

Government Employees Housing Scheme

General Information Booklet



We Belong, We Care, We Serve



the dpsa

Department:
Public Service and Administration
REPUBLIC OF SOUTH AFRICA



GEHS

Government Employees
Housing Scheme

For Service. For Dignity

GEHS General Information

1. What is the GEHS?

The Government Employees Housing Scheme (GEHS) is an employee benefit scheme that offers housing access support services to government employees.

In addition to Government Pension Fund (GEPF) and Government Medical Aid Scheme (GEMS), the State as employer administers an employee housing assistance scheme (GEHS) to ensure that employees have access to adequate housing on a sustainable basis.

Similar to other employer companies, the GEHS offers housing access support services specifically to government employees in national and provincial government departments and related public institutions.



2. Background to the GEHS

Government and Organised Labour concluded a collective agreement to establish a Government Employees Housing Scheme (GEHS) with the following objectives:

- To support, educate and advice employees on housing options and opportunities.
 - To enhance employees access to affordable housing.
 - To promote home ownership and facilitate asset security among employees.
 - To assist employees to access affordable housing loans and finance.
 - To assist employees to rent houses with a view to buy and own homes.
 - And to provide transitional arrangements towards the GEHS.
- The agreement is contained in the Public Service Coordinating Bargaining Council (PSCBC) Resolution 7 of 2015.

3. Governance and Management

In terms of clause 4.1.3 of the said Resolution “the employer is responsible to operate, administer and manage the GEHS with due consideration of labour as a key partner to be represented in the governance thereof”.

In the interim the Department of Public Services and Administration (DPSA) administers the GEHS through a dedicated Project Management Office (PMO).

Ultimately, a special purpose public entity will be established to operate, administer and manage the GEHS.

4. Enrolment to the GEHS

Employees must first enrol with GEHS to access any and all services offered by the scheme

Have you enrolled to the GEHS?

Purpose of enrolment:.. Employees enrolled with the scheme are profiled for purposes of accurate advice and housing access support.

Who should enrol? All employees must enrol. Employees who are on total-cost-to – employer packages shall not be eligible to receive the housing allowance, save for all other provisions and services of GEHS.

Is my information safe? All data provided by the employee is confidential for purposes of the scheme.

How do I enrol? Employees can enrol online www.gehs.co.za or call the call centre at 0861 12 34 34

5. GEHS Scope of Services

5.1. Benefit Administration

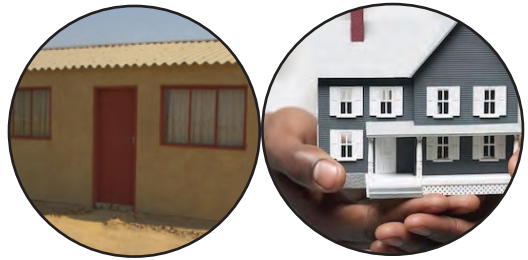
5.1.1 Housing Allowance

Purpose: The housing allowance is paid as a monthly contribution to qualifying employees to assist with their recurring costs of their accommodation.

How to Access the Housing Allowance? Employees must contact the Human Resource division in their respective departments in order to access the housing allowance.

How much is the Housing Allowance? As at 1 July 2015, the quantum of the housing allowance is R1 200 per month, paid to eligible employees and will be adjusted by inflation each year in July.

GEHS Housing Allowance for Homeowners: Employees who are home-owners and have submitted proof of Title Deed or a Permission to Occupy (PTO) certificate including a sworn affidavit that the employee and their immediate family occupies the house, are eligible to receive the housing allowance of R1200.



Individual Linked Savings Facility

GEHS Housing Allowance for Tenants: Employees who are tenants and have submitted proof of rental occupancy will receive the housing allowance as follows:

- Employees who were employed before 27th May 2015 (date of signature of the Resolution 7 of 2015), will continue to receive R900 and R300 will be diverted to the GEHS Individual Link Saving Facility (ILSF).
- Employees employed after 27th May 2015, the R1200 will be diverted to the GEHS Individual Link Saving Facility

5.1.2 Individual Linked Savings Facility

The GEHS individual-linked savings facility is provided for in terms of clauses 4.5.6.3 and 4.5.6.4 of the PSCBC Resolution 7 of 2015. Features of the ILSF:

- Administered by the GEHS Office (including all liaison)
- Saved funds earn interest
- Employees receive periodic balances of accumulated savings
- Tax deduction is deferred until withdrawal of funds
- The ILSF to be audited annually

5.2. Employee Education and Advice

Advice and education on housing opportunities and affordability will be provided to government employees to support them in accessing sustainable housing solutions.

As part of empowering employees to participate in housing access, a housing education and advisory services programme is envisaged

5.3. Housing Finance Access Service

GEHS facilitates access to affordable housing finance for homeownership through:

- Profiling of enrolled employees to inform housing choices or solutions.
- Arranging affordable housing finance with registered financial service providers.
- Offering home loan repayments through payroll-deductions.
- Facilitating access to available subsidies e.g. Finance-Linked Individual Subsidy Programme (FLISP) at the Department of Human Settlements
- Supporting innovative and enabling housing access products and solutions

5.3.1. Non-Mortgage Housing Loan (Un-bonded)

The non-mortgage housing loan is a loan accessed from a registered financial institution for purposes of buying, building and/or renovating your house. Generally, such loans have the following features:

- No bond registration costs (which are normally associated with mortgage-based home loans).
- Shorter repayment terms (3-8 years).
- Average loan amounts of up to R350 000 – subject to affordability and lenders qualification terms.
- Evidence of property existence and/or ownership.
- Employees may access this type of housing loan through lenders who participate in GEHS.

5.3.2. Mortgage-based Housing Loan (Bond)

The mortgage-based housing loan, is a loan accessed from a registered financial institution for purposes of buying, building and/or renovating a house. A house is usually held as security for the loan. Generally, such loans have the following features:

- Bond registration costs
- Estate Agent's commission priced-in (ordinarily paid by the seller of the house)

Mortgage-based Housing Loan (Bond)

- Related insurances
- Average repayment term of 20 years and more
- Loan subject to affordability, value of the house and lenders' terms
- Valuation and inspection of the house
- Employees may access this type of housing loan through lenders who participate in GEHS.

5.4. Supporting Rental Housing

State Rental Housing - The GEHS collaborates with sector departments in government to review and/or enhance their state housing policies.

Private Rental Housing - The GEHS will educate and advice employees on the advantages and disadvantages of long-term rental in contrast to home ownership.

5.5. Facilitate Delivery of Houses

GEHS facilitates availability of houses for employees by implementing the following initiatives:

- Maintaining a database of demand for and supply of housing.
- Aggregation of employees housing demands to inform and match the supply of houses to employee housing needs on the basis of available and planned housing units for development.
- Engage and coordinate with housing supply-side role players to ensure development of houses to meet the needs of employees.
- Undertake project management and sourcing services for housing developments aimed at accommodating employees.

Important GEHS Contact Details

GEHS Website: www.gehs.gov.za

Employee Enrolment Support Call Centre: **0861 12 34 34**

SA Home Loans Call Centre: **0860 2 4 6 8 10**

GEHS email: gehs@dpsa.gov.za

DPSA website: www.dpsa.gov.za

GEHS: Contact Details

Employee Enrolment Support Call Centre: 0861 12 34 34

E-mail: gehs@dpsa.gov.za

www.gehs.gov.za

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