMPLOYEES WHO EXITED THE PUBLIC SERVICE AS PER CIRCULAR 12 OF 2021

1. The Government Employees Housing Scheme (GEHS) was established in terms of Public Service Coordinating Bargaining Council (PSCBC) Resolution 7 of 2015.
2. The GEHS administers the Housing Allowance which includes the management of the ILSF into which employee's savings are deposited. These savings belong to employees who receive the Housing Allowance as tenants and who only access these funds when they are ready to own or build their homes. They are also allowed to access the funds when they retire, contract expire or by death.
3. Clause 4.1.4 of PSCBC Resolution 7 of 2015 provides that "all employees who wish to use the services offered through GEHS shall be required to enroll with the GEHS." No withdrawal from the ILSF is possible without confirmation of the enrolment.
4. It came to the attention of the DPSA that some employees did not enrol with the GEHS because they were not informed properly and timeously by HR Practitioners before they exited Government employment.
 - 4.1 These employees are therefore not able to withdraw their savings as a result of non-enrolment with the GEHS.
 - 4.2 HR Units are now directed to assist those employees who exited government employment, to pay their Housing Allowance savings through the BAS system in line with applicable National Treasury prescripts.

5. There is also a challenge relating to employees who were enrolled with the GEHS who have exited Government and are already off the PERSAL system and cannot be paid, due to HR Practitioners not capturing employees on time or providing employees with the relevant documents before they exit employment.
 - 5.1 This has led to employees not receiving their savings due to the fact that they have been off the PERSAL system for more than 12 months and no longer has an active salary history record and subsequently no open IRP5 certificate.
 - 5.2 HR Units are now directed in this case, to pay the Housing Allowance savings to these employees through the BAS system in line with the applicable treasury prescripts.
 - 5.3 Before any manual payment of the ILSF savings can be done by departments, the withdrawal transaction for these employees must be captured on PERSAL at function 5.2.30 as per the normal process. Once the money has been paid into the bank accounts of the departments as per the normal process, can departments commence with their own internal process to execute these manual payments.
 - 5.4 The payment transactions will be rejected by the PERSAL system as a result of validations mentioned in paragraph 5.1 above. Departments are responsible to follow-up on these transactions.
6. It is important to note that housing allowance savings for employees who deliberately or ignorantly failed to enrol with the GEHS before they left Government employment are forfeited to National Treasury.
7. It must also be noted by departments that employees who resigned or were dismissed are not included in this exercise as they have forfeited the savings as stated in Resolution 7 of 2015 and the Determination and Directive of Housing, 2018.
8. Departments are hereby reminded to ensure that all employees are enrolled with GEHS as it is mandatory to enjoy services and the benefits as stated in PSCBC Resolution 7 of 2015 and the Determination and Directive on the Housing Allowance for Employees in the Public Service of 2018. Failure for employees to enrol will result in the forfeiture of ILSF savings.



Ms Yoliswa Makhasi
Director-General

Date: 22/06/2022