



the dpsa

Department:
Public Service and Administration
REPUBLIC OF SOUTH AFRICA

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Mr. F. De Bruin

General Secretary: Public Service Coordinating Bargaining Council (PSCBC)

Private Bag X3123

Lyttelton South

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Email: frikkie@pscbc.org.za

Dear Mr De Bruin,

RE: GEHS CIRCULAR 5 2025: INDIVIDUAL-LINKED SAVINGS FACILITY - PAYMENT OF HOUSING ALLOWANCE SAVINGS OF EMPLOYEES WHO EXITED THE PUBLIC SERVICE DUE TO RETIREMENTS OR DEATH WITHOUT BEING ENROLLED

The Employer, as part of its initiative to improve access to the GEHS benefits, has amended the Directive and Determination on Housing Allowance in the Public Service to address the challenges experienced by employees who exited or passed on without enrolment. The effected changes are complemented by Circular 5 of 2025.

The purpose of the Circular 5 of 2025 is to alert the departments of the amendments on the Housing Allowance Determination and Directive, for Employees in the Public Service as amended in December 2024. The amendments address the discrepancies created by Chapter 3 of the Determination as amended in 2018 in the administration of the ILSF regarding enrolment requirements before withdrawal of ILSF savings.

The Human Resource units in government departments are now directed to assist those employees who exited the Public Service due to retirement or death and process their ILSF savings. The withdrawal payments will be processed on PERSAL or applicable salary administration systems.

Payments can also be made through the BAS system in line with applicable National Treasury prescripts as former employees are no longer on the system. Payment to affected beneficiaries and former employees will be paid retrospectively from 1 July 2015.

I have attached the said circular for ease of reference attached as **Annexure A**.



MR WILLIE VUKELA
DIRECTOR-GENERAL (ACTING): DPSA
DATE: 09/05/25



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Ref: 14/7/P

CIRCULAR 5 OF 2025

TO: ALL HEADS OF NATIONAL AND PROVINCIAL ADMINISTRATIONS

GEHS: INDIVIDUAL-LINKED SAVINGS FACILITY - PAYMENT OF HOUSING ALLOWANCE SAVINGS OF EMPLOYEES WHO EXITED THE PUBLIC SERVICE DUE TO RETIREMENTS OR DEATH WITHOUT BEING ENROLLED.

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 benefit including the management of the Individual-Linked Savings Facility (ILSF) into which employees' savings are deposited. These savings belong to employees who receive the Housing Allowance as tenants and can 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 from employment in the Public Service.
3. The purpose of the Circular 5 of 2025 is to alert the departments of the amendments on Determination and Directive on Housing Allowance for Employees in the Public Service as amended in December 2024. The amendments address the discrepancies created by Chapter 3 of the Determination as amended in 2018 in the administration of the ILSF regarding enrolment requirements before withdrawal of ILSF savings. The proposed amendments will enable both Heads of National and Provincial departments to approve the payment of ILSF Housing Allowance savings for the employees who exited government employment due to retirement and death without being enrolled with the GEHS.

4. The MPSA has since approved the Determination amendments, and the Minister of Finance concurred with the amendments.
5. The HR Units in government departments are now directed to assist those employees who exited the Public Service due to retirement or death and process their ILSF savings. The withdrawal payments must be processed on PERSAL or applicable salary administration systems. Payments can also be made through the BAS system in line with applicable National Treasury prescripts as former employees are no longer on the system. Payment should be retrospective from 1 July 2015.
6. Departments are hereby reminded to ensure that all employees are enrolled with the GEHS in order to utilise the GEHS services and the benefits thereof as stated in PSCBC Resolution 7 of 2015.

A handwritten signature in black ink, appearing to read "WV".

Mr. Willie Vukela
Acting Director-General
Date: 14/03/25