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Ref: 17/3/P

## **CIRCULAR NO: 15 OF 2025**

### **TO ALL HEADS OF NATIONAL DEPARTMENTS AND PROVINCIAL ADMINISTRATIONS**

#### **ADJUSTMENT OF THE HOUSING ALLOWANCE FOR PUBLIC SERVICE EMPLOYEES**

1. The housing allowance as contained in the Public Service Coordinating Bargaining Council (PSCBC) Resolution 1 of 2025, clause 4.1.1 provides that the amount of the housing allowance shall be adjusted on 1 April 2025 from R1 784.55 to R1 900.00.
2. The housing allowance shall also be adjusted on 1 July 2025 in terms of PSCBC Resolution 1 of 2015 as indicated in paragraph 3 below.
3. The housing allowance as contained in the Public Service Coordinating Bargaining Council (PSCBC) Resolution 7 of 2015 (clause 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".
4. The adjustment gives effect to the provisions of PSCBC Resolution 1 of 2025 as indicated hereunder:-
  - 4.1. The housing allowance, for homeowners, is increased from R1 784.55 to R1 900.00 per month effective from 1 April 2025 as per PSCBC Resolution 1 of 2025, clause 4.1.1;
  - 4.2. An employee who is eligible to receive the housing allowance but does not own a house (tenant with a legal rental agreement) shall continue to receive R900 per month. The difference (R1000.00) between the total housing allowance (R1 900.00) and the R900 shall be diverted into and accumulated in the Government Employees Housing Scheme: Individual-Linked Savings Facility (GEHS: ILSF). This is

applicable to employees whose appointment date is before 27 May 2015.

- 4.3. Employees whose appointment date is after 27 May 2015 and are eligible to receive the housing allowance but do not own a house (tenant with a legal rental agreement) shall receive the housing allowance of R1 900.00 however the entire amount will be diverted to the GEHS: ILSF.
5. The necessary instruction has been communicated to PERSAL to programmatically adjust the housing allowance.
6. Expenditure resulting from the adjusted housing allowance must be met from current departmental budget allocations.



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**MR WILLIE VUKELA**  
**A/DIRECTOR GENERAL**  
**DATE:** 11/04/25