



BA-PHALABORWA MUNICIPALITY

HUMAN RESOURCES

HOUSING RENTAL POLICY

HISTORY

REVISION	DATE	AUTHOR	REASON FOR CHANGE
1.0	MAY 2014	MOKOENA SS	NEW

Issued date :
Effective Date : **Date of Council Approval**



BA-PHALABORWA MUNICIPALITY

RENTAL POLICY

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1. PREAMBLE

Access to accommodation is a constitutional right in South Africa. The municipality should maintain an understanding of rental housing subsidy to help and maintain the correct balance of operational autonomy and support. Housing rental forms an important part in the housing market and it is an alternative option for employees who cannot afford to buy a house or who are staying far away from Ba-Phalaborwa whereby it is a necessity that they occupy a place which is accessible to their work environment. The principle of renting is that a tenant, (an employee in this case) pays rent to a landlord to occupy a unit or house.

2. LEGISLATIVE FRAMEWORK

Constitution of the Republic of South Africa, Act 108 of 1996

Basic Conditions of Employment Act, 75 of 1997 as amended

Labour Relations Act, 66 of 1995 as amended

3. DEFINITION OF TERMS

"Employee" means an individual who is hired to work part time or full time under a written contract of employment and has recognized rights and duties express to a salary or wages

"rent" refers to a payment made periodically by a tenant to a landlord in return of occupying a property

"Subsidy" refers to grants or money furnished by government to assist citizens or employees in meeting their social needs

"Lease agreement" refers to a contract or agreement between a lessor and lessee to use the property without full ownership

3. OBJECTIVES OF THE POLICY

Rental subsidy is believed to be a sustainable housing option that assists employees who cannot afford to buy a house or those who are temporarily looking for a place to stay.

The objective of this policy is to subsidize employees for rental accommodation in ensuring that they are closer to a place of work in promoting efficiency in their daily operations.

4. SCOPE AND APPLICATION

The policy is applicable to all employees of the Ba-Phalaborwa Municipality except for section 56/57 managers and all employees on contract.

5. PRINCIPLES AND PROCEDURES

5.1. All Council employees (except for section 56/57 and contractual employees) irrespective of post level or seniority have access to rental subsidy as long as they do not have housing bonds that are subsidized by the Municipality.

5.2. The employee is required to submit a lease agreement from the landlord or owner of the property with details and conditions of the agreement, accompanied by a statement of water and lights or stamped letter from Magoshi proving ownership of the property by the landlord. The Lease agreement shall be reviewed on an annual basis.

- 5.3. Failing to submit the reviewed lease agreement, will compel the Municipality to terminate the house rental subsidy.
- 5.4. The employee will be required to complete the rental agreement forms available at Human Resources Section.
- 5.5. The completed forms will be assessed and confirmed by the Human Resources prior approval by the Municipal Manager
- 5.6. The assessed forms will bear the employee's signature as an applicant, Director Corporate Services, Chief Financial Officer and approval by the Municipal Manager.
- 5.7. The total rental subsidy will be 50% of the total rent and shall not exceed the maximum amount of **R400.00** per month.
- 5.8. An employee who is receiving a housing subsidy may not be entitled to a rental subsidy at the same time. Employees would have to make a choice whether to apply for housing or rental subsidy.
- 5.9. An employee who is staying with a spouse, who is being subsidized for the house they are occupying, will not be entitled to a rental subsidy except in instances where the two stay separately.

6. IMPLEMENTATION AND MONITORING

The policy will be implemented and become effective once approved by Council.

7. COMMUNICATION

The policy will be communicated to all employees using a full range of communication methods available in the municipality.

8. POLICY REVIEW

The policy shall be reviewed after three years from the date of approval.

9. DISPUTE RESOLUTION

Any dispute arising from the implementation of this policy shall be resolved in terms of the dispute resolution procedures.

10. APPROVAL

APPROVED BY MUNICIPAL MANAGER

DATE

APPROVAL BY COUNCIL

DATE

BA-PHALABORWA MUNICIPALITY

APPLICATION FOR HOUSING RENTAL SUBSIDY

1. Name of applicant: _____

2. Designation: _____

3. Type of rented housing

House

Flat

Accommodation

4. Registered owner of the property

a. Name: _____

b. Address: _____

5. Address of property that is applied for which you want to rent:

6. If married, is there a similar housing subsidy scheme available at your spouse's employer?

YES/NO

7. a. Is the benefit in (6) currently being used by your spouse?

YES NO

b. If **NO**, why not?

8. Amount per month of your current rental agreement payable for your housing R_____

2. REMARKS

- 2.1. Applicants must take note that if the housing subsidy is approved, it will be paid directly to the landlord.
- 2.2. Official proof/sworn statement is required from the landlord of your housing unit for the rent charged.
- 2.3. A statement of water and lights or stamped letter from Amakgoshi must accompany the application as proof of the landlord's ownership of the property.
- 2.4. Applicants must submit a reviewed lease agreement on an annual basis, failure which, the municipality will terminate the rental subsidy.

I declare that the information furnished above is correct.

APPLICANT

DATE

OFFICE USE

1. DEPARTMENTAL HEAD

Housing subsidy APPROVED NOT APPROVED

Remarks: _____

DEPARTMENTAL HEAD

DATE

2. DIRECTOR: CORPORATE SERVICES

Housing subsidy APPROVED NOT APPROVED

Remarks: _____

	DIRECTOR: CORPORATE SERVICES		DATE
3.	CHIEF FINANCIAL OFFICER		
	Housing subsidy	APPROVED	NOT APPROVED
		<input type="checkbox"/>	<input type="checkbox"/>
	Remarks: _____		

CHIEF FINANCIAL OFFICER	DATE
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4.	MUNICIPAL MANAGER		
	Housing subsidy	APPROVED	NOT APPROVED
		<input type="checkbox"/>	<input type="checkbox"/>
	Remarks: _____		

DR. SEBASHE SS.	DATE
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