

# VOTE 10

## The Royal Household

|  |  |
|--|--|
| Operational budget   | R 63 330 000                               |
| MEC remuneration   | Nil  |
| Total amount to be appropriated  | R 63 330 000                               |
| of which:  |  |
| Unauthorised expenditure (1 <sup>st</sup> charge) not available for spending | R 2 500 000                                |
| Vote 10 baseline available for spending after 1 <sup>st</sup> charge         | R 60 830 000                               |
| Responsible Executive Authority  | The Premier, Dr. Z. L. Mkhize <sup>1</sup> |
| Administering department   | The Royal Household                        |
| Accounting officer   | Head: Royal Household                      |

### 1. Overview

#### Vision

The vision of the Department of the Royal Household is: *To enhance and promote the status of the Zulu Monarch and to establish the necessary institutional arrangement in support of the Zulu Monarchy and members of the Royal Family.*

#### Mission statement

The mission of the Department of the Royal Household is: *To create a sustainable, conducive environment for the Zulu Monarch in which to lead, develop and protect the Zulu Nation.*

#### Strategic objectives

**Strategic policy direction:** The Royal Household seeks to align its operations and strategic position with the overall direction of government and to serve His Majesty, the King in the following areas: to create decent employment through inclusive economic growth, and to protect and enhance environmental assets and natural resources.

The main strategic objectives of the department are as follows:

- To monitor progress in establishing and running the Royal Household Trust (hereafter referred to as the Royal Trust).
- To identify potential challenges in the implementation of Executive Council directives.
- To identify His Majesty, the King's mandatory responsibilities in terms of legislation.
- To establish His Majesty, the King's mandatory responsibilities in terms of custom/tradition.
- To determine Inter-Governmental Relations (IGR) and other protocol requirements.
- To investigate sustainability strengths and opportunities in respect of each palace.
- To collaborate with other government departments and/or agencies with a view to identifying a role for palaces in income-generating tourism activity.
- To investigate potential twinning opportunities that are likely to yield long-term benefits for palaces.
- To position the palaces as critical heritage sites without compromising traditional/customary protocols.

<sup>1</sup> The salary of the Executive Authority for the Royal Household is budgeted under Vote 1: Office of the Premier.

- To identify Royal Household assets that can play a major role toward the enhancement of the Zulu brand.
- To develop an operational business plan for each farm that belongs to His Majesty, the King.
- To develop and implement a business strategy for the protection and promotion of Nguni cattle.

### **Core functions**

The core functions of the department are as follows:

- To facilitate the smooth introduction and functioning of the Royal Trust.
- The maintenance of the Royal residences and His Majesty, the King's farms.
- To enable His Majesty, the King to participate in various government initiatives as an ambassador to KZN.

### **Legislative mandate**

The mandate of the department is derived from the following pieces of legislation and policy directives:

- The Constitution of the Republic of South Africa, 1996
- KZN Royal Household Trust Act, 2007
- Traditional Leadership and Governance Framework Act, 2003
- KZN Traditional Leadership and Governance Act, 2005
- Municipal Structures Act, 1998
- Municipal Systems Act, 2000
- Municipal Demarcation Act, 1998
- Traditional Leadership and Governance Act, 2005
- Public Finance Management Act, 1999, as amended, and Treasury Regulations
- Skills Development Act, 1998
- Labour Relations Act, 1995
- Employment Equity Act, 1998
- KZN Provincial SCM Policy Framework, 2006
- Remuneration of Public Office Bearers Act, 1998

## **2. Review of the 2012/13 financial year**

Section 2 provides a review of 2012/13, outlining the main achievements and progress made by the department during the year, as well as providing a brief discussion on challenges and new developments.

### ***The Royal Trust***

The Royal Trust was established in 2009 in terms of the KZN Royal Household Trust Act and has as its objective to administer the following for the benefit of the Monarch and the Royal Household:

- To provide for the Royal Household, including educational needs of His Majesty's children, running costs of the Royal residences, His Majesty's Queens' expenses, etc.
- To develop administrative systems, processes and controls to administer the operations of the Royal Household.
- To ensure the sustainable, financial independence of the Royal Household.
- To market the Royal Trust, and its related activities.

The department focused on the establishment of the Royal Trust in 2011/12, and the Board of Trustees was appointed in that year. The Royal Trust was listed as a Schedule 3C provincial public entity during 2012/13. Although agreement was reached in 2012/13 on functions to be performed by the Royal Household and the Royal Trust, respectively, the Royal Trust was not yet fully operational. This was due to the fact that staff negotiations were not concluded in 2012/13 as was anticipated, largely as a result of a lack of managerial/supervisory capacity in the Royal Trust to oversee the staff who are employed to support the Royal Household. These staff are therefore still managed and paid by the department, pending the finalisation of the post establishment structure and job evaluation of the posts.

During the transition period, while the Royal Trust engaged itself with the development of policies, systems and procedures to ensure that adequate financial management and human resource management controls are in place, the department continued with its routine activities in respect of the Royal Household, such as administrative support to His Majesty, the King, maintenance of palaces and farming activities.

A Task Team, consisting of the Office of the Premier, Provincial Treasury, the Department of the Royal Household and the Royal Trust, was appointed in 2012/13 to resolve matters such as the transfer of staff, performance of duties relating to His Majesty's Queens, etc., and the transfer of functions from the department to the Royal Trust. To date, major milestones achieved by the Task Team include agreement between the department and the Royal Trust on the functions to be performed by the Royal Trust and the department, agreement on interim arrangements in respect of staffing and budget, etc. It must be noted that the roles, responsibilities and functions agreed upon will then form the basis for further planning currently underway, in respect of staff structures, staff negotiations and funding requirements.

#### ***Renovations to palaces***

The department continued with the renovation and refurbishment, as well as repairs and maintenance projects to the Royal residences. These projects included the construction of new buildings, such as rondavels, a cold-room and a garage, at the KwaDlamahlahla and Ingwavuma palaces, renovations of KwaKhethomthandayo, KwaKhangela and KwaLinduzulu palaces, etc. Also, a water reticulation system was provided at KwaKhethomthandayo palace and a new generator provided at Ondini palace.

#### ***His Majesty, the King's activities***

During 2012/13, His Majesty, the King undertook the following:

- Participated in government events and ceremonies, such as the opening of the KZN Provincial Legislature, official opening of the KZN House of Traditional Leaders, and many other events organised by various departments.
- Hosted major traditional events, such as the Reed Dance, First Fruits and *Amaganu* (amarula) ceremonies.
- Hosted a number of dignitaries from other countries, such as the Israel Ambassador, and prominent business people, such as a delegation from Singapore, as a business ambassador to KZN.
- Installed *Amakhosi* both statutorily and customarily.
- Was involved in farming activities, such as crop and animal production.

#### ***Feasibility studies of His Majesty, the King's farms***

It must be noted that, although none of His Majesty, the King's farms appear to be commercially viable in terms of the feasibility studies undertaken, the department continued with subsistence farming activities. The farming activities undertaken on the farms included animal disease control, Nguni and Boran breeding, providing and fencing of grazing areas, plant production which include providing inputs, ploughing and planting, harvesting of crops such as beans and maize, and fencing of arable lands.

### **3. Outlook for the 2013/14 financial year**

Section 3 looks at the key focus areas of 2013/14, outlining what the department is hoping to achieve during the year, as well as briefly looking at challenges and proposed new developments.

### **The Royal Trust**

The department will continue to transfer funds to the Royal Trust for operational costs. Funds are transferred to cater for, among others, staff remuneration, emolument for Trustees, as well as the Queens' expenses.

It is envisaged that negotiations with organised labour regarding the transfer of staff to the Royal Trust will be finalised during 2013/14 and that, as the Royal Trust becomes operational, more functions will be devolved from the department to the Royal Trust. The department will therefore be left with a small staff complement to render administrative support services to His Majesty, the King. The decision to retain Vote 10 as a separate department, or to incorporate it as a programme under the Office of the Premier, is still under discussion at a political level.

Staff transfers are anticipated to take place in 2013/14, with palace workers in Programme 2: Royal Household Planning and Development and farm workers under Programme 3: His Majesty, the King's Farms, earmarked for transfer to the Royal Trust. The ultimate objective over the next three to five years will be for Vote 10 to only have one budget programme, with two sub-programmes, namely the King's Office Support Services and Royal Trust. The King's Office Support Services sub-programme will cater only for the administrative costs in respect of His Majesty, the King, including the salaries of all support staff to His Majesty, His Majesty's salary, and other associated costs, such as His Majesty's subsistence and travel costs. All costs relating to the remainder of the Royal Family (His Majesty's Queens, school fees, transport, etc.), as well as the maintenance of palaces and all farming activities, will be administered by the Royal Trust, under the sub-programme: Royal Trust.

### **Renovations to palaces**

The department will continue with renovations and refurbishments of palaces. This includes major renovations, upgrades, refurbishments and repairs to both the inside and outside of the palaces, providing water reticulation systems, landscaping, construction of new rondavels at Ingwavuma palace, renovations and upgrades at eNyokeni, KwaLinduzulu and KwaKhangela, etc. It must be noted that the department received an additional allocation of R12 million, which was specifically and exclusively appropriated for the rehabilitation, renovation and refurbishment of palaces in 2013/14.

### **His Majesty, the King's activities**

During 2013/14, His Majesty, the King will continue to participate in government ceremonies and events, install *Amakhosi*, host the First Fruits and Reed Dance ceremonies, among others, and undertake both national and international trips as a business ambassador. The department will continue to support the King's farming activities such as crop and animal production.

## **4. Receipts and financing**

### **4.1 Summary of receipts**

Table 10.1 gives the sources of funding used for Vote 10 over the seven-year period 2009/10 to 2015/16. The table also compares actual and budgeted receipts against actual and budgeted payments. The department is liable for the repayment of unauthorised expenditure relating to prior years, in line with SCOPA Resolutions 18 of 2009, 20 and 21 of 2010, and 75 of 2012, as explained in further detail in Section 5.3.

**Table 10.1: Summary of receipts and financing**

| R thousand                               | Audited Outcome |                |               | Main Appropriation | Adjusted Appropriation<br>2012/13 | Revised Estimate | Medium-term Estimates |               |               |
|--|-----------------|----------------|---------------|--------------------|-----------------------------------|------------------|-----------------------|---------------|---------------|
|  | 2009/10         | 2010/11        | 2011/12       |                    |                                   |                  | 2013/14               | 2014/15       | 2015/16       |
| Provincial allocation                    | 40 643          | 45 113         | 55 643        | 59 566             | 59 566                            | 59 566           | 63 330                | 53 870        | 56 063        |
| <b>Total receipts</b>                    | <b>40 643</b>   | <b>45 113</b>  | <b>55 643</b> | <b>59 566</b>      | <b>59 566</b>                     | <b>59 566</b>    | <b>63 330</b>         | <b>53 870</b> | <b>56 063</b> |
| <b>Total payments</b>                    | <b>40 407</b>   | <b>50 627</b>  | <b>59 409</b> | <b>59 566</b>      | <b>65 361</b>                     | <b>65 361</b>    | <b>63 330</b>         | <b>53 870</b> | <b>56 063</b> |
| Surplus/(Deficit) before financing       | 236             | (5 514)        | (3 766)       | -                  | (5 795)                           | (5 795)          | -                     | -             | -             |
| Financing                                |                 |                |               |                    |                                   |                  |                       |               |               |
| of which                                 |                 |                |               |                    |                                   |                  |                       |               |               |
| Provincial roll-overs                    | -               | 236            | -             | -                  | 5 383                             | 5 383            | -                     | -             | -             |
| Provincial cash resources                | -               | 1 800          | 5 000         | -                  | 412                               | 412              | -                     | -             | -             |
| <b>Surplus/(deficit) after financing</b> | <b>236</b>      | <b>(3 478)</b> | <b>1 234</b>  | <b>-</b>           | <b>-</b>                          | <b>-</b>         | <b>-</b>              | <b>-</b>      | <b>-</b>      |

The department ended 2009/10 with an under-spending of R236 000, due to cost-cutting.

In 2010/11, the department received a roll-over of R236 000 from 2009/10, and additional funding of R1.800 million allocated as provincial cash resources to cater for back-pay in respect of the King's salary which was inadvertently under-paid since 2000/01. After the repayment of the first charge of R3.767 million (see Section 5.3), the department ended the year with over-expenditure of R3.478 million.

In 2011/12, the department received provincial cash resources of R5 million, specifically allocated as seed funding to establish (i.e. for the set-up and operational costs) the Royal Trust, in line with a Cabinet resolution. After the repayment of the second instalment of the first charge of R3.767 million, the budget was under-spent by R1.234 million due to under-spending on ring-fenced funds. The department received R8 million which was specifically and exclusively appropriated for the rehabilitation, renovation and refurbishment of palaces. Section 43(4)(a) of the PFMA prohibits the department from using savings realised against these infrastructure projects to offset over-expenditure in other areas. The under-spending of R5.383 million relating to these funds should therefore be taken into account when calculating the real net over-spending, which resulted in over-expenditure for the vote as a whole of R4.239 million (not in the table).

In 2012/13, the department received provincial cash resources of R412 000 for the higher than budgeted 2012 wage agreement and a roll-over of R5.383 million from 2011/12, being the under-spending on funds which were specifically and exclusively appropriated for the rehabilitation, renovation and refurbishment of palaces.

The budget allocation for the 2013/14 MTEF shows an inflationary linked increase. The decrease in 2014/15 is due to the infrastructure allocation for the renovations to palaces, which comes to an end in 2013/14 in line with project requirements.

## 4.2 Departmental receipts collection

Table 10.2 below provides a summary of the sources of revenue for the department. Details of the receipts are provided in *Annexure – Vote 10: Royal Household*.

**Table 10.2: Details of departmental receipts**

| R thousand   | Audited Outcome |            |            | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates |            |            |
|--|-----------------|------------|------------|--------------------|------------------------|------------------|-----------------------|------------|------------|
|  | 2009/10         | 2010/11    | 2011/12    | 2012/13            |                        |                  | 2013/14               | 2014/15    | 2015/16    |
| Tax receipts   | -               | -          | -          | -                  | -                      | -                | -                     | -          | -          |
| Casino taxes   | -               | -          | -          | -                  | -                      | -                | -                     | -          | -          |
| Horse racing taxes                                   | -               | -          | -          | -                  | -                      | -                | -                     | -          | -          |
| Liquor licences                                      | -               | -          | -          | -                  | -                      | -                | -                     | -          | -          |
| Motor vehicle licences                               | -               | -          | -          | -                  | -                      | -                | -                     | -          | -          |
| Sale of goods and services other than capital assets | 89              | 81         | 104        | 98                 | 98                     | 100              | 103                   | 109        | 110        |
| Transfers received                                   | -               | -          | -          | -                  | -                      | -                | -                     | -          | -          |
| Fines, penalties and forfeits                        | -               | -          | -          | -                  | -                      | -                | -                     | -          | -          |
| Interest, dividends and rent on land                 | -               | -          | -          | -                  | -                      | -                | -                     | -          | -          |
| Sale of capital assets                               | -               | 335        | -          | -                  | -                      | -                | -                     | -          | -          |
| Transactions in financial assets and liabilities     | -               | 97         | 50         | -                  | -                      | -                | -                     | -          | -          |
| <b>Total</b>   | <b>89</b>       | <b>513</b> | <b>154</b> | <b>98</b>          | <b>98</b>              | <b>100</b>       | <b>103</b>            | <b>109</b> | <b>110</b> |

The main source of revenue for the department is *Sale of goods and services other than capital assets*, which shows an increasing trend over the seven-year period. The revenue is derived from commission on payroll deductions, such as insurance and garnishee orders. The increase reflected in 2011/12 relates to higher than anticipated insurance and garnishee orders received by the department.

During 2010/11, the department collected once-off revenue on *Sale of capital assets* for the unanticipated sale of redundant vehicles.

In 2010/11, the department received R97 000 against *Transactions in financial assets and liabilities* recovered from staff debts dating back to 2005/06. During 2011/12, R50 000 was collected against this category, relating to an uncashed cheque for staff exit costs.

### 4.3 Donor funding - Nil

## 5. Payment summary

This section summarises payments and budgeted estimates for the vote in terms of programme and economic classification, details of which are given in *Annexure – Vote 10: Royal Household*.

### 5.1 Key assumptions

Broad assumptions have been made in the setting of priorities, the determining of service levels and allocation of financial resources. These assumptions are as follows:

- Provision was made through internal reprioritisation for the inflationary wage adjustment of 6.3 per cent in 2013/14, 6.1 per cent in 2014/15 and 5.9 per cent in 2015/16, as well as the annual 1.5 per cent pay progression.
- Inflation related items are based on CPI projections.
- The expanded cost-cutting measures, as reissued by Provincial Treasury in 2013/14, will continue to be adhered to over the 2013/14 MTEF.
- The operations of the Royal Trust will be phased-in over the next three to five years, and various staff will be transferred to the Royal Trust.

### 5.2 Additional allocation for the 2011/12 to 2013/14 MTEF

Table 10.3 shows additional funding received by the department over the three MTEF periods 2011/12, 2012/13 and 2013/14. Note that the table reflects only the provincial additional allocations, and excludes additional allocations in respect of conditional grants.

The purpose of the table is two-fold. Firstly, it shows the quantum of additional funding allocated to the department in the past and current MTEF periods. Secondly, it indicates the policies and purposes for which the additional funding was allocated.

The carry-through allocations for the 2011/12 and 2012/13 MTEF periods (i.e. for the financial year 2015/16) are based on the incremental percentage used in the 2013/14 MTEF.

**Table 10.3: Summary of additional provincial allocations for the 2011/12 to 2013/14 MTEF**

| R thousand   | 2011/12      | 2012/13       | 2013/14       | 2014/15         | 2015/16         |
|--|--------------|---------------|---------------|-----------------|-----------------|
| <b>2011/12 MTEF period</b>   | <b>8 814</b> | <b>10 874</b> | <b>12 834</b> | <b>13 604</b>   | <b>14 230</b>   |
| Carry-through of 2010/11 Adjustments Estimate - 2010 wage agreement  | 844          | 911           | 884           | 937             | 980             |
| Prov. priorities: Renovations, refurbishment of the Royal residences | 8 000        | 10 000        | 12 000        | 12 720          | 13 305          |
| National Cabinet decision to cut provinces by 0.3 per cent           | (30)         | (37)          | (50)          | (53)            | (55)            |
| <b>2012/13 MTEF period</b>   |              | <b>132</b>    | <b>138</b>    | <b>(12 575)</b> | <b>(13 153)</b> |
| Carry-through of 2011/12 Adjustments Estimate - 2011 wage agreement  |              | 132           | 138           | 145             | 152             |
| Prov. priorities: Renovations, refurbishment of the Royal residences |              | -             | -             | (12 720)        | (13 305)        |
| <b>2013/14 MTEF period</b>   |              |               | <b>(873)</b>  | <b>(1 464)</b>  | <b>(1 816)</b>  |
| Census data update and 1%, 2% and 3% baseline cuts                   |              |               | (873)         | (1 464)         | (1 816)         |
| <b>Total</b>   | <b>8 814</b> | <b>11 006</b> | <b>12 099</b> | <b>(435)</b>    | <b>(740)</b>    |

Over the 2011/12 MTEF, the department received additional funding for the higher than anticipated 2010 wage agreement, and for renovations and refurbishment of the Royal residences. Also in the 2011/12 MTEF, National Cabinet took a decision to cut all national votes and the provincial equitable share by 0.3 per cent. The bulk of this equitable share reduction in KZN was sourced by capping the interest on the overdraft provision and by marginally decreasing the budgeted surplus of the province. The balance was sourced proportionately from all 16 provincial votes.

The department received additional funding in the 2012/13 MTEF to provide for the carry-through costs of the higher than anticipated 2011 wage agreement. The decrease in 2014/15 and 2015/16 is due to the removal of the palace renovations funding, in line with project requirements.

In the 2013/14 MTEF, National Treasury took a decision to impose 1, 2 and 3 per cent baseline cuts on all spheres of government (i.e. national, provincial and local) in order to curb the national deficit as public spending is growing faster than revenue collection. In addition, KZN received reduced equitable share allocations as a result of the reduced proportion in terms of population numbers as reported in the 2011 Census data results. The effect of this on the department was a substantial reduction in the budget over the entire period.

The department implemented the baseline cuts against *Goods and services* (on items such as travel and subsistence costs, catering, transport costs, contractors, etc.), *Transfers and subsidies to: Departmental agencies and accounts* and *Payments for capital assets*, across all programmes. The cuts will impact on His Majesty, the King's movements which relate to his legislative mandate, purchase of office equipment, maintenance projects, as well as agricultural inputs and rentals for grazing camps. Also, the department reduced the allocation to the Royal Trust, until the Royal Trust is fully established and able to perform all the required activities.

### 5.3 Summary by programme and economic classification

Tables 10.4 and 10.5 below provide a summary of the vote's expenditure and budgeted estimates by programme and economic classification, respectively, for the period 2009/10 to 2015/16.

**Table 10.4: Summary of payments and estimates by programme**

| R thousand   | Audited Outcome |               |               | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates |               |               |
|--|-----------------|---------------|---------------|--------------------|------------------------|------------------|-----------------------|---------------|---------------|
|  | 2009/10         | 2010/11       | 2011/12       | 2012/13            |                        |                  | 2013/14               | 2014/15       | 2015/16       |
| 1. Support Services - His Majesty, the King                        | 24 323          | 36 120        | 43 215        | 35 278             | 35 421                 | 35 421           | 39 027                | 42 021        | 43 668        |
| 2. Royal Household Planning and Development                        | 13 666          | 11 964        | 14 336        | 20 484             | 26 085                 | 26 085           | 20 575                | 8 911         | 9 324         |
| 3. His Majesty, the King's Farms                                   | 2 418           | 2 543         | 1 858         | 3 804              | 3 855                  | 3 855            | 3 728                 | 2 938         | 3 071         |
| <b>Total</b>   | <b>40 407</b>   | <b>50 627</b> | <b>59 409</b> | <b>59 566</b>      | <b>65 361</b>          | <b>65 361</b>    | <b>63 330</b>         | <b>53 870</b> | <b>56 063</b> |
| Unauth. exp. (1 <sup>st</sup> charge) not available for spending   | -               | (3 767)       | (3 767)       | (1 800)            | (1 800)                | (1 800)          | (2 500)               | (2 500)       | (4 694)       |
| <b>Baseline available for spending after 1<sup>st</sup> charge</b> | <b>40 407</b>   | <b>46 860</b> | <b>55 642</b> | <b>57 766</b>      | <b>63 561</b>          | <b>63 561</b>    | <b>60 830</b>         | <b>51 370</b> | <b>51 369</b> |

**Table 10.5: Summary of payments and estimates by economic classification**

| R thousand   | Audited Outcome |               |               | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates |               |               |
|--|-----------------|---------------|---------------|--------------------|------------------------|------------------|-----------------------|---------------|---------------|
|  | 2009/10         | 2010/11       | 2011/12       | 2012/13            |                        |                  | 2013/14               | 2014/15       | 2015/16       |
| <b>Current payments</b>  | <b>39 352</b>   | <b>38 973</b> | <b>41 086</b> | <b>33 367</b>      | <b>35 010</b>          | <b>35 010</b>    | <b>26 122</b>         | <b>26 419</b> | <b>25 261</b> |
| Compensation of employees  | 16 891          | 20 238        | 20 093        | 20 852             | 21 264                 | 21 264           | 13 938                | 13 474        | 14 094        |
| Goods and services   | 22 461          | 18 735        | 20 993        | 12 515             | 13 746                 | 13 746           | 12 184                | 12 945        | 11 167        |
| Interest and rent on land  | -               | -             | -             | -                  | -                      | -                | -                     | -             | -             |
| <b>Transfers and subsidies to:</b>                                 | <b>262</b>      | <b>6 564</b>  | <b>11 524</b> | <b>12 141</b>      | <b>11 121</b>          | <b>11 121</b>    | <b>20 541</b>         | <b>22 548</b> | <b>23 575</b> |
| Provinces and municipalities                                       | 26              | 19            | -             | 8                  | 8                      | 8                | 9                     | 10            | 10            |
| Departmental agencies and accounts                                 | -               | 5 857         | 11 300        | 12 000             | 10 800                 | 10 800           | 20 393                | 22 393        | 23 415        |
| Universities and technikons  | -               | -             | -             | -                  | -                      | -                | -                     | -             | -             |
| Foreign governments and international organisations                | -               | -             | -             | -                  | -                      | -                | -                     | -             | -             |
| Public corporations and private enterprises                        | -               | -             | -             | -                  | -                      | -                | -                     | -             | -             |
| Non-profit institutions  | -               | -             | -             | -                  | -                      | -                | -                     | -             | -             |
| Households   | 236             | 688           | 224           | 133                | 313                    | 313              | 139                   | 145           | 150           |
| <b>Payments for capital assets</b>                                 | <b>647</b>      | <b>1 106</b>  | <b>3 032</b>  | <b>12 258</b>      | <b>17 430</b>          | <b>17 430</b>    | <b>14 167</b>         | <b>2 403</b>  | <b>2 533</b>  |
| Buildings and other fixed structures                               | 314             | 259           | 2 527         | 10 821             | 16 204                 | 16 204           | 12 866                | 1 063         | 1 112         |
| Machinery and equipment  | 333             | 763           | 505           | 1 437              | 1 226                  | 1 226            | 1 301                 | 1 340         | 1 421         |
| Heritage assets  | -               | -             | -             | -                  | -                      | -                | -                     | -             | -             |
| Specialised military assets  | -               | -             | -             | -                  | -                      | -                | -                     | -             | -             |
| Biological assets  | -               | 84            | -             | -                  | -                      | -                | -                     | -             | -             |
| Land and sub-soil assets   | -               | -             | -             | -                  | -                      | -                | -                     | -             | -             |
| Software and other intangible assets                               | -               | -             | -             | -                  | -                      | -                | -                     | -             | -             |
| <b>Payments for financial assets</b>                               | <b>146</b>      | <b>3 984</b>  | <b>3 767</b>  | <b>1 800</b>       | <b>1 800</b>           | <b>1 800</b>     | <b>2 500</b>          | <b>2 500</b>  | <b>4 694</b>  |
| <b>Total</b>   | <b>40 407</b>   | <b>50 627</b> | <b>59 409</b> | <b>59 566</b>      | <b>65 361</b>          | <b>65 361</b>    | <b>63 330</b>         | <b>53 870</b> | <b>56 063</b> |
| Unauth. exp. (1 <sup>st</sup> charge) not available for spending   | -               | (3 767)       | (3 767)       | (1 800)            | (1 800)                | (1 800)          | (2 500)               | (2 500)       | (4 694)       |
| <b>Baseline available for spending after 1<sup>st</sup> charge</b> | <b>40 407</b>   | <b>46 860</b> | <b>55 642</b> | <b>57 766</b>      | <b>63 561</b>          | <b>63 561</b>    | <b>60 830</b>         | <b>51 370</b> | <b>51 369</b> |

In terms of Section 34(2) of the PFMA, and in line with SCOPA Resolutions 18 of 2009, 20 and 21 of 2010, the department is liable for the repayment of over-expenditure from 2005/06 to 2008/09, resulting in a first charge against the department's budget of R11.301 million spread over the three-year period 2010/11 to 2012/13. The first and second instalments of R3.767 million were implemented against the 2010/11 and 2011/12 budgets. In 2010/11, the instalment was paid but there was further unauthorised expenditure, which became a further first charge. Due to budget constraints, it was agreed that the

department could extend the period – i.e. pay the remaining instalments over six years, in line with SCOPA Resolution 71 of 2011. In 2011/12, the second instalment of R3.767 million was paid but there was further unauthorised expenditure, which became a further first charge. In terms of SCOPA Resolution 7 of 2012, the instalment of R1.800 million remains in 2012/13 and instalments of R2.500 million each will be implemented in 2013/14 and 2014/15, and R4.694 million in 2015/16. The first charge implemented was allocated under Programme 1, against *Payments for financial assets*, and the amounts available for spending from 2010/11 to 2015/16 have been reduced by the instalment amounts.

The low level of spending against Programme 1 in 2009/10, compared to ensuing years, relates to cost-cutting, where the department reduced spending against two economic categories, *Goods and services* and *Payments for capital assets*. In 2010/11, the Royal Trust was created, housed under Programme 1, which led to an increase in expenditure against *Transfers and subsidies* due to transfers made to the Royal Trust. The increase in 2011/12 related to an additional R5 million, being seed funding for the establishment of the Royal Trust, and R343 000 for the higher than anticipated 2011 wage agreement. The decrease in 2012/13 was due to the once-off seed funding of R5 million in 2011/12. The increase over the 2013/14 MTEF is due to the increase in transfers to the Royal Trust, which is anticipated to become fully functional over the MTEF.

The decrease in expenditure against Programme 2 in 2010/11 was due to cost-cutting. The increase in 2011/12 related to the higher than budgeted 2011 wage agreement, as well as the renovations and refurbishment of palaces. The department received additional funding over the 2011/12 MTEF for the renovations and maintenance of Royal residences, which comes to an end in 2013/14, in line with project requirements, explaining the substantial decrease in 2014/15. The department, however, did not fully spend the funds allocated for renovations and refurbishment of palaces in 2011/12 due to delays in the implementation of certain infrastructure projects, such as the construction of the King's residence at eNyokeni, emanating from the fact that His Majesty, the King was not completely satisfied with the infrastructure plan. In the 2012/13 Adjustments Estimate, a roll-over of R5.383 million relating to 2011/12 unspent funds ring-fenced for infrastructure projects was allocated to the department, accounting for the increase in the 2012/13 Adjusted Appropriation and Revised Estimate.

Spending against Programme 3 shows a fluctuating trend over the seven-year period. The decrease in 2011/12 was due to the non-filling of vacant posts and implementation of cost-cutting, which resulted in savings against training and development costs. The substantial increase in 2012/13 relates to the anticipated filling of vacant posts. The decrease in 2014/15 relates to the assumption that staff will be transferred to the Royal Trust, with an inflationary increase in 2015/16.

The increase against *Compensation of employees* in 2010/11 was mainly in respect of the higher than anticipated 2010 wage agreement, back-pay for His Majesty, the King's salary which was inadvertently under-paid since 2000/01 and R700 000 to cater for the King's salary which was increased in 2010/11 in line with the Remuneration of Public Office Bearers Act. The increase against *Compensation of employees* in the 2012/13 Adjusted Appropriation and Revised Estimate related to the higher than anticipated 2012 wage agreement. The decrease from 2013/14 is due to the phased-in transfer of staff to the Royal Trust, assuming finalisation of labour negotiations.

High spending against *Goods and services* in 2009/10 was mainly attributable to subsistence and travel costs for His Majesty, the King, and his entourage. The increase from 2010/11 to 2011/12 related to the fact that the department continued to perform many of the functions which the Royal Trust was anticipated to perform, such as paying for expenditure relating to His Majesty's Queens, municipal and maintenance costs, etc., as the Royal Trust was not yet fully functional. Spending pressures that exist within the department, such as audit fees, financial management consultants' fees, catering, entertainment and subsistence and travel costs, also contributed to the increase in 2011/12 and in the 2012/13 Adjusted Appropriation and Revised Estimate. The decrease in the 2012/13 Main Appropriation was due to the anticipated transfer of functions to the Royal Trust. The transfer did not materialise as anticipated, therefore funds were moved from *Transfers and subsidies to: Departmental agencies and accounts* to *Goods and services* in the 2012/13 Adjustments Estimate. The decrease over the 2013/14 MTEF is to cater for the anticipated transfer of functions to the Royal Trust.



*Transfers and subsidies to: Provinces and municipalities* relates to motor vehicle licences. The decrease from 2010/11 was due to the disposal of vehicles. The department did not receive invoices from the Department of Transport (DOT) in 2011/12, which accounts for no spending recorded against this category. The growth from 2013/14 onward is mainly due to the anticipated increase in annual tariffs.

Transfers to the Royal Trust are reflected against *Transfers and subsidies to: Departmental agencies and accounts*. The increase in 2011/12 was due to the fact that the Royal Trust was allocated once-off seed funding of R5 million for establishment costs, in line with a Cabinet resolution. The low 2012/13 Revised Estimate related to the movement of funds to *Goods and services*, as the department continued to perform many of the functions that the Royal Trust was anticipated to perform, as it is not yet fully functional. The increase in the 2013/14 MTEF is due to the anticipated increase in transfers, as the Royal Trust begins to take over more and more functions from the department.

The amounts reflected against *Transfers and subsidies to: Households* over the seven-year period relate to the payment of staff exit costs. The increase in 2010/11 was due to higher than anticipated staff exits and a severance package paid to a departmental official. The reduction from 2012/13 onward relates to fewer anticipated staff exits from the Vote itself, due to the fact that staff are going to be transferred to the Royal Trust. Any exit costs would therefore be paid for by the Royal Trust, rather than the department.

With regard to *Buildings and other fixed structures*, the department undertook renovations in 2009/10 in order to repair a dining room at one of the palaces which was damaged by a hail storm. In 2010/11, the department undertook renovations of rondavels at two palaces. *Buildings and other fixed structures* shows substantial growth from 2011/12, where the department's budget was increased in line with a funding request which indicated that the palaces were in dire need of renovations and repairs. The department commenced with the renovations and refurbishment of two palaces, i.e. KwaKhethomthandayo and KwaDlamahlahla, in 2011/12. The department however, did not fully spend the funds allocated for renovations and refurbishment of palaces in 2011/12, due to delays in the implementation of certain infrastructure projects, as previously mentioned. In the 2012/13 Adjustments Estimate, a roll-over of R5.383 million relating to 2011/12 unspent funds ring-fenced for infrastructure projects was allocated to the department, accounting for the increase in the 2012/13 Adjusted Appropriation and Revised Estimate. All the renovations, upgrading and refurbishment of palaces are expected to be completed by 2013/14, which is when the funding stream for these projects ends, explaining the decrease in 2014/15.

The budget for *Machinery and equipment* includes funds for the acquisition of vehicles and office equipment. The fluctuating trend is due to the cyclical nature of this expenditure, such as the acquisition of new vehicles for His Majesty, and replacement of vehicles in the Royal fleet. The decrease in the 2012/13 Adjusted Appropriation and Revised Estimate related to savings identified against this category due to cost-cutting which were moved to ease other spending pressures within the department. The steady increase over the 2013/14 MTEF relates to the department's plan to replenish the departmental fleet.

The amount of R84 000 against *Biological assets* in 2010/11 related to the purchase of 12 Nguni cattle.

The amounts reflected against *Payments for financial assets* can largely be ascribed to payments in respect of the first charge. The 2009/10 and a portion of the 2010/11 amount pertained to the write-off of staff debts. In 2010/11, the first instalment of R3.767 million was paid but further unauthorised expenditure was incurred, which became a further first charge. In 2011/12, the second instalment of R3.767 million was paid but further unauthorised expenditure was incurred, which became a further first charge. The third instalment of R1.800 million was implemented in 2012/13. The instalments of R2.500 million each will be implemented in 2013/14 and 2014/15, and R4.694 million in 2015/16, as previously explained.

#### **5.4 Summary of payments and estimates by district municipal area**

The spending by the department is concentrated in the Zululand district municipal area, given the fact that the department's prime function is to provide services to the Royal Household.

## 5.5 Summary of conditional grant payments and estimates – Nil

## 5.6 Summary of infrastructure payments and estimates

Table 10.6 presents a summary of infrastructure payments and estimates by category for Vote 10. Detailed information on infrastructure is given in *Annexure – Vote 10: Royal Household*.

**Table 10.6: Summary of infrastructure payments and estimates**

| R thousand                                     | Audited Outcome |            |              | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates |              |              |
|--|-----------------|------------|--------------|--------------------|------------------------|------------------|-----------------------|--------------|--------------|
|  | 2009/10         | 2010/11    | 2011/12      | 2012/13            |                        |                  | 2013/14               | 2014/15      | 2015/16      |
| <b>New and replacement assets</b>              |                 |            |              |                    |                        |                  |                       |              |              |
| <b>Existing infrastructure assets</b>          | <b>1 339</b>    | <b>997</b> | <b>4 027</b> | <b>14 349</b>      | <b>19 732</b>          | <b>19 732</b>    | <b>13 366</b>         | <b>1 563</b> | <b>1 642</b> |
| Upgrades and additions                         |                 |            |              |                    |                        |                  |                       |              |              |
| Rehabilitation, renovations and refurbishments | 314             | 259        | 2 527        | 10 821             | 16 204                 | 16 204           | 12 866                | 1 063        | 1 112        |
| Maintenance and repairs                        | 1 025           | 738        | 1 500        | 3 528              | 3 528                  | 3 528            | 500                   | 500          | 530          |
| <b>Infrastructure transfers</b>                | <b>-</b>        | <b>-</b>   | <b>-</b>     | <b>-</b>           | <b>-</b>               | <b>-</b>         | <b>-</b>              | <b>-</b>     | <b>-</b>     |
| Current  |                 |            |              |                    |                        |                  |                       |              |              |
| Capital  |                 |            |              |                    |                        |                  |                       |              |              |
| <i>Capital infrastructure</i>                  | <i>314</i>      | <i>259</i> | <i>2 527</i> | <i>10 821</i>      | <i>16 204</i>          | <i>16 204</i>    | <i>12 866</i>         | <i>1 063</i> | <i>1 112</i> |
| <i>Current infrastructure</i>                  | <i>1 025</i>    | <i>738</i> | <i>1 500</i> | <i>3 528</i>       | <i>3 528</i>           | <i>3 528</i>     | <i>500</i>            | <i>500</i>   | <i>530</i>   |
| <b>Total</b>                                   | <b>1 339</b>    | <b>997</b> | <b>4 027</b> | <b>14 349</b>      | <b>19 732</b>          | <b>19 732</b>    | <b>13 366</b>         | <b>1 563</b> | <b>1 642</b> |

The maintenance and repair work that is undertaken at the royal residences is recorded as *Maintenance and repairs*. Capital additions are reflected against *Rehabilitation, renovations and refurbishments*.

The department reduced its *Maintenance and repairs* spending in 2010/11, by not commencing with certain maintenance projects to palaces which were not considered urgent, in an attempt to remain within budget. The increase in 2012/13 related to projects which were scheduled in 2011/12, but commenced in 2012/13 due to the above-mentioned delays with the implementation of infrastructure projects. In light of the baseline reductions, the department reviewed its maintenance projects, where only projects which are considered urgent will be undertaken over the 2013/14 MTEF in order to remain within budget.

In 2011/12, the department received additional funds for the upgrading, refurbishment and rehabilitation of palaces allocated against *Rehabilitation, renovations and refurbishments*. The department commenced in 2011/12 with the process of renovating and repairing two palaces, i.e. KwaKhethomthandayo and KwaDlamahlahla, which are expected to be completed in 2012/13. This allocation was substantially under-spent in 2011/12 due to delays in the implementation of certain infrastructure projects, such as the construction of the King's residence at eNyokeni, emanating from the fact that His Majesty, the King was not completely satisfied with the infrastructure plan and, as a consequence, R5.383 million was rolled over to 2012/13, as reflected in the 2012/13 Adjusted Appropriation and Revised Estimate. All the renovations, upgrading and refurbishment of palaces, such as the construction of rondavels at Ingwavuma palace, providing water reticulation systems, etc., are envisaged to be completed by 2013/14, which is when the funding stream for these projects ends.

## 5.7 Summary of Public Private Partnerships – Nil

## 5.8 Transfers to public entities listed in terms of Schedule 3 of the PFMA

Table 10.7 presents the summary of transfer payments made to other entities by Vote 10. Financial summaries in respect of the public entity is presented in *Annexure – Vote 10: Royal Household*.

**Table 10.7: Summary of departmental transfers to public entities listed in terms of Schedule 3 of the PFMA**

| R thousand   | Audited Outcome |              |               | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates |               |               |
|--------------|-----------------|--------------|---------------|--------------------|------------------------|------------------|-----------------------|---------------|---------------|
|              | 2009/10         | 2010/11      | 2011/12       | 2012/13            |                        |                  | 2013/14               | 2014/15       | 2015/16       |
| Royal Trust  | -               | 5 857        | 11 300        | 12 000             | 10 800                 | 10 800           | 20 393                | 22 393        | 23 415        |
| <b>Total</b> | <b>-</b>        | <b>5 857</b> | <b>11 300</b> | <b>12 000</b>      | <b>10 800</b>          | <b>10 800</b>    | <b>20 393</b>         | <b>22 393</b> | <b>23 415</b> |

The Royal Trust was established in 2009/10 as an entity in terms of the KZN Royal Household Trust Act and registered as a Schedule 3C provincial public entity during 2012/13.

In 2010/11 and 2011/12, funds were transferred to the Royal Trust to cater for the set-up costs of the Royal Trust, the remuneration of the Trustees, as well as various costs of the Royal Household which were administered by the Royal Trust. This included municipal costs, fuel, food supplies, etc., relating to His Majesty's Queens and other members of the Royal Family. It should be noted that the original purpose of these funds did not change, but were merely being administered by the Royal Trust.

In 2011/12, according to a Cabinet Resolution, the Royal Trust received once-off seed funding of R5 million for establishment costs. The decrease in the 2012/13 Adjusted Appropriation and Revised Estimate related to the fact that the department continued to perform many of the functions which were anticipated to be performed by the Royal Trust, such as paying for expenditure relating to His Majesty's Queens, municipal and maintenance costs, etc., as the Royal Trust is not fully functional. Also, not all outstanding matters, such as a fully functional organisational structure, transfer of staff, SCM capacity, internal controls, etc., within the Royal Trust, have been resolved.

A Task Team was appointed to resolve matters relating to the transfer of functions from the department to the Royal Trust and it is envisaged that the Royal Trust will assume the majority of its functions from 2013/14, hence the substantial increase from 2013/14 onward. To this end, the transfer of palace support staff in Programme 2 and farm staff from Programme 3 is envisaged to take place from 2013/14.

## 5.9 Transfers to other entities – Nil

## 5.10 Transfers to local government

The Royal Household makes no transfer payments to local government. Although the payment of motor vehicle licences falls under *Transfers and subsidies to: Provinces and municipalities*, these funds will not be transferred to any municipality, and therefore the table reflecting transfers to local government is excluded.

## 5.11 Transfers and subsidies

Table 10.8 below provides a summary of transfers and subsidies per programme.

**Table 10.8: Summary of transfers and subsidies by programme and main category**

| R thousand   | Audited Outcome |              |               | Main          | Adjusted      | Revised       | Medium-term Estimates |               |               |
|--|-----------------|--------------|---------------|---------------|---------------|---------------|-----------------------|---------------|---------------|
|  | 2009/10         | 2010/11      | 2011/12       | Appropriation | Appropriation | Estimate      | 2013/14               | 2014/15       | 2015/16       |
|  |                 |              |               |               | 2012/13       |               |                       |               |               |
| <b>1. Support Services - His Majesty, the King</b> | <b>102</b>      | <b>6 357</b> | <b>11 392</b> | <b>12 008</b> | <b>10 858</b> | <b>10 858</b> | <b>20 402</b>         | <b>22 403</b> | <b>23 425</b> |
| Provinces and municipalities                       | 26              | 19           | -             | 8             | 8             | 8             | 9                     | 10            | 10            |
| Motor vehicle licences                             | 26              | 19           | -             | 8             | 8             | 8             | 9                     | 10            | 10            |
| Departmental agencies and accounts                 | -               | 5 857        | 11 300        | 12 000        | 10 800        | 10 800        | 20 393                | 22 393        | 23 415        |
| Royal Trust  | -               | 5 857        | 11 300        | 12 000        | 10 800        | 10 800        | 20 393                | 22 393        | 23 415        |
| Households   | 76              | 481          | 92            | -             | 50            | 50            | -                     | -             | -             |
| Staff exit costs                                   | 76              | 481          | 92            | -             | 50            | 50            | -                     | -             | -             |
| <b>2. Royal Household Planning and Dev</b>         | <b>160</b>      | <b>192</b>   | <b>132</b>    | <b>133</b>    | <b>183</b>    | <b>183</b>    | <b>139</b>            | <b>145</b>    | <b>150</b>    |
| Households   | 160             | 192          | 132           | 133           | 183           | 183           | 139                   | 145           | 150           |
| Staff exit costs                                   | 160             | 192          | 132           | 133           | 183           | 183           | 139                   | 145           | 150           |
| <b>3. His Majesty, the King's Farms</b>            | <b>-</b>        | <b>15</b>    | <b>-</b>      | <b>-</b>      | <b>80</b>     | <b>80</b>     | <b>-</b>              | <b>-</b>      | <b>-</b>      |
| Households   | -               | 15           | -             | -             | 80            | 80            | -                     | -             | -             |
| Staff exit costs                                   | -               | 15           | -             | -             | 80            | 80            | -                     | -             | -             |
| <b>Total</b>                                       | <b>262</b>      | <b>6 564</b> | <b>11 524</b> | <b>12 141</b> | <b>11 121</b> | <b>11 121</b> | <b>20 541</b>         | <b>22 548</b> | <b>23 575</b> |

*Provinces and municipalities* in Programme 1 reflects the payment of motor vehicle licences. The decrease from 2010/11 was due to the disposal of vehicles. No expenditure was recorded against this category in 2011/12 due to the fact that the department did not receive invoices from DOT. The growth from 2013/14 onward is mainly due to the anticipated increase in annual tariffs.

The large transfers against *Departmental agencies and accounts* in Programme 1 relate to the transfer of funds to the Royal Trust. The decrease in the 2012/13 Adjusted Appropriation and Revised Estimate is due to the fact that the department continued to perform many of the functions that the Royal Trust was anticipated to perform, as it was not yet fully functional. This resulted in the department shifting R1.200 million in respect of the Royal Trust from *Departmental agencies and accounts* to *Goods and services* in the 2012/13 Adjustments Estimate. The increase over the 2013/14 MTEF relates to the increase in transfers to the Royal Trust, which is anticipated to become fully functional over the MTEF.

*Households*, against all programmes, pertains mainly to the payment of leave gratuities and other staff exit costs over the seven-year period, which are difficult to predict. The increase in 2010/11 related to unanticipated staff exits resulting from natural attrition and the payment of a severance package. The reduction from 2012/13 onward relates to fewer anticipated staff exits from the Vote itself, due to the fact that staff are going to be transferred to the Royal Trust, as previously mentioned.

## 6. Programme description

The services rendered by this department are categorised under three programmes. The expenditure and budgeted estimates for each of these programmes are summarised in terms of sub-programme and economic classification below, details of which are given in *Annexure – Vote 10: Royal Household*.

### 6.1 Programme 1: Support Services – His Majesty, the King

The purpose of this programme is to provide administrative and auxiliary services to His Majesty, the King and the Royal Family. It is charged with the responsibility of ensuring that His Majesty, the King and the Royal Family execute the mandate as provided in the legislation. It is also responsible for the development and protection of the Monarchy as a provincial brand.

This programme consists of two sub-programmes. The sub-programme: King's Office Support Services caters for all costs in respect of His Majesty, the King, such as the salary of His Majesty, the King and all administrative costs. The sub-programme: Royal Trust caters for the operational costs of the Royal Trust, the running costs of the Royal Household, in respect of His Majesty's Queens and the rest of the Royal Family, as well as running costs of the farms over the last part of the MTEF.

Tables 10.9 and 10.10 reflect information relating to the programme for the period 2009/10 to 2015/16. As mentioned under Section 5.3 above, in terms of Section 34(2) of the PFMA, and in line with various SCOPA resolutions, the department is liable for the repayment of previous year's over-expenditure, resulting in a first charge against the department's budget. The first and second instalments of R3.767 million were implemented against the 2010/11 and 2011/12 budgets. In 2010/11, the instalment was paid but there was further unauthorised expenditure, which became a further first charge. Due to budget constraints, it was agreed that the department could extend the period i.e., pay the remaining instalments over six years, in line with SCOPA Resolution 71 of 2011. In 2011/12, the second instalment was paid but there was further unauthorised expenditure, which became a further first charge. In line with SCOPA Resolution 75 of 2012, the instalment of R1.800 million remains in 2012/13, and instalments of R2.500 million each will be implemented in 2013/14 and 2014/15, and R4.694 million in 2015/16. The first charge implemented was allocated under Programme 1, against the King's Office Support Services sub-programme, under *Payments for financial assets*, and the amounts available for spending from 2010/11 to 2015/16 have been reduced by the instalment amounts.

**Table 10.9: Summary of payments and estimates - Programme 1: Support Services - His Majesty, the King**

| R thousand   | Audited Outcome |               |               | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates |               |               |
|--|-----------------|---------------|---------------|--------------------|------------------------|------------------|-----------------------|---------------|---------------|
|  | 2009/10         | 2010/11       | 2011/12       | 2012/13            |                        |                  | 2013/14               | 2014/15       | 2015/16       |
| King's Office Support Services                                     | 24 323          | 30 263        | 31 915        | 23 278             | 24 621                 | 24 621           | 18 634                | 19 528        | 20 253        |
| Royal Trust  | -               | 5 857         | 11 300        | 12 000             | 10 800                 | 10 800           | 20 393                | 22 493        | 23 415        |
| <b>Total</b>   | <b>24 323</b>   | <b>36 120</b> | <b>43 215</b> | <b>35 278</b>      | <b>35 421</b>          | <b>35 421</b>    | <b>39 027</b>         | <b>42 021</b> | <b>43 668</b> |
| Unauth. exp. (1 <sup>st</sup> charge) not available for spending   | -               | (3 767)       | (3 767)       | (1 800)            | (1 800)                | (1 800)          | (2 500)               | (2 500)       | (4 694)       |
| <b>Baseline available for spending after 1<sup>st</sup> charge</b> | <b>24 323</b>   | <b>32 353</b> | <b>39 448</b> | <b>33 478</b>      | <b>33 621</b>          | <b>33 621</b>    | <b>36 527</b>         | <b>39 521</b> | <b>38 974</b> |

Table 10.10: Summary of payments and estimates by economic classification - Programme 1: Support Services - His Majesty, the King

| R thousand   | Audited Outcome |               |               | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates |               |               |
|--|-----------------|---------------|---------------|--------------------|------------------------|------------------|-----------------------|---------------|---------------|
|  | 2009/10         | 2010/11       | 2011/12       | 2012/13            |                        |                  | 2013/14               | 2014/15       | 2015/16       |
| <b>Current payments</b>  | <b>24 221</b>   | <b>25 265</b> | <b>27 549</b> | <b>20 231</b>      | <b>21 574</b>          | <b>21 574</b>    | <b>15 029</b>         | <b>15 993</b> | <b>14 353</b> |
| Compensation of employees  | 7 646           | 10 482        | 9 801         | 9 989              | 10 132                 | 10 132           | 4 585                 | 4 859         | 5 083         |
| Goods and services   | 16 575          | 14 783        | 17 748        | 10 242             | 11 442                 | 11 442           | 10 444                | 11 134        | 9 270         |
| Interest and rent on land  | -               | -             | -             | -                  | -                      | -                | -                     | -             | -             |
| <b>Transfers and subsidies to:</b>                                 | <b>102</b>      | <b>6 357</b>  | <b>11 392</b> | <b>12 008</b>      | <b>10 858</b>          | <b>10 858</b>    | <b>20 402</b>         | <b>22 403</b> | <b>23 425</b> |
| Provinces and municipalities                                       | 26              | 19            | -             | 8                  | 8                      | 8                | 9                     | 10            | 10            |
| Departmental agencies and accounts                                 | -               | 5 857         | 11 300        | 12 000             | 10 800                 | 10 800           | 20 393                | 22 393        | 23 415        |
| Universities and technikons  | -               | -             | -             | -                  | -                      | -                | -                     | -             | -             |
| Foreign governments and international organisations                | -               | -             | -             | -                  | -                      | -                | -                     | -             | -             |
| Public corporations and private enterprises                        | -               | -             | -             | -                  | -                      | -                | -                     | -             | -             |
| Non-profit institutions  | -               | -             | -             | -                  | -                      | -                | -                     | -             | -             |
| Households   | 76              | 481           | 92            | -                  | 50                     | 50               | -                     | -             | -             |
| <b>Payments for capital assets</b>                                 | <b>-</b>        | <b>514</b>    | <b>507</b>    | <b>1 239</b>       | <b>1 189</b>           | <b>1 189</b>     | <b>1 096</b>          | <b>1 125</b>  | <b>1 196</b>  |
| Buildings and other fixed structures                               | -               | -             | 2             | -                  | -                      | -                | -                     | -             | -             |
| Machinery and equipment  | -               | 514           | 505           | 1 239              | 1 189                  | 1 189            | 1 096                 | 1 125         | 1 196         |
| Heritage assets  | -               | -             | -             | -                  | -                      | -                | -                     | -             | -             |
| Specialised military assets  | -               | -             | -             | -                  | -                      | -                | -                     | -             | -             |
| Biological assets  | -               | -             | -             | -                  | -                      | -                | -                     | -             | -             |
| Land and sub-soil assets   | -               | -             | -             | -                  | -                      | -                | -                     | -             | -             |
| Software and other intangible assets                               | -               | -             | -             | -                  | -                      | -                | -                     | -             | -             |
| <b>Payments for financial assets</b>                               | <b>-</b>        | <b>3 984</b>  | <b>3 767</b>  | <b>1 800</b>       | <b>1 800</b>           | <b>1 800</b>     | <b>2 500</b>          | <b>2 500</b>  | <b>4 694</b>  |
| <b>Total</b>   | <b>24 323</b>   | <b>36 120</b> | <b>43 215</b> | <b>35 278</b>      | <b>35 421</b>          | <b>35 421</b>    | <b>39 027</b>         | <b>42 021</b> | <b>43 668</b> |
| Unauth. exp. (1 <sup>st</sup> charge) not available for spending   | -               | (3 767)       | (3 767)       | (1 800)            | (1 800)                | (1 800)          | (2 500)               | (2 500)       | (4 694)       |
| <b>Baseline available for spending after 1<sup>st</sup> charge</b> | <b>24 323</b>   | <b>32 353</b> | <b>39 448</b> | <b>33 478</b>      | <b>33 621</b>          | <b>33 621</b>    | <b>36 527</b>         | <b>39 521</b> | <b>38 974</b> |

The overall spending of this programme was low in 2009/10 due to the effects of cost-cutting. The increase in 2011/12 largely related to spending pressures that exist within the department against *Goods and services*, such as audit fees, financial management consultants' fees, catering, entertainment and subsistence and travel costs.

The increase in the sub-programme: King's Office Support Services in 2010/11 was due to the increase in *Compensation of employees*, which was mainly in respect of the higher than anticipated 2010 wage agreement, back-pay for His Majesty, the King's salary which was inadvertently under-paid since 2000/01 and R700 000 to cater for the King's salary which was increased in 2010/11 in line with the Remuneration of Public Office Bearers Act. The increase in 2011/12 was mainly due to unanticipated pressures in audit costs, financial management consultants, property payments, fleet services and subsistence and travel costs, largely affecting *Goods and services*. Also, the department continued to perform many of the functions which the Royal Trust was anticipated to perform, such as paying for expenditure relating to His Majesty's Queens, municipal and maintenance costs, etc., as the Royal Trust was not yet fully functional. The increase in the 2012/13 Adjusted Appropriation related to the non-transfer of staff to the Royal Trust as anticipated, due to the fact that the Royal Trust was still not fully functional. These factors also account for the trend against *Goods and services*. The expenditure of this sub-programme is expected to decrease in 2013/14, with inflationary increases from 2014/15 onward, as some of the activities of the department are anticipated to be devolved to the Royal Trust.

In 2010/11, the sub-programme: Royal Trust was created. Funds were transferred to this sub-programme to provide for the operational costs of the Royal Trust, as well as various running costs of the Royal Household. The increase in 2011/12 was due to seed funding which was transferred to the Royal Trust, as per Cabinet Resolution. The decrease in the 2012/13 Adjusted Appropriation and Revised Estimate is due to the fact that the department continued to perform many of the functions that the Royal Trust was anticipated to perform, as it was not fully functional. This resulted in the department reducing the Royal Trust allocation by R1.200 million in the 2012/13 Adjustments Estimate, as previously mentioned. The increase over the 2013/14 MTEF relates to the further phasing in of the running costs of the Royal Household that are to be administered by the Royal Trust, as mentioned in detail earlier.

*Compensation of employees* was high in 2010/11 due to the above-mentioned higher than anticipated 2010 wage agreement, back-pay for His Majesty, the King's salary which was inadvertently under-paid since 2000/01 and His Majesty, the King's salary increases in line with Remuneration of Public Office Bearers Act. The increase in the 2012/13 Adjusted Appropriation and Revised Estimate relates to the higher than anticipated 2012 wage agreement. The decrease over the 2013/14 MTEF provides for the transfer of staff from the department to the Royal Trust.

*Transfers and subsidises to: Households* relates to staff exit costs.

The amounts against *Machinery and equipment* relate to the acquisition of vehicles and office equipment which is purchased on a cyclical basis. The department did not spend any funds on *Machinery and equipment* in 2009/10 due to cost-cutting. The decrease from the 2012/13 Main to Adjusted Appropriation related to the movement of savings, as a result of cost-cutting, to *Transfers and subsidises to: Households* to cater for unanticipated staff exit costs. The allocations over the 2013/14 MTEF provides for the purchase of motor vehicles, office equipment and computers.

The repayment of unauthorised expenditure (i.e. the first charge) is reflected against *Payments for financial assets*. Also, the 2010/11 amount includes R217 000 relating to the write-off of staff debts.

## Service delivery measures – Programme 1: Support Services – His Majesty, the King

Table 10.11 below shows the service delivery information for Programme 1.

**Table 10.11: Service delivery measures - Programme 1: Support Services - His Majesty, the King**

| Outputs   | Performance indicators                                | Estimated performance | Medium-term targets |         |         |  |
|---|---|-----------------------|---------------------|---------|---------|--|
|   |   | 2012/13               | 2013/14             | 2014/15 | 2015/16 |  |
| Support His Majesty, the King in fulfilling legislative mandate | • No. of <i>Amakhosi</i> installed statutorily        | 5                     | 5                   | 5       | 5       |  |
|   | • No. of <i>Amakhosi</i> installed in terms of custom | 5                     | 5                   | 5       | 5       |  |

## 6.2 Programme 2: Royal Household Planning and Development

This programme is responsible for the overall infrastructure design and maintenance of the Royal residences, with its core activity being the refurbishment of the palaces.

Tables 10.12 and 10.13 reflect payments and estimates for the period 2009/10 to 2015/16.

**Table 10.12: Summary of payments and estimates - Programme 2: Royal Household Planning & Development**

| R thousand                               | Audited Outcome |               |               | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates |              |              |
|--|-----------------|---------------|---------------|--------------------|------------------------|------------------|-----------------------|--------------|--------------|
|  | 2009/10         | 2010/11       | 2011/12       | 2012/13            |                        |                  | 2013/14               | 2014/15      | 2015/16      |
| Support Services - His Majesty, the King | 13 666          | 11 964        | 14 336        | 20 484             | 26 085                 | 26 085           | 20 575                | 8 911        | 9 324        |
| <b>Total</b>                             | <b>13 666</b>   | <b>11 964</b> | <b>14 336</b> | <b>20 484</b>      | <b>26 085</b>          | <b>26 085</b>    | <b>20 575</b>         | <b>8 911</b> | <b>9 324</b> |

**Table 10.13: Summary of payments and estimates by economic classification - Programme 2: Royal Household Planning & Development**

| R thousand  | Audited Outcome |               |               | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates |              |              |
|---|-----------------|---------------|---------------|--------------------|------------------------|------------------|-----------------------|--------------|--------------|
|   | 2009/10         | 2010/11       | 2011/12       | 2012/13            |                        |                  | 2013/14               | 2014/15      | 2015/16      |
| <b>Current payments</b>                             | <b>12 713</b>   | <b>11 264</b> | <b>11 679</b> | <b>9 443</b>       | <b>9 661</b>           | <b>9 661</b>     | <b>7 480</b>          | <b>7 608</b> | <b>7 962</b> |
| Compensation of employees                           | 7 566           | 8 384         | 9 102         | 8 253              | 8 471                  | 8 471            | 6 630                 | 6 728        | 7 037        |
| Goods and services                                  | 5 147           | 2 880         | 2 577         | 1 190              | 1 190                  | 1 190            | 850                   | 880          | 925          |
| Interest and rent on land                           | -               | -             | -             | -                  | -                      | -                | -                     | -            | -            |
| <b>Transfers and subsidises to:</b>                 | <b>160</b>      | <b>192</b>    | <b>132</b>    | <b>133</b>         | <b>183</b>             | <b>183</b>       | <b>139</b>            | <b>145</b>   | <b>150</b>   |
| Provinces and municipalities                        | -               | -             | -             | -                  | -                      | -                | -                     | -            | -            |
| Departmental agencies and accounts                  | -               | -             | -             | -                  | -                      | -                | -                     | -            | -            |
| Universities and technikons                         | -               | -             | -             | -                  | -                      | -                | -                     | -            | -            |
| Foreign governments and international organisations | -               | -             | -             | -                  | -                      | -                | -                     | -            | -            |
| Public corporations and private enterprises         | -               | -             | -             | -                  | -                      | -                | -                     | -            | -            |
| Non-profit institutions                             | -               | -             | -             | -                  | -                      | -                | -                     | -            | -            |
| Households  | 160             | 192           | 132           | 133                | 183                    | 183              | 139                   | 145          | 150          |
| <b>Payments for capital assets</b>                  | <b>647</b>      | <b>508</b>    | <b>2 525</b>  | <b>10 908</b>      | <b>16 241</b>          | <b>16 241</b>    | <b>12 956</b>         | <b>1 158</b> | <b>1 212</b> |
| Buildings and other fixed structures                | 314             | 259           | 2 525         | 10 821             | 16 204                 | 16 204           | 12 866                | 1 063        | 1 112        |
| Machinery and equipment                             | 333             | 249           | -             | 87                 | 37                     | 37               | 90                    | 95           | 100          |
| Heritage assets                                     | -               | -             | -             | -                  | -                      | -                | -                     | -            | -            |
| Specialised military assets                         | -               | -             | -             | -                  | -                      | -                | -                     | -            | -            |
| Biological assets                                   | -               | -             | -             | -                  | -                      | -                | -                     | -            | -            |
| Land and sub-soil assets                            | -               | -             | -             | -                  | -                      | -                | -                     | -            | -            |
| Software and other intangible assets                | -               | -             | -             | -                  | -                      | -                | -                     | -            | -            |
| <b>Payments for financial assets</b>                | <b>146</b>      | <b>-</b>      | <b>-</b>      | <b>-</b>           | <b>-</b>               | <b>-</b>         | <b>-</b>              | <b>-</b>     | <b>-</b>     |
| <b>Total</b>  | <b>13 666</b>   | <b>11 964</b> | <b>14 336</b> | <b>20 484</b>      | <b>26 085</b>          | <b>26 085</b>    | <b>20 575</b>         | <b>8 911</b> | <b>9 324</b> |

The decrease in this programme in 2010/11 was due to cost-cutting, largely against *Goods and services*. Also, the department placed certain maintenance projects to the palaces, which were not urgent, on hold, in an attempt to break-even at year-end. The increase in the 2012/13 Main Appropriation relates to additional funding allocated to the department in the 2011/12 MTEF, ring-fenced for the renovations and refurbishment of palaces. The further increase in the 2012/13 Adjusted Appropriation and Revised Estimate related largely to these unspent ring-fenced funds being rolled over to 2012/13 for the renovations and refurbishment of palaces. It is anticipated that the department will continue with the renovations of all the palaces over the 2013/14 MTEF, with funding for this coming to an end in 2013/14 in line with project requirements.

The decrease in *Compensation of employees* from 2012/13 onward emanates from the planned phased-in transfer of staff to the Royal Trust. The transfer was not done in 2012/13 due to the ongoing negotiations with organised labour. In the 2012/13 Adjusted Appropriation, the slight increase is due to additional funding for the higher than anticipated 2012 wage agreement. The decrease over the 2013/14 MTEF is due to the anticipated transfer of staff to the Royal Trust.

The amounts against *Transfers and subsidies to: Households* relate to staff exit costs.

With regard to *Buildings and other fixed structures*, in 2009/10 and 2010/11, the department undertook renovations and repairs to the Royal residences which were in dire need of upgrading. Further capital projects were put on hold, in order to avoid over-spending in other areas. The department received additional funding in the 2011/12 MTEF, ring-fenced for the renovations and refurbishment of palaces. In 2011/12, major renovations of two palaces, KwaKhethomthandayo and KwaDlamahlahla, commenced. The department, however, did not fully spend the ring-fenced funds in 2011/12 due to delays in the implementation of certain infrastructure projects, as His Majesty, the King was not completely satisfied with the infrastructure plan. The increase in the 2012/13 Adjusted Appropriation and Revised Estimate was due to these unspent ring-fenced funds being rolled over to 2012/13 for the renovations and refurbishment of palaces. It is anticipated that the department will continue with the renovations of all the palaces, such as the construction of rondavels at Ingwavuma palace, providing water reticulation systems, etc., with funding for this coming to an end in 2013/14 in line with project requirements.

The department purchases *Machinery and equipment* on a cyclical basis, hence the fluctuating trend.

The expenditure against *Payments for financial assets* in 2009/10 relates to the write-off of staff debts.

### Service delivery measures – Programme 2: Royal Household Planning and Development

Table 10.14 shows the service delivery information for Programme 2. The number of maintenance projects significantly decreases from 2014/15, in line with the additional funding for the rehabilitation, renovation and refurbishment of palaces, coming to an end in 2013/14.

**Table 10.14: Service delivery measures – Programme 2: Royal Household Planning and Development**

| Outputs                             | Performance indicators        | Estimated performance |         | Medium term targets |         |
|-------------------------------------|-------------------------------|-----------------------|---------|---------------------|---------|
|                                     |                               | 2012/13               | 2013/14 | 2014/15             | 2015/16 |
| Maintenance of the Royal Residences | • No. of maintenance projects | 10                    | 10      | 4                   | 4       |

### 6.3 Programme 3: His Majesty, the King's Farms

This programme is responsible for the operation and maintenance of His Majesty, the King's farms. It ensures subsistent and customary relevance in terms of the farms being able to contribute to poverty alleviation and other responsibilities of His Majesty, the King, in his role as guardian and protector of the vulnerable. Tables 10.15 and 10.16 summarise payments and estimates from 2009/10 to 2015/16.

**Table 10.15: Summary of payments and estimates - Programme 3: His Majesty, the King's Farms**

| R thousand                    | Audited Outcome |              |              | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates |              |              |
|-------------------------------|-----------------|--------------|--------------|--------------------|------------------------|------------------|-----------------------|--------------|--------------|
|                               | 2009/10         | 2010/11      | 2011/12      |                    |                        |                  | 2013/14               | 2014/15      | 2015/16      |
| His Majesty, the King's Farms | 2 418           | 2 543        | 1 858        | 3 804              | 3 855                  | 3 855            | 3 728                 | 2 938        | 3 071        |
| <b>Total</b>                  | <b>2 418</b>    | <b>2 543</b> | <b>1 858</b> | <b>3 804</b>       | <b>3 855</b>           | <b>3 855</b>     | <b>3 728</b>          | <b>2 938</b> | <b>3 071</b> |

**Table 10.16: Summary of payments and estimates by economic classification - Programme 3: His Majesty, the King's Farms**

| R thousand  | Audited Outcome |              |              | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates |              |              |
|---|-----------------|--------------|--------------|--------------------|------------------------|------------------|-----------------------|--------------|--------------|
|   | 2009/10         | 2010/11      | 2011/12      |                    |                        |                  | 2013/14               | 2014/15      | 2015/16      |
| <b>Current payments</b>                             | <b>2 418</b>    | <b>2 444</b> | <b>1 858</b> | <b>3 693</b>       | <b>3 775</b>           | <b>3 775</b>     | <b>3 613</b>          | <b>2 818</b> | <b>2 946</b> |
| Compensation of employees                           | 1 679           | 1 372        | 1 190        | 2 610              | 2 661                  | 2 661            | 2 723                 | 1 887        | 1 974        |
| Goods and services                                  | 739             | 1 072        | 668          | 1 083              | 1 114                  | 1 114            | 890                   | 931          | 972          |
| Interest and rent on land                           | -               | -            | -            | -                  | -                      | -                | -                     | -            | -            |
| <b>Transfers and subsidies to:</b>                  | <b>-</b>        | <b>15</b>    | <b>-</b>     | <b>-</b>           | <b>80</b>              | <b>80</b>        | <b>-</b>              | <b>-</b>     | <b>-</b>     |
| Provinces and municipalities                        | -               | -            | -            | -                  | -                      | -                | -                     | -            | -            |
| Departmental agencies and accounts                  | -               | -            | -            | -                  | -                      | -                | -                     | -            | -            |
| Universities and technikons                         | -               | -            | -            | -                  | -                      | -                | -                     | -            | -            |
| Foreign governments and international organisations | -               | -            | -            | -                  | -                      | -                | -                     | -            | -            |
| Public corporations and private enterprises         | -               | -            | -            | -                  | -                      | -                | -                     | -            | -            |
| Non-profit institutions                             | -               | -            | -            | -                  | -                      | -                | -                     | -            | -            |
| Households  | -               | 15           | -            | -                  | 80                     | 80               | -                     | -            | -            |
| <b>Payments for capital assets</b>                  | <b>-</b>        | <b>84</b>    | <b>-</b>     | <b>111</b>         | <b>-</b>               | <b>-</b>         | <b>115</b>            | <b>120</b>   | <b>125</b>   |
| Buildings and other fixed structures                | -               | -            | -            | -                  | -                      | -                | -                     | -            | -            |
| Machinery and equipment                             | -               | -            | -            | 111                | -                      | -                | 115                   | 120          | 125          |
| Heritage assets                                     | -               | -            | -            | -                  | -                      | -                | -                     | -            | -            |
| Specialised military assets                         | -               | -            | -            | -                  | -                      | -                | -                     | -            | -            |
| Biological assets                                   | -               | 84           | -            | -                  | -                      | -                | -                     | -            | -            |
| Land and sub-soil assets                            | -               | -            | -            | -                  | -                      | -                | -                     | -            | -            |
| Software and other intangible assets                | -               | -            | -            | -                  | -                      | -                | -                     | -            | -            |
| <b>Payments for financial assets</b>                | <b>-</b>        | <b>-</b>     | <b>-</b>     | <b>-</b>           | <b>-</b>               | <b>-</b>         | <b>-</b>              | <b>-</b>     | <b>-</b>     |
| <b>Total</b>  | <b>2 418</b>    | <b>2 543</b> | <b>1 858</b> | <b>3 804</b>       | <b>3 855</b>           | <b>3 855</b>     | <b>3 728</b>          | <b>2 938</b> | <b>3 071</b> |

The decrease in this programme in 2011/12 related mainly to cost-cutting, which resulted in savings in training and development costs. The allocation for this programme decreases in 2014/15 in line with the department's plan to transfer farm workers to the Royal Trust.

The decrease against *Compensation of employees* in 2010/11 related to the non-filling of posts which became vacant due to staff exits, and, the transfer of staff from this programme to Programmes 1 and 2, due to the reduction in farm operations. The significant increase in the 2012/13 Main Appropriation relates to the anticipated filling of vacant posts. In the 2012/13 Adjustments Estimate, the department received additional funding for the higher than anticipated 2012 wage agreement, accounting for the increase in the 2012/13 Adjusted Appropriation and Revised Estimate. The allocation decreases in 2014/15, with an inflationary increase in 2015/16, as the Royal Trust takes over more and more functions from the department.

Spending against *Goods and services* was low in 2009/10, with a further significant decrease in 2011/12 due to cost-cutting, which resulted in savings in training and development costs in 2011/12. The increase in the 2012/13 Adjusted Appropriation and Revised Estimate caters for the purchase of vaccinations for new cattle. The allocation decreases in 2013/14, with inflationary increases over the MTEF, as the Royal Trust takes over more and more functions from the department.

The amounts against *Machinery and equipment* relate to the purchase of farming implements, such as brush cutters and farm fencing material.

The amount of R84 000 against *Biological assets* in 2010/11 relates to the purchase of 12 Nguni cattle.

### Service delivery measures – Programme 3: His Majesty, the King's Farms

Table 10.17 shows the service delivery for Programme 3: His Majesty, the King's Farms.



**Table 10.17: Service delivery measures – Programme 3: His Majesty, the King's Farms**

| Outputs  | Performance indicators      | Estimated performance | Medium-term targets |         |         |  |
|--|-----------------------------|-----------------------|---------------------|---------|---------|--|
|  |                             | 2012/13               | 2013/14             | 2014/15 | 2015/16 |  |
| To facilitate and manage the sustainability of His Majesty, the King's Farms | • No. of animals vaccinated | 1 300                 | 1 300               | 1 300   | 1 300   |  |
| Crop production  | • No. of hectares planted   | 120                   | 120                 | 120     | 120     |  |

## 7. Other programme information

### 7.1 Personnel numbers and costs

Tables 10.18 and 10.19 summarise personnel information relating to the department, indicating the number of filled and estimated posts over the seven-year period. The number of staff anticipated to be transferred to the Royal Trust over the 2013/14 MTEF is shown as a footnote to Table 10.18. It is noted that the Royal Trust Board members are excluded from the tables.

**Table 10.18: Personnel numbers and costs per programme**

|   | As at<br>31 March 2010 | As at<br>31 March 2011 | As at<br>31 March 2012 | As at<br>31 March 2013 | As at<br>31 March 2014 | As at<br>31 March 2015 | As at<br>31 March 2016 |
|---|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| <b>Personnel numbers</b>                    |                        |                        |                        |                        |                        |                        |                        |
| 1. Support Services - His Majesty, the King | 27                     | 33                     | 33                     | 33                     | 17                     | 17                     | 17                     |
| 2. Royal Household Planning and Development | 102                    | 93                     | 93                     | 93                     | 60                     | 55                     | 55                     |
| 3. His Majesty, the King's farms            | 21                     | 14                     | 14                     | 15                     | 15                     | 8                      | 8                      |
| <b>Total</b>                                | <b>150</b>             | <b>140</b>             | <b>140</b>             | <b>141</b>             | <b>92</b>              | <b>80</b>              | <b>80</b>              |
| Total personnel cost (R thousand)           | 16 891                 | 20 238                 | 20 093                 | 21 264                 | 13 938                 | 13 474                 | 14 094                 |
| Unit cost (R thousand)                      | 113                    | 145                    | 144                    | 151                    | 152                    | 168                    | 176                    |
| <i>The Royal Trust</i>                      | -                      | 3                      | 3                      | 4                      | 53                     | 65                     | 65                     |

**Table 10.19: Details of departmental personnel numbers and costs**

|   | Audited Outcome |         |         | Main<br>Appropriation | Adjusted<br>Appropriation | Revised<br>Estimate | Medium-term Estimates |         |         |
|---|-----------------|---------|---------|-----------------------|---------------------------|---------------------|-----------------------|---------|---------|
|   | 2009/10         | 2010/11 | 2011/12 | 2012/13               |                           |                     | 2013/14               | 2014/15 | 2015/16 |
| <b>Total for department</b>                 |                 |         |         |                       |                           |                     |                       |         |         |
| Personnel numbers (head count)              | 150             | 140     | 140     | 141                   | 141                       | 141                 | 92                    | 80      | 80      |
| Personnel cost (R thousand)                 | 16 891          | 20 238  | 20 093  | 20 852                | 21 264                    | 21 264              | 13 938                | 13 474  | 14 094  |
| <b>Human resources component</b>            |                 |         |         |                       |                           |                     |                       |         |         |
| Personnel numbers (head count)              | 6               | 6       | 6       | 6                     | 6                         | 6                   | 6                     | 6       | 6       |
| Personnel cost (R thousand)                 | 1 229           | 1 428   | 1 735   | 1 735                 | 1 522                     | 1 522               | 1 735                 | 1 830   | 1 940   |
| Head count as % of total for department     | 4.00            | 4.29    | 4.29    | 4.26                  | 4.26                      | 4.26                | 6.52                  | 7.50    | 7.50    |
| Personnel cost as % of total for department | 7.28            | 7.06    | 8.63    | 8.32                  | 7.16                      | 7.16                | 12.45                 | 13.58   | 13.76   |
| <b>Finance component</b>                    |                 |         |         |                       |                           |                     |                       |         |         |
| Personnel numbers (head count)              | 13              | 13      | 13      | 13                    | 13                        | 13                  | 13                    | 13      | 13      |
| Personnel cost (R thousand)                 | 2 851           | 3 306   | 3 922   | 3 679                 | 3 679                     | 3 679               | 3 922                 | 3 922   | 3 922   |
| Head count as % of total for department     | 8.67            | 9.29    | 9.29    | 9.22                  | 9.22                      | 9.22                | 14.13                 | 16.25   | 16.25   |
| Personnel cost as % of total for department | 16.88           | 16.34   | 19.52   | 17.64                 | 17.30                     | 17.30               | 28.14                 | 29.11   | 27.83   |
| <b>Full time workers</b>                    |                 |         |         |                       |                           |                     |                       |         |         |
| Personnel numbers (head count)              | 150             | 140     | 140     | 141                   | 141                       | 141                 | 92                    | 80      | 80      |
| Personnel cost (R thousand)                 | 16 891          | 20 238  | 20 093  | 20 852                | 21 264                    | 21 264              | 13 938                | 13 474  | 14 094  |
| Head count as % of total for department     | 100.00          | 100.00  | 100.00  | 100.00                | 100.00                    | 100.00              | 100.00                | 100.00  | 100.00  |
| Personnel cost as % of total for department | 100.00          | 100.00  | 100.00  | 100.00                | 100.00                    | 100.00              | 100.00                | 100.00  | 100.00  |
| <b>Part-time workers</b>                    |                 |         |         |                       |                           |                     |                       |         |         |
| Personnel numbers (head count)              | -               | -       | -       | -                     | -                         | -                   | -                     | -       | -       |
| Personnel cost (R thousand)                 | -               | -       | -       | -                     | -                         | -                   | -                     | -       | -       |
| Head count as % of total for department     | -               | -       | -       | -                     | -                         | -                   | -                     | -       | -       |
| Personnel cost as % of total for department | -               | -       | -       | -                     | -                         | -                   | -                     | -       | -       |
| <b>Contract workers</b>                     |                 |         |         |                       |                           |                     |                       |         |         |
| Personnel numbers (head count)              | -               | -       | -       | -                     | -                         | -                   | -                     | -       | -       |
| Personnel cost (R thousand)                 | -               | -       | -       | -                     | -                         | -                   | -                     | -       | -       |
| Head count as % of total for department     | -               | -       | -       | -                     | -                         | -                   | -                     | -       | -       |
| Personnel cost as % of total for department | -               | -       | -       | -                     | -                         | -                   | -                     | -       | -       |

Note: The phased-in establishment of the Royal Trust commenced in 2010/11. As such, these personnel costs are paid for by the Royal Trust and are reflected against Transfers and subsidies to: Dept. agencies and accounts.

As reflected in the table above, the department is projecting to transfer palace support staff from Programme 2 (from 2013/14 going forward) and farm workers from Programme 3 (evident from 2014/15) to the Royal Trust over the next three to five years, hence the reduction in staff numbers against these two programmes over the MTEF.

It is noted that the average unit cost is higher in 2015 compared to 2014, even though the number of personnel decreases. This is due to the fact that the majority of staff to be transferred to the Royal Trust consists of farm workers in lower level salary scales.

## 7.2 Training

Tables 10.20 and 10.21 give a summary of departmental spending and information on training for the period 2009/10 to 2011/12 and budgeted expenditure for the period 2013/14 to 2015/16.

Table 10.20 illustrates the number of staff affected by the various training programmes and initiatives, as well as a gender breakdown. The department spent a minimal amount of R3 000 on training in 2010/11 and R44 000 in 2011/12. However, no provision has been made for training in 2012/13 and over the 2013/14 MTEF, pending the establishment of the Royal Trust.

**Table 10.20: Payments and estimates on training**

| R thousand                                  | Audited Outcome |          |           | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates |          |          |
|---|-----------------|----------|-----------|--------------------|------------------------|------------------|-----------------------|----------|----------|
|   | 2009/10         | 2010/11  | 2011/12   | 2012/13            |                        |                  | 2013/14               | 2014/15  | 2015/16  |
| 1. Support Services - His Majesty, the King | -               | 3        | 44        | -                  | -                      | -                | -                     | -        | -        |
| <b>Total</b>                                | <b>-</b>        | <b>3</b> | <b>44</b> | <b>-</b>           | <b>-</b>               | <b>-</b>         | <b>-</b>              | <b>-</b> | <b>-</b> |

**Table 10.21: Information on training**

|                                  | Audited Outcome |         |         | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates |         |         |
|----------------------------------|-----------------|---------|---------|--------------------|------------------------|------------------|-----------------------|---------|---------|
|                                  | 2009/10         | 2010/11 | 2011/12 | 2012/13            |                        |                  | 2013/14               | 2014/15 | 2015/16 |
| Number of staff                  | 150             | 140     | 140     | 141                | 141                    | 141              | 92                    | 80      | 80      |
| Number of personnel trained      | -               | 2       | 2       | -                  | -                      | -                | -                     | -       | -       |
| of which                         |                 |         |         |                    |                        |                  |                       |         |         |
| Male                             |                 |         |         |                    |                        |                  |                       |         |         |
| Female                           | -               | 2       | 2       | -                  | -                      | -                | -                     | -       | -       |
| Number of training opportunities | -               | -       | -       | -                  | -                      | -                | -                     | -       | -       |
| of which                         |                 |         |         |                    |                        |                  |                       |         |         |
| Tertiary                         |                 |         |         |                    |                        |                  |                       |         |         |
| Workshops                        |                 |         |         |                    |                        |                  |                       |         |         |
| Seminars                         |                 |         |         |                    |                        |                  |                       |         |         |
| Other                            |                 |         |         |                    |                        |                  |                       |         |         |
| Number of bursaries offered      | -               | -       | -       | -                  | -                      | -                | -                     | -       | -       |
| External                         |                 |         |         |                    |                        |                  |                       |         |         |
| Internal                         |                 |         |         |                    |                        |                  |                       |         |         |
| Number of interns appointed      |                 |         |         |                    |                        |                  |                       |         |         |
| Number of learnerships appointed |                 |         |         |                    |                        |                  |                       |         |         |
| Number of days spent on training |                 |         |         |                    |                        |                  |                       |         |         |

## ANNEXURE – VOTE 10: ROYAL HOUSEHOLD

Table 10.A: Details of departmental receipts

| R thousand   | Audited Outcome |         |         | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates |         |         |
|--|-----------------|---------|---------|--------------------|------------------------|------------------|-----------------------|---------|---------|
|  | 2009/10         | 2010/11 | 2011/12 |                    |                        |                  | 2013/14               | 2014/15 | 2015/16 |
| <b>Tax receipts</b>  | -               | -       | -       | -                  | -                      | -                | -                     | -       | -       |
| Casino taxes   |                 |         |         |                    |                        |                  |                       |         |         |
| Horse racing taxes   |                 |         |         |                    |                        |                  |                       |         |         |
| Liquor licences  |                 |         |         |                    |                        |                  |                       |         |         |
| Motor vehicle licences   |                 |         |         |                    |                        |                  |                       |         |         |
| <b>Sale of goods and services other than capital assets</b>                        | 89              | 81      | 104     | 98                 | 98                     | 100              | 103                   | 109     | 110     |
| Sale of goods and services produced by dept. (excl. capital assets)                | 89              | 81      | 104     | 98                 | 98                     | 100              | 103                   | 109     | 110     |
| Sales by market establishments   |                 |         |         |                    |                        |                  |                       |         |         |
| Administrative fees  | 29              | -       | -       | -                  | -                      | -                | -                     | -       | -       |
| Other sales  | 60              | 81      | 104     | 98                 | 98                     | 100              | 103                   | 109     | 110     |
| of which   |                 |         |         |                    |                        |                  |                       |         |         |
| Commission on insurance  | 60              | 81      | 104     | 98                 | 98                     | 100              | 103                   | 109     | 110     |
| Sale of scrap, waste, arms and other used current goods (excluding capital assets) |                 |         |         |                    |                        |                  |                       |         |         |
| <b>Transfers received from:</b>  | -               | -       | -       | -                  | -                      | -                | -                     | -       | -       |
| Other governmental units   |                 |         |         |                    |                        |                  |                       |         |         |
| Universities and technikons  |                 |         |         |                    |                        |                  |                       |         |         |
| Foreign governments  |                 |         |         |                    |                        |                  |                       |         |         |
| International organisations  |                 |         |         |                    |                        |                  |                       |         |         |
| Public corporations and private enterprises  |                 |         |         |                    |                        |                  |                       |         |         |
| Households and non-profit institutions   |                 |         |         |                    |                        |                  |                       |         |         |
| <b>Fines, penalties and forfeits</b>   |                 |         |         |                    |                        |                  |                       |         |         |
| <b>Interest, dividends and rent on land</b>  | -               | -       | -       | -                  | -                      | -                | -                     | -       | -       |
| Interest   |                 |         |         |                    |                        |                  |                       |         |         |
| Dividends  |                 |         |         |                    |                        |                  |                       |         |         |
| Rent on land   |                 |         |         |                    |                        |                  |                       |         |         |
| <b>Sale of capital assets</b>  | -               | 335     | -       | -                  | -                      | -                | -                     | -       | -       |
| Land and subsoil assets  |                 |         |         |                    |                        |                  |                       |         |         |
| Other capital assets   | -               | 335     | -       | -                  | -                      | -                | -                     | -       | -       |
| <b>Transactions in financial assets and liabilities</b>                            | -               | 97      | 50      | -                  | -                      | -                | -                     | -       | -       |
| <b>Total</b>   | 89              | 513     | 154     | 98                 | 98                     | 100              | 103                   | 109     | 110     |

Table 10.B: Details of payments and estimates by economic classification

| R thousand   | Audited Outcome |               |               | Main          | Adjusted      | Revised       | Medium-term Estimates |               |               |
|--|-----------------|---------------|---------------|---------------|---------------|---------------|-----------------------|---------------|---------------|
|  | 2009/10         | 2010/11       | 2011/12       | Appropriation | Appropriation | Estimate      | 2013/14               | 2014/15       | 2015/16       |
|  |                 |               |               |               | 2012/13       |               |                       |               |               |
| <b>Current payments</b>  | <b>39 352</b>   | <b>38 973</b> | <b>41 086</b> | <b>33 367</b> | <b>35 010</b> | <b>35 010</b> | <b>26 122</b>         | <b>26 419</b> | <b>25 261</b> |
| Compensation of employees  | 16 891          | 20 238        | 20 093        | 20 852        | 21 264        | 21 264        | 13 938                | 13 474        | 14 094        |
| Salaries and wages   | 14 820          | 17 506        | 17 300        | 18 915        | 19 327        | 19 327        | 11 903                | 11 317        | 11 838        |
| Social contributions   | 2 071           | 2 732         | 2 793         | 1 937         | 1 937         | 1 937         | 2 035                 | 2 157         | 2 256         |
| Goods and services   | 22 461          | 18 735        | 20 993        | 12 515        | 13 746        | 13 746        | 12 184                | 12 945        | 11 167        |
| of which   |                 |               |               |               |               |               |                       |               |               |
| Administrative fees  | -               | -             | -             | -             | -             | -             | -                     | -             | -             |
| Advertising  | 66              | -             | 46            | 53            | 53            | 53            | 55                    | 58            | 60            |
| Assets <R5000  | 334             | 52            | 59            | 7             | 7             | 7             | 7                     | 7             | 7             |
| Audit cost: External   | 824             | 245           | 1 909         | -             | -             | -             | 1 200                 | 1 320         | 1 200         |
| Bursaries (employees)  | -               | -             | -             | -             | -             | -             | -                     | -             | -             |
| Catering: Departmental activities                                  | -               | 140           | 120           | -             | -             | -             | -                     | -             | -             |
| Communication  | 1 086           | 1 182         | 1 239         | 1 029         | 1 029         | 1 029         | 1 240                 | 1 250         | 1 020         |
| Computer services  | -               | 242           | 166           | -             | -             | -             | -                     | -             | -             |
| Cons/prof: Business & advisory services                            | 655             | 1 996         | 1 705         | 596           | 596           | 596           | 723                   | 754           | 640           |
| Cons/prof: Infrastructure & planning                               | -               | -             | 764           | -             | -             | -             | -                     | -             | -             |
| Cons/prof: Laboratory services                                     | -               | -             | -             | -             | -             | -             | -                     | -             | -             |
| Cons/prof: Legal cost  | -               | -             | -             | -             | -             | -             | -                     | -             | -             |
| Contractors  | -               | -             | 1 126         | -             | -             | -             | 500                   | 500           | 530           |
| Agency & support/outsourced services                               | -               | 1 960         | -             | -             | -             | -             | -                     | -             | -             |
| Entertainment  | 1 302           | 782           | 969           | 868           | 868           | 868           | 960                   | 980           | 930           |
| Fleet services (incl. GMT)   | -               | -             | -             | -             | 641           | 641           | 100                   | 120           | 110           |
| Housing  | 185             | -             | -             | 31            | 31            | 31            | 33                    | 50            | 36            |
| Inventory: Food and food supplies                                  | 996             | 521           | 1 576         | 7             | 566           | 566           | 7                     | 25            | 7             |
| Inventory: Fuel, oil and gas                                       | 217             | 36            | 1 031         | -             | -             | -             | 100                   | 110           | 115           |
| Inventory: Learner and teacher supp material                       | -               | 30            | -             | -             | -             | -             | -                     | -             | -             |
| Inventory: Materials and supplies                                  | -               | 904           | 212           | -             | -             | -             | -                     | -             | -             |
| Inventory: Medical supplies  | -               | -             | -             | -             | -             | -             | -                     | -             | -             |
| Inventory: Medicine  | -               | -             | -             | -             | -             | -             | -                     | -             | -             |
| Medsas inventory interface   | -               | -             | -             | -             | -             | -             | -                     | -             | -             |
| Inventory: Military stores   | -               | -             | -             | -             | -             | -             | -                     | -             | -             |
| Inventory: Other consumables                                       | -               | 5             | 502           | 219           | 250           | 250           | 325                   | 349           | 363           |
| Inventory: Stationery and printing                                 | 404             | 122           | 517           | 329           | 329           | 329           | 340                   | 380           | 360           |
| Operating leases   | 124             | 353           | 260           | 137           | 137           | 137           | 163                   | 210           | 120           |
| Property payments  | 1 335           | 600           | 1 083         | 1 200         | 1 200         | 1 200         | 11                    | 50            | 60            |
| Transport provided: Departmental activity                          | 4 567           | 2 490         | -             | 1 575         | 1 575         | 1 575         | 1 440                 | 1 480         | 1 320         |
| Travel and subsistence   | 8 277           | 6 695         | 6 070         | 5 117         | 5 117         | 5 117         | 4 356                 | 4 652         | 3 609         |
| Training and development   | -               | 3             | 44            | -             | -             | -             | -                     | -             | -             |
| Operating expenditure  | 689             | 377           | 1 595         | 825           | 825           | 825           | 624                   | 650           | 680           |
| Venues and facilities  | 1 400           | -             | -             | 522           | 522           | 522           | -                     | -             | -             |
| Rental and hiring  | -               | -             | -             | -             | -             | -             | -                     | -             | -             |
| Interest and rent on land  | -               | -             | -             | -             | -             | -             | -                     | -             | -             |
| Interest   | -               | -             | -             | -             | -             | -             | -                     | -             | -             |
| Rent on land   | -               | -             | -             | -             | -             | -             | -                     | -             | -             |
| <b>Transfers and subsidies to</b>                                  | <b>262</b>      | <b>6 564</b>  | <b>11 524</b> | <b>12 141</b> | <b>11 121</b> | <b>11 121</b> | <b>20 541</b>         | <b>22 548</b> | <b>23 575</b> |
| Provinces and municipalities                                       | 26              | 19            | -             | 8             | 8             | 8             | 9                     | 10            | 10            |
| Provinces  | 26              | 19            | -             | 8             | 8             | 8             | 9                     | 10            | 10            |
| Provincial Revenue Funds   | -               | -             | -             | -             | -             | -             | -                     | -             | -             |
| Provincial agencies and funds                                      | 26              | 19            | -             | 8             | 8             | 8             | 9                     | 10            | 10            |
| Municipalities   | -               | -             | -             | -             | -             | -             | -                     | -             | -             |
| Municipalities   | -               | -             | -             | -             | -             | -             | -                     | -             | -             |
| Municipal agencies and funds                                       | -               | -             | -             | -             | -             | -             | -                     | -             | -             |
| Departmental agencies and accounts                                 | -               | 5 857         | 11 300        | 12 000        | 10 800        | 10 800        | 20 393                | 22 393        | 23 415        |
| Social security funds  | -               | -             | -             | -             | -             | -             | -                     | -             | -             |
| Entities receiving funds   | -               | 5 857         | 11 300        | 12 000        | 10 800        | 10 800        | 20 393                | 22 393        | 23 415        |
| Universities and technikons  | -               | -             | -             | -             | -             | -             | -                     | -             | -             |
| Foreign governments and international organisations                | -               | -             | -             | -             | -             | -             | -                     | -             | -             |
| Public corporations and private enterprises                        | -               | -             | -             | -             | -             | -             | -                     | -             | -             |
| Public corporations  | -               | -             | -             | -             | -             | -             | -                     | -             | -             |
| Subsidies on production  | -               | -             | -             | -             | -             | -             | -                     | -             | -             |
| Other transfers  | -               | -             | -             | -             | -             | -             | -                     | -             | -             |
| Private enterprises  | -               | -             | -             | -             | -             | -             | -                     | -             | -             |
| Subsidies on production  | -               | -             | -             | -             | -             | -             | -                     | -             | -             |
| Other transfers  | -               | -             | -             | -             | -             | -             | -                     | -             | -             |
| Non-profit institutions  | -               | -             | -             | -             | -             | -             | -                     | -             | -             |
| Households   | 236             | 688           | 224           | 133           | 313           | 313           | 139                   | 145           | 150           |
| Social benefits  | 236             | 688           | 224           | 133           | 313           | 313           | 139                   | 145           | 150           |
| Other transfers to households                                      | -               | -             | -             | -             | -             | -             | -                     | -             | -             |
| <b>Payments for capital assets</b>                                 | <b>647</b>      | <b>1 106</b>  | <b>3 032</b>  | <b>12 258</b> | <b>17 430</b> | <b>17 430</b> | <b>14 167</b>         | <b>2 403</b>  | <b>2 533</b>  |
| Buildings and other fixed structures                               | 314             | 259           | 2 527         | 10 821        | 16 204        | 16 204        | 12 866                | 1 063         | 1 112         |
| Buildings  | -               | 259           | 2 527         | -             | -             | -             | -                     | -             | -             |
| Other fixed structures   | 314             | -             | -             | 10 821        | 16 204        | 16 204        | 12 866                | 1 063         | 1 112         |
| Machinery and equipment  | 333             | 763           | 505           | 1 437         | 1 226         | 1 226         | 1 301                 | 1 340         | 1 421         |
| Transport equipment  | -               | -             | -             | 1 054         | 1 004         | 1 004         | 1 096                 | 1 125         | 1 196         |
| Other machinery and equipment                                      | 333             | 763           | 505           | 383           | 222           | 222           | 205                   | 215           | 225           |
| Heritage assets  | -               | -             | -             | -             | -             | -             | -                     | -             | -             |
| Specialised military assets  | -               | -             | -             | -             | -             | -             | -                     | -             | -             |
| Biological assets  | -               | 84            | -             | -             | -             | -             | -                     | -             | -             |
| Land and sub-soil assets   | -               | -             | -             | -             | -             | -             | -                     | -             | -             |
| Software and other intangible assets                               | -               | -             | -             | -             | -             | -             | -                     | -             | -             |
| <b>Payments for financial assets</b>                               | <b>146</b>      | <b>3 984</b>  | <b>3 767</b>  | <b>1 800</b>  | <b>1 800</b>  | <b>1 800</b>  | <b>2 500</b>          | <b>2 500</b>  | <b>4 694</b>  |
| <b>Total</b>   | <b>40 407</b>   | <b>50 627</b> | <b>59 409</b> | <b>59 566</b> | <b>65 361</b> | <b>65 361</b> | <b>63 330</b>         | <b>53 870</b> | <b>56 063</b> |
| Unauth. exp. (1 <sup>st</sup> charge) not available for spending   | -               | (3 767)       | (3 767)       | (1 800)       | (1 800)       | (1 800)       | (2 500)               | (2 500)       | (4 694)       |
| <b>Baseline available for spending after 1<sup>st</sup> charge</b> | <b>40 407</b>   | <b>46 860</b> | <b>55 642</b> | <b>57 766</b> | <b>63 561</b> | <b>63 561</b> | <b>60 830</b>         | <b>51 370</b> | <b>51 369</b> |

Table 10.C: Details of payments and estimates by economic classification - Programme 1: Support Services - His Majesty, the King

| Audited Outcome  |         |         |         | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates |         |         |
|--|---------|---------|---------|--------------------|------------------------|------------------|-----------------------|---------|---------|
| R thousand   | 2009/10 | 2010/11 | 2011/12 | 2012/13            |                        |                  | 2013/14               | 2014/15 | 2015/16 |
| Current payments   | 24 221  | 25 265  | 27 549  | 20 231             | 21 574                 | 21 574           | 15 029                | 15 993  | 14 353  |
| Compensation of employees  | 7 646   | 10 482  | 9 801   | 9 989              | 10 132                 | 10 132           | 4 585                 | 4 859   | 5 083   |
| Salaries and wages   | 6 786   | 9 233   | 8 611   | 8 824              | 8 967                  | 8 967            | 3 365                 | 3 566   | 3 731   |
| Social contributions   | 860     | 1 249   | 1 190   | 1 165              | 1 165                  | 1 165            | 1 220                 | 1 293   | 1 352   |
| Goods and services   | 16 575  | 14 783  | 17 748  | 10 242             | 11 442                 | 11 442           | 10 444                | 11 134  | 9 270   |
| of which   |         |         |         |                    |                        |                  |                       |         |         |
| Administrative fees  |         |         |         |                    |                        |                  |                       |         |         |
| Advertising  | 60      | -       | 46      | 53                 | 53                     | 53               | 55                    | 58      | 60      |
| Assets <R5000  | 6       | 14      | 59      | 7                  | 7                      | 7                | 7                     | 7       | 7       |
| Audit cost: External   | -       | 245     | 1 909   | -                  | -                      | -                | 1 200                 | 1 320   | 1 200   |
| Bursaries (employees)  | -       |         |         | -                  | -                      | -                |                       |         |         |
| Catering: Departmental activities                                | -       | 140     | 120     | -                  | -                      | -                | -                     | -       | -       |
| Communication  | 964     | 1 182   | 1 239   | 1 029              | 1 029                  | 1 029            | 1 240                 | 1 250   | 1 020   |
| Computer services  | -       | 242     | 166     | -                  | -                      | -                | -                     | -       | -       |
| Cons/prof: Business & advisory services                          | 655     | -       | 1 705   | 596                | 596                    | 596              | 723                   | 754     | 640     |
| Cons/prof: Infrastructure & planning                             | -       | -       | 764     | -                  | -                      | -                | -                     | -       | -       |
| Cons/prof: Laboratory services                                   |         |         |         |                    |                        |                  |                       |         |         |
| Cons/prof: Legal cost  |         |         |         |                    |                        |                  |                       |         |         |
| Contractors  | -       | -       | 3       | -                  | -                      | -                | -                     | -       | -       |
| Agency & support/outsourced services                             | -       | 1 960   | -       | -                  | -                      | -                | -                     | -       | -       |
| Entertainment  | 787     | 782     | 931     | 868                | 868                    | 868              | 960                   | 980     | 930     |
| Fleet services (incl. GMT)                                       | -       | -       | -       | -                  | 641                    | 641              | 100                   | 120     | 110     |
| Housing  | 28      | -       | -       | 31                 | 31                     | 31               | 33                    | 50      | 36      |
| Inventory: Food and food supplies                                | 6       | 262     | 1 555   | 7                  | 566                    | 566              | 7                     | 25      | 7       |
| Inventory: Fuel, oil and gas                                     | -       | 7       | 934     | -                  | -                      | -                | -                     | -       | -       |
| Inventory: Learner and teacher supp material                     | -       | 30      | -       | -                  | -                      | -                | -                     | -       | -       |
| Inventory: Materials and supplies                                | -       | -       | (451)   | -                  | -                      | -                | -                     | -       | -       |
| Inventory: Medical supplies                                      |         |         |         |                    |                        |                  |                       |         |         |
| Inventory: Medicine  |         |         |         |                    |                        |                  |                       |         |         |
| Medsas inventory interface                                       |         |         |         |                    |                        |                  |                       |         |         |
| Inventory: Military stores                                       |         |         |         |                    |                        |                  |                       |         |         |
| Inventory: Other consumables                                     | -       | 5       | 460     | -                  | -                      | -                | -                     | -       | -       |
| Inventory: Stationery and printing                               | 399     | 122     | 517     | 329                | 329                    | 329              | 340                   | 380     | 360     |
| Operating leases   | 124     | 251     | 159     | 137                | 137                    | 137              | 163                   | 210     | 120     |
| Property payments  | 9       | 267     | 771     | 10                 | 10                     | 10               | 11                    | 50      | 60      |
| Transport provided: Departmental activity                        | 4 567   | 2 490   | -       | 1 575              | 1 575                  | 1 575            | 1 440                 | 1 480   | 1 320   |
| Travel and subsistence   | 8 143   | 6 457   | 6 009   | 5 078              | 5 078                  | 5 078            | 4 165                 | 4 450   | 3 400   |
| Training and development   | -       | 3       | 44      | -                  | -                      | -                | -                     | -       | -       |
| Operating expenditure  | -       | 324     | 1 595   | -                  | -                      | -                | -                     | -       | -       |
| Venues and facilities  | 827     | -       | -       | 522                | 522                    | 522              | -                     | -       | -       |
| Rental and hiring  | -       | -       | (787)   | -                  | -                      | -                | -                     | -       | -       |
| Interest and rent on land  | -       | -       | -       | -                  | -                      | -                | -                     | -       | -       |
| Interest   |         |         |         |                    |                        |                  |                       |         |         |
| Rent on land   |         |         |         |                    |                        |                  |                       |         |         |
| Transfers and subsidies to                                       | 102     | 6 357   | 11 392  | 12 008             | 10 858                 | 10 858           | 20 402                | 22 403  | 23 425  |
| Provinces and municipalities                                     | 26      | 19      | -       | 8                  | 8                      | 8                | 9                     | 10      | 10      |
| Provinces  | 26      | 19      | -       | 8                  | 8                      | 8                | 9                     | 10      | 10      |
| Provincial Revenue Funds   |         |         |         |                    |                        |                  |                       |         |         |
| Provincial agencies and funds                                    | 26      | 19      | -       | 8                  | 8                      | 8                | 9                     | 10      | 10      |
| Municipalities   | -       | -       | -       | -                  | -                      | -                | -                     | -       | -       |
| Municipalities   |         |         |         |                    |                        |                  |                       |         |         |
| Municipal agencies and funds                                     |         |         |         |                    |                        |                  |                       |         |         |
| Departmental agencies and accounts                               | -       | 5 857   | 11 300  | 12 000             | 10 800                 | 10 800           | 20 393                | 22 393  | 23 415  |
| Social security funds  |         |         |         |                    |                        |                  |                       |         |         |
| Entities receiving funds   | -       | 5 857   | 11 300  | 12 000             | 10 800                 | 10 800           | 20 393                | 22 393  | 23 415  |
| Universities and technikons                                      |         |         |         |                    |                        |                  |                       |         |         |
| Foreign governments and international organisations              |         |         |         |                    |                        |                  |                       |         |         |
| Public corporations and private enterprises                      | -       | -       | -       | -                  | -                      | -                | -                     | -       | -       |
| Public corporations  | -       | -       | -       | -                  | -                      | -                | -                     | -       | -       |
| Subsidies on production  |         |         |         |                    |                        |                  |                       |         |         |
| Other transfers  |         |         |         |                    |                        |                  |                       |         |         |
| Private enterprises  | -       | -       | -       | -                  | -                      | -                | -                     | -       | -       |
| Subsidies on production  |         |         |         |                    |                        |                  |                       |         |         |
| Other transfers  |         |         |         |                    |                        |                  |                       |         |         |
| Non-profit institutions  |         |         |         |                    |                        |                  |                       |         |         |
| Households   | 76      | 481     | 92      | -                  | 50                     | 50               | -                     | -       | -       |
| Social benefits  | 76      | 481     | 92      | -                  | 50                     | 50               | -                     | -       | -       |
| Other transfers to households                                    |         |         |         |                    |                        |                  |                       |         |         |
| Payments for capital assets                                      | -       | 514     | 507     | 1 239              | 1 189                  | 1 189            | 1 096                 | 1 125   | 1 196   |
| Buildings and other fixed structures                             | -       | -       | 2       | -                  | -                      | -                | -                     | -       | -       |
| Buildings  | -       | -       | 2       | -                  | -                      | -                | -                     | -       | -       |
| Other fixed structures   |         |         |         |                    |                        |                  |                       |         |         |
| Machinery and equipment  | -       | 514     | 505     | 1 239              | 1 189                  | 1 189            | 1 096                 | 1 125   | 1 196   |
| Transport equipment  | -       | -       | -       | 1 054              | 1 004                  | 1 004            | 1 096                 | 1 125   | 1 196   |
| Other machinery and equipment                                    | -       | 514     | 505     | 185                | 185                    | 185              | -                     | -       | -       |
| Heritage assets  |         |         |         |                    |                        |                  |                       |         |         |
| Specialised military assets                                      |         |         |         |                    |                        |                  |                       |         |         |
| Biological assets  |         |         |         |                    |                        |                  |                       |         |         |
| Land and sub-soil assets   |         |         |         |                    |                        |                  |                       |         |         |
| Software and other intangible assets                             |         |         |         |                    |                        |                  |                       |         |         |
| Payments for financial assets                                    | -       | 3 984   | 3 767   | 1 800              | 1 800                  | 1 800            | 2 500                 | 2 500   | 4 694   |
| Total  | 24 323  | 36 120  | 43 215  | 35 278             | 35 421                 | 35 421           | 39 027                | 42 021  | 43 668  |
| Unauth. exp. (1 <sup>st</sup> charge) not available for spending | -       | (3 767) | (3 767) | (1 800)            | (1 800)                | (1 800)          | (2 500)               | (2 500) | (4 694) |
| Baseline available for spending after 1 <sup>st</sup> charge     | 24 323  | 32 353  | 39 448  | 33 478             | 33 621                 | 33 621           | 36 527                | 39 521  | 38 974  |

Table 10.D: Details of payments and estimates by economic classification - Programme 2: Royal Household Planning and Development

| R thousand  | Audited Outcome |               |               | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates |              |              |
|---|-----------------|---------------|---------------|--------------------|------------------------|------------------|-----------------------|--------------|--------------|
|   | 2009/10         | 2010/11       | 2011/12       | 2012/13            | 2012/13                | 2012/13          | 2013/14               | 2014/15      | 2015/16      |
| <b>Current payments</b>                             | <b>12 713</b>   | <b>11 264</b> | <b>11 679</b> | <b>9 443</b>       | <b>9 661</b>           | <b>9 661</b>     | <b>7 480</b>          | <b>7 608</b> | <b>7 962</b> |
| Compensation of employees                           | 7 566           | 8 384         | 9 102         | 8 253              | 8 471                  | 8 471            | 6 630                 | 6 728        | 7 037        |
| Salaries and wages                                  | 6 580           | 7 065         | 7 600         | 7 745              | 7 963                  | 7 963            | 6 094                 | 6 160        | 6 443        |
| Social contributions                                | 986             | 1 319         | 1 502         | 508                | 508                    | 508              | 536                   | 568          | 594          |
| Goods and services                                  | 5 147           | 2 880         | 2 577         | 1 190              | 1 190                  | 1 190            | 850                   | 880          | 925          |
| <i>of which</i>                                     |                 |               |               |                    |                        |                  |                       |              |              |
| Administrative fees                                 |                 |               |               |                    |                        |                  |                       |              |              |
| Advertising   | 6               | -             | -             | -                  | -                      | -                | -                     | -            | -            |
| Assets <R5000                                       | 328             | 38            | -             | -                  | -                      | -                | -                     | -            | -            |
| Audit cost: External                                | 824             | -             | -             | -                  | -                      | -                | -                     | -            | -            |
| Bursaries (employees)                               |                 |               |               |                    |                        |                  |                       |              |              |
| Catering: Departmental activities                   |                 |               |               |                    |                        |                  |                       |              |              |
| Communication                                       | 122             | -             | -             | -                  | -                      | -                | -                     | -            | -            |
| Computer services                                   |                 |               |               |                    |                        |                  |                       |              |              |
| Cons/prof: Business & advisory services             | -               | 1 996         | -             | -                  | -                      | -                | -                     | -            | -            |
| Cons/prof: Infrastructure & planning                |                 |               |               |                    |                        |                  |                       |              |              |
| Cons/prof: Laboratory services                      |                 |               |               |                    |                        |                  |                       |              |              |
| Cons/prof: Legal cost                               |                 |               |               |                    |                        |                  |                       |              |              |
| Contractors   | -               | -             | 1 123         | -                  | -                      | -                | 500                   | 500          | 530          |
| Agency & support/outsourced services                |                 |               |               |                    |                        |                  |                       |              |              |
| Entertainment                                       | 515             | -             | 38            | -                  | -                      | -                | -                     | -            | -            |
| Fleet services (incl. GMT)                          |                 |               |               |                    |                        |                  |                       |              |              |
| Housing   | 138             | -             | -             | -                  | -                      | -                | -                     | -            | -            |
| Inventory: Food and food supplies                   | 990             | 259           | 21            | -                  | -                      | -                | -                     | -            | -            |
| Inventory: Fuel, oil and gas                        | 217             | 29            | 97            | -                  | -                      | -                | 100                   | 110          | 115          |
| Inventory: Learner and teacher supp material        |                 |               |               |                    |                        |                  |                       |              |              |
| Inventory: Materials and supplies                   | -               | 35            | 211           | -                  | -                      | -                | -                     | -            | -            |
| Inventory: Medical supplies                         |                 |               |               |                    |                        |                  |                       |              |              |
| Inventory: Medicine                                 |                 |               |               |                    |                        |                  |                       |              |              |
| Medsas inventory interface                          |                 |               |               |                    |                        |                  |                       |              |              |
| Inventory: Military stores                          |                 |               |               |                    |                        |                  |                       |              |              |
| Inventory: Other consumables                        | -               | -             | -             | -                  | -                      | -                | 100                   | 110          | 115          |
| Inventory: Stationery and printing                  | 5               | -             | -             | -                  | -                      | -                | -                     | -            | -            |
| Operating leases                                    |                 |               |               |                    |                        |                  |                       |              |              |
| Property payments                                   | 1 326           | 333           | 248           | 1 190              | 1 190                  | 1 190            | -                     | -            | -            |
| Transport provided: Departmental activity           |                 |               |               |                    |                        |                  |                       |              |              |
| Travel and subsistence                              | 103             | 158           | 52            | -                  | -                      | -                | 150                   | 160          | 165          |
| Training and development                            |                 |               |               |                    |                        |                  |                       |              |              |
| Operating expenditure                               | -               | 32            | -             | -                  | -                      | -                | -                     | -            | -            |
| Venues and facilities                               | 573             | -             | -             | -                  | -                      | -                | -                     | -            | -            |
| Rental and hiring                                   | -               | -             | 787           | -                  | -                      | -                | -                     | -            | -            |
| Interest and rent on land                           | -               | -             | -             | -                  | -                      | -                | -                     | -            | -            |
| Interest  |                 |               |               |                    |                        |                  |                       |              |              |
| Rent on land  |                 |               |               |                    |                        |                  |                       |              |              |
| <b>Transfers and subsidies to</b>                   | <b>160</b>      | <b>192</b>    | <b>132</b>    | <b>133</b>         | <b>183</b>             | <b>183</b>       | <b>139</b>            | <b>145</b>   | <b>150</b>   |
| Provinces and municipalities                        | -               | -             | -             | -                  | -                      | -                | -                     | -            | -            |
| Provinces   | -               | -             | -             | -                  | -                      | -                | -                     | -            | -            |
| Provincial Revenue Funds                            |                 |               |               |                    |                        |                  |                       |              |              |
| Provincial agencies and funds                       |                 |               |               |                    |                        |                  |                       |              |              |
| Municipalities                                      | -               | -             | -             | -                  | -                      | -                | -                     | -            | -            |
| Municipalities                                      |                 |               |               |                    |                        |                  |                       |              |              |
| Municipal agencies and funds                        |                 |               |               |                    |                        |                  |                       |              |              |
| Departmental agencies and accounts                  | -               | -             | -             | -                  | -                      | -                | -                     | -            | -            |
| Social security funds                               |                 |               |               |                    |                        |                  |                       |              |              |
| Entities receiving funds                            |                 |               |               |                    |                        |                  |                       |              |              |
| Universities and technikons                         |                 |               |               |                    |                        |                  |                       |              |              |
| Foreign governments and international organisations |                 |               |               |                    |                        |                  |                       |              |              |
| Public corporations and private enterprises         | -               | -             | -             | -                  | -                      | -                | -                     | -            | -            |
| Public corporations                                 | -               | -             | -             | -                  | -                      | -                | -                     | -            | -            |
| Subsidies on production                             |                 |               |               |                    |                        |                  |                       |              |              |
| Other transfers                                     |                 |               |               |                    |                        |                  |                       |              |              |
| Private enterprises                                 | -               | -             | -             | -                  | -                      | -                | -                     | -            | -            |
| Subsidies on production                             |                 |               |               |                    |                        |                  |                       |              |              |
| Other transfers                                     |                 |               |               |                    |                        |                  |                       |              |              |
| Non-profit institutions                             |                 |               |               |                    |                        |                  |                       |              |              |
| Households  | 160             | 192           | 132           | 133                | 183                    | 183              | 139                   | 145          | 150          |
| Social benefits                                     | 160             | 192           | 132           | 133                | 183                    | 183              | 139                   | 145          | 150          |
| Other transfers to households                       |                 |               |               |                    |                        |                  |                       |              |              |
| <b>Payments for capital assets</b>                  | <b>647</b>      | <b>508</b>    | <b>2 525</b>  | <b>10 908</b>      | <b>16 241</b>          | <b>16 241</b>    | <b>12 956</b>         | <b>1 158</b> | <b>1 212</b> |
| Buildings and other fixed structures                | 314             | 259           | 2 525         | 10 821             | 16 204                 | 16 204           | 12 866                | 1 063        | 1 112        |
| Buildings   | -               | 259           | 2 525         | -                  | -                      | -                | -                     | -            | -            |
| Other fixed structures                              | 314             | -             | -             | 10 821             | 16 204                 | 16 204           | 12 866                | 1 063        | 1 112        |
| Machinery and equipment                             | 333             | 249           | -             | 87                 | 37                     | 37               | 90                    | 95           | 100          |
| Transport equipment                                 |                 |               |               |                    |                        |                  |                       |              |              |
| Other machinery and equipment                       | 333             | 249           | -             | 87                 | 37                     | 37               | 90                    | 95           | 100          |
| Heritage assets                                     |                 |               |               |                    |                        |                  |                       |              |              |
| Specialised military assets                         |                 |               |               |                    |                        |                  |                       |              |              |
| Biological assets                                   |                 |               |               |                    |                        |                  |                       |              |              |
| Land and sub-soil assets                            |                 |               |               |                    |                        |                  |                       |              |              |
| Software and other intangible assets                |                 |               |               |                    |                        |                  |                       |              |              |
| <b>Payments for financial assets</b>                | <b>146</b>      | <b>-</b>      | <b>-</b>      | <b>-</b>           | <b>-</b>               | <b>-</b>         | <b>-</b>              | <b>-</b>     | <b>-</b>     |
| <b>Total</b>  | <b>13 666</b>   | <b>11 964</b> | <b>14 336</b> | <b>20 484</b>      | <b>26 085</b>          | <b>26 085</b>    | <b>20 575</b>         | <b>8 911</b> | <b>9 324</b> |

Table 10.E: Details of payments and estimates by economic classification - Programme 3: His Majesty, the King's Farms

| R thousand  | Audited Outcome |              |              | Main Appropriation | Adjusted Appropriation | Revised Estimate | Medium-term Estimates |              |              |
|---|-----------------|--------------|--------------|--------------------|------------------------|------------------|-----------------------|--------------|--------------|
|   | 2009/10         | 2010/11      | 2011/12      | 2012/13            |                        |                  | 2013/14               | 2014/15      | 2015/16      |
| <b>Current payments</b>                             | <b>2 418</b>    | <b>2 444</b> | <b>1 858</b> | <b>3 693</b>       | <b>3 775</b>           | <b>3 775</b>     | <b>3 613</b>          | <b>2 818</b> | <b>2 946</b> |
| Compensation of employees                           | 1 679           | 1 372        | 1 190        | 2 610              | 2 661                  | 2 661            | 2 723                 | 1 887        | 1 974        |
| Salaries and wages                                  | 1 454           | 1 208        | 1 089        | 2 346              | 2 397                  | 2 397            | 2 444                 | 1 591        | 1 664        |
| Social contributions                                | 225             | 164          | 101          | 264                | 264                    | 264              | 279                   | 296          | 310          |
| Goods and services                                  | 739             | 1 072        | 668          | 1 083              | 1 114                  | 1 114            | 890                   | 931          | 972          |
| of which  |                 |              |              |                    |                        |                  |                       |              |              |
| Administrative fees                                 |                 |              |              |                    |                        |                  |                       |              |              |
| Advertising   |                 |              |              |                    |                        |                  |                       |              |              |
| Assets <R5000                                       |                 |              |              |                    |                        |                  |                       |              |              |
| Audit cost: External                                |                 |              |              |                    |                        |                  |                       |              |              |
| Bursaries (employees)                               |                 |              |              |                    |                        |                  |                       |              |              |
| Catering: Departmental activities                   |                 |              |              |                    |                        |                  |                       |              |              |
| Communication                                       |                 |              |              |                    |                        |                  |                       |              |              |
| Computer services                                   |                 |              |              |                    |                        |                  |                       |              |              |
| Cons/prof. Business & advisory services             |                 |              |              |                    |                        |                  |                       |              |              |
| Cons/prof. Infrastructure & planning                |                 |              |              |                    |                        |                  |                       |              |              |
| Cons/prof. Laboratory services                      |                 |              |              |                    |                        |                  |                       |              |              |
| Cons/prof. Legal cost                               |                 |              |              |                    |                        |                  |                       |              |              |
| Contractors   |                 |              |              |                    |                        |                  |                       |              |              |
| Agency & support/outsource services                 |                 |              |              |                    |                        |                  |                       |              |              |
| Entertainment                                       |                 |              |              |                    |                        |                  |                       |              |              |
| Fleet services (incl. GMT)                          |                 |              |              |                    |                        |                  |                       |              |              |
| Housing   | 19              | -            | -            | -                  | -                      | -                | -                     | -            | -            |
| Inventory: Food and food supplies                   |                 |              |              |                    |                        |                  |                       |              |              |
| Inventory: Fuel, oil and gas                        |                 |              |              |                    |                        |                  |                       |              |              |
| Inventory: Learner and teacher supp material        |                 |              |              |                    |                        |                  |                       |              |              |
| Inventory: Materials and supplies                   | -               | 869          | 452          | -                  | -                      | -                | -                     | -            | -            |
| Inventory: Medical supplies                         |                 |              |              |                    |                        |                  |                       |              |              |
| Inventory: Medicine                                 |                 |              |              |                    |                        |                  |                       |              |              |
| Medsas inventory interface                          |                 |              |              |                    |                        |                  |                       |              |              |
| Inventory: Military stores                          |                 |              |              |                    |                        |                  |                       |              |              |
| Inventory: Other consumables                        | -               | -            | 42           | 219                | 250                    | 250              | 225                   | 239          | 248          |
| Inventory: Stationery and printing                  |                 |              |              |                    |                        |                  |                       |              |              |
| Operating leases                                    | -               | 102          | 101          | -                  | -                      | -                | -                     | -            | -            |
| Property payments                                   | -               | -            | 64           | -                  | -                      | -                | -                     | -            | -            |
| Transport provided: Departmental activity           |                 |              |              |                    |                        |                  |                       |              |              |
| Travel and subsistence                              | 31              | 80           | 9            | 39                 | 39                     | 39               | 41                    | 42           | 44           |
| Training and development                            |                 |              |              |                    |                        |                  |                       |              |              |
| Operating expenditure                               | 689             | 21           | -            | 825                | 825                    | 825              | 624                   | 650          | 680          |
| Venues and facilities                               |                 |              |              |                    |                        |                  |                       |              |              |
| Rental and hiring                                   |                 |              |              |                    |                        |                  |                       |              |              |
| Interest and rent on land                           | -               | -            | -            | -                  | -                      | -                | -                     | -            | -            |
| Interest  |                 |              |              |                    |                        |                  |                       |              |              |
| Rent on land  |                 |              |              |                    |                        |                  |                       |              |              |
| <b>Transfers and subsidies to</b>                   | <b>-</b>        | <b>15</b>    | <b>-</b>     | <b>-</b>           | <b>80</b>              | <b>80</b>        | <b>-</b>              | <b>-</b>     | <b>-</b>     |
| Provinces and municipalities                        | -               | -            | -            | -                  | -                      | -                | -                     | -            | -            |
| Provinces   | -               | -            | -            | -                  | -                      | -                | -                     | -            | -            |
| Provincial Revenue Funds                            |                 |              |              |                    |                        |                  |                       |              |              |
| Provincial agencies and funds                       |                 |              |              |                    |                        |                  |                       |              |              |
| Municipalities                                      | -               | -            | -            | -                  | -                      | -                | -                     | -            | -            |
| Municipalities                                      |                 |              |              |                    |                        |                  |                       |              |              |
| Municipal agencies and funds                        |                 |              |              |                    |                        |                  |                       |              |              |
| Departmental agencies and accounts                  | -               | -            | -            | -                  | -                      | -                | -                     | -            | -            |
| Social security funds                               |                 |              |              |                    |                        |                  |                       |              |              |
| Entities receiving funds                            |                 |              |              |                    |                        |                  |                       |              |              |
| Universities and technikons                         |                 |              |              |                    |                        |                  |                       |              |              |
| Foreign governments and international organisations |                 |              |              |                    |                        |                  |                       |              |              |
| Public corporations and private enterprises         | -               | -            | -            | -                  | -                      | -                | -                     | -            | -            |
| Public corporations                                 | -               | -            | -            | -                  | -                      | -                | -                     | -            | -            |
| Subsidies on production                             |                 |              |              |                    |                        |                  |                       |              |              |
| Other transfers                                     |                 |              |              |                    |                        |                  |                       |              |              |
| Private enterprises                                 | -               | -            | -            | -                  | -                      | -                | -                     | -            | -            |
| Subsidies on production                             |                 |              |              |                    |                        |                  |                       |              |              |
| Other transfers                                     |                 |              |              |                    |                        |                  |                       |              |              |
| Non-profit institutions                             |                 |              |              |                    |                        |                  |                       |              |              |
| Households  | -               | 15           | -            | -                  | 80                     | 80               | -                     | -            | -            |
| Social benefits                                     | -               | 15           | -            | -                  | 80                     | 80               | -                     | -            | -            |
| Other transfers to households                       |                 |              |              |                    |                        |                  |                       |              |              |
| <b>Payments for capital assets</b>                  | <b>-</b>        | <b>84</b>    | <b>-</b>     | <b>111</b>         | <b>-</b>               | <b>-</b>         | <b>115</b>            | <b>120</b>   | <b>125</b>   |
| Buildings and other fixed structures                | -               | -            | -            | -                  | -                      | -                | -                     | -            | -            |
| Buildings   |                 |              |              |                    |                        |                  |                       |              |              |
| Other fixed structures                              |                 |              |              |                    |                        |                  |                       |              |              |
| Machinery and equipment                             | -               | -            | -            | 111                | -                      | -                | 115                   | 120          | 125          |
| Transport equipment                                 |                 |              |              |                    |                        |                  |                       |              |              |
| Other machinery and equipment                       | -               | -            | -            | 111                | -                      | -                | 115                   | 120          | 125          |
| Heritage assets                                     |                 |              |              |                    |                        |                  |                       |              |              |
| Specialised military assets                         |                 |              |              |                    |                        |                  |                       |              |              |
| Biological assets                                   | -               | 84           | -            | -                  | -                      | -                | -                     | -            | -            |
| Land and sub-soil assets                            |                 |              |              |                    |                        |                  |                       |              |              |
| Software and other intangible assets                |                 |              |              |                    |                        |                  |                       |              |              |
| <b>Payments for financial assets</b>                | <b>-</b>        | <b>-</b>     | <b>-</b>     | <b>-</b>           | <b>-</b>               | <b>-</b>         | <b>-</b>              | <b>-</b>     | <b>-</b>     |
| <b>Total</b>  | <b>2 418</b>    | <b>2 543</b> | <b>1 858</b> | <b>3 804</b>       | <b>3 855</b>           | <b>3 855</b>     | <b>3 728</b>          | <b>2 938</b> | <b>3 071</b> |

Table 10.F: Details of payments of infrastructure by category

| No.  | Project name                       | Municipality/ Region | Type of infrastructure                                    |                                   | Project duration |              | Source of funding | Budget programme name | EPWP budget for current financial year | Total project cost | Payments to date from previous years | Total available | MTEF forward estimates |         |
|--|------------------------------------|----------------------|---|-----------------------------------|------------------|--------------|-------------------|-----------------------|--|--------------------|--------------------------------------|-----------------|------------------------|---------|
|  |                                    |                      | Project/admin block; water; electricity; sanitation; etc. | Units (i.e. number of facilities) | Date: Start      | Date: Finish |                   |                       |  |                    |                                      | 2013/14         | 2014/15                | 2015/16 |
| R thousand   |                                    |                      |   |                                   |                  |              |                   |                       |  |                    |                                      |                 |                        |         |
| New and replacement assets                           |                                    |                      |   |                                   |                  |              |                   | -                     | -                                      | -                  | -                                    | -               | -                      | -       |
| Upgrades and additions                               |                                    |                      |   |                                   |                  |              |                   | -                     | -                                      | -                  | -                                    | -               | -                      | -       |
| Rehabilitation, renovations and refurbishments       |                                    |                      |   |                                   |                  |              |                   |                       |  |                    |                                      |                 |                        |         |
| 1.   | Rehabilitation of palaces          | Zululand             | Palaces   | 7                                 | Ongoing          | Ongoing      | Equitable share   | Programme 2           | -                                      | 24 750             | -                                    | 12 866          | 1 063                  | 1 112   |
| Total Rehabilitation, renovations and refurbishments |                                    |                      |   |                                   |                  |              |                   |                       | -                                      | 24 750             | -                                    | 12 866          | 1 063                  | 1 112   |
| Maintenance and repairs                              |                                    |                      |   |                                   |                  |              |                   |                       |  |                    |                                      |                 |                        |         |
| 1.   | Maintenance and repairs to palaces | Zululand             | Palaces   | 7                                 | Ongoing          | Ongoing      | Equitable share   | Programme 2           | -                                      | 11 195             | -                                    | 500             | 500                    | 530     |
| Total Maintenance and repairs                        |                                    |                      |   |                                   |                  |              |                   |                       | -                                      | 11 195             | -                                    | 500             | 500                    | 530     |
| Infrastructure transfers - current                   |                                    |                      |   |                                   |                  |              |                   |                       | -                                      | -                  | -                                    | -               | -                      | -       |
| Infrastructure transfers - capital                   |                                    |                      |   |                                   |                  |              |                   |                       | -                                      | -                  | -                                    | -               | -                      | -       |
| Total Infrastructure                                 |                                    |                      |   |                                   |                  |              |                   |                       | -                                      | 35 945             | -                                    | 13 366          | 1 563                  | 1 642   |



Table 10.G: Financial summary for the Royal Trust

| R thousand   | Audited Outcome |         |         | Revised Estimate | Medium-term Estimates |         |         |
|--|-----------------|---------|---------|------------------|-----------------------|---------|---------|
|  | 2009/10         | 2010/11 | 2011/12 |                  | 2013/14               | 2014/15 | 2015/16 |
| <b>Revenue</b>   |                 |         |         |                  |                       |         |         |
| Tax revenue  | -               | -       | -       | -                | -                     | -       | -       |
| Non-tax revenue  | -               | 81      | 55      | -                | -                     | -       | -       |
| Interest, dividends and rent on land                                   | -               | 81      | 55      | -                | -                     | -       | -       |
| Transfers received*  | -               | 6 980   | 12 000  | 12 000           | 20 393                | 22 393  | 23 415  |
| Sale of capital assets   | -               | -       | -       | -                | -                     | -       | -       |
| <b>Total revenue</b>   | -               | 7 062   | 12 055  | 12 000           | 20 393                | 22 393  | 23 415  |
| <b>Expenses</b>  |                 |         |         |                  |                       |         |         |
| Current expense  | -               | 6 664   | 13 426  | 12 000           | 19 424                | 21 858  | 22 855  |
| Compensation of employees  | -               | 1 143   | 2 311   | 2 289            | 8 953                 | 9 045   | 9 458   |
| Use of goods and services  | -               | 5 370   | 10 390  | 8 062            | 8 722                 | 11 192  | 11 703  |
| Depreciation   | -               | 13      | 429     | 1 342            | 1 437                 | 1 290   | 1 349   |
| Interest, dividends and rent on land                                   | -               | 138     | 296     | 307              | 312                   | 331     | 346     |
| Rent on land   | -               | 138     | 296     | 307              | 312                   | 331     | 346     |
| Transfers and subsidies  | -               | -       | -       | -                | -                     | -       | -       |
| <b>Total expenses</b>  | -               | 6 664   | 13 426  | 12 000           | 19 424                | 21 858  | 22 855  |
| <b>Surplus / (Deficit)</b>   | -               | 397     | (1 370) | -                | 969                   | 535     | 560     |
| <b>Cash flow summary</b>   |                 |         |         |                  |                       |         |         |
| Adjust surplus / (deficit) for accrual transactions                    | -               | 13      | 467     | 402              | 1 575                 | 1 343   | 1 404   |
| Adjustments for:   |                 |         |         |                  |                       |         |         |
| Depreciation   | -               | 13      | 429     | 182              | 1 437                 | 1 290   | 1 349   |
| Interest   | -               | -       | 39      | 219              | 139                   | 53      | 55      |
| <b>Operating surplus / (deficit) before changes in working capital</b> | -               | 411     | (903)   | 402              | 2 545                 | 1 878   | 1 963   |
| Changes in working capital   | -               | 271     | 2 007   | (680)            | (1 282)               | (635)   | (664)   |
| (Decrease) / increase in accounts payable                              | -               | 330     | 2 419   | (596)            | (1 676)               | (729)   | (762)   |
| Decrease / (increase) in accounts receivable                           | -               | (60)    | (860)   | 216              | (86)                  | 40      | 42      |
| (Decrease) / increase in provisions                                    | -               | -       | 448     | (300)            | 480                   | 54      | 56      |
| <b>Cash flow from operating activities</b>                             | -               | 681     | 1 104   | (278)            | 1 262                 | 1 243   | 1 299   |
| Transfers from government  | -               | -       | -       | -                | 20 393                | 22 393  | 23 415  |
| <b>Cash flow from investing activities</b>                             | -               | (529)   | (4 219) | (52)             | (1 786)               | (1 173) | (1 226) |
| <b>Acquisition of Assets</b>   | -               | (529)   | (4 006) | (52)             | (1 786)               | (1 173) | (1 226) |
| Non-residential buildings  | -               | -       | -       | -                | (500)                 | (159)   | (166)   |
| Computer equipment   | -               | -       | (178)   | (6)              | (86)                  | (46)    | (48)    |
| Furniture and office equipment   | -               | (529)   | (275)   | (19)             | (135)                 | (92)    | (96)    |
| Other machinery and equipment  | -               | -       | -       | -                | (434)                 | (192)   | (201)   |
| Transport assets   | -               | -       | (3 480) | -                | (600)                 | (669)   | (700)   |
| Computer software  | -               | -       | (74)    | (27)             | (31)                  | (14)    | (15)    |
| <b>Other flows from investing activities</b>                           | -               | -       | (213)   | -                | -                     | -       | -       |
| <b>Cash flow from financing activities</b>                             | -               | -       | 3 311   | -                | 764                   | -       | -       |
| Other  | -               | -       | 3 311   | -                | 764                   | -       | -       |
| <b>Net increase / (decrease) in cash and cash equivalents</b>          | -               | 152     | 196     | (330)            | 241                   | 70      | 74      |
| <b>Balance sheet data</b>  |                 |         |         |                  |                       |         |         |
| <b>Carrying value of assets</b>  | -               | 516     | 4 094   | 2 792            | 3 594                 | 3 567   | 3 730   |
| Non-residential buildings  | -               | -       | -       | -                | 500                   | 637     | 666     |
| Computer equipment   | -               | -       | 114     | 76               | 184                   | 118     | 123     |
| Furniture and office equipment   | -               | 516     | 645     | 552              | 759                   | 634     | 663     |
| Other machinery and equipment  | -               | -       | -       | -                | 383                   | 386     | 404     |
| Specialised military assets  | -               | -       | -       | -                | -                     | -       | -       |
| Transport assets   | -               | -       | 3 287   | 2 127            | 1 689                 | 1 754   | 1 834   |
| Computer software  | -               | -       | 48      | 37               | 79                    | 38      | 40      |
| <b>Investments</b>   | -               | -       | -       | -                | -                     | -       | -       |
| <b>Cash and cash equivalents</b>                                       | -               | 153     | 349     | 18               | 259                   | 329     | 333     |
| Bank   | -               | 153     | 347     | 18               | 259                   | 329     | 333     |
| Cash on Hand   | -               | -       | 2       | -                | -                     | -       | -       |
| <b>Receivables and prepayments</b>                                     | -               | 60      | 1 132   | 795              | 166                   | 328     | 343     |
| Trade receivables  | -               | -       | -       | -                | 130                   | 328     | 343     |
| Other receivables  | -               | 60      | 286     | -                | 36                    | -       | -       |
| Prepaid expenses   | -               | -       | 846     | 95               | -                     | -       | -       |
| Accrued income   | -               | -       | -       | 700              | -                     | -       | -       |
| <b>Inventory</b>   | -               | -       | -       | -                | -                     | -       | -       |
| <b>Total assets</b>  | -               | 728     | 5 574   | 3 606            | 4 019                 | 4 224   | 4 405   |
| <b>Capital and reserves</b>  | -               | 292     | (1 078) | (1 078)          | (109)                 | 426     | 451     |
| Share capital and premium  | -               | -       | -       | -                | -                     | -       | -       |
| Accumulated reserves   | -               | (105)   | 292     | (1 078)          | (1 078)               | (109)   | (109)   |
| Surplus / (Deficit)  | -               | 397     | (1 370) | -                | 969                   | 535     | 560     |
| <b>Borrowings</b>  | -               | -       | 3 350   | 2 355            | 1 904                 | 1 663   | 1 569   |
| 1<5 Years  | -               | -       | 3 350   | 2 355            | 1 904                 | 1 663   | 1 569   |
| <b>Post retirement benefits</b>  | -               | -       | -       | -                | -                     | -       | -       |
| <b>Trade and other payables</b>  | -               | 436     | 2 855   | 2 134            | 1 701                 | 1 484   | 1 399   |
| Trade payables   | -               | 436     | 2 459   | 2 134            | 1 701                 | 1 484   | 1 399   |
| <b>Deferred income</b>   | -               | -       | -       | -                | -                     | -       | -       |
| Provisions   | -               | -       | 448     | 195              | 523                   | 652     | 615     |
| <b>Funds managed (e.g. Poverty Alleviation Fund)</b>                   | -               | -       | -       | -                | -                     | -       | -       |
| <b>Contingent liabilities</b>  | -               | -       | -       | -                | -                     | (1)     | 371     |
| <b>Total equity and liabilities</b>                                    | -               | 728     | 5 574   | 3 606            | 4 019                 | 4 224   | 4 405   |

\*Note: Some of the amounts reflected as Transfers received do not equal the amounts reflected in Table 10.7, as portion of the transfers is reflected against other Balance Sheet items.

Table 10.H: Personnel summary for Royal Trust

| Audited Outcome   |         |         |         | Revised Estimate | Medium-term Estimates |         |         |
|---|---------|---------|---------|------------------|-----------------------|---------|---------|
| R thousand  | 2009/10 | 2010/11 | 2011/12 | 2012/13          | 2013/14               | 2014/15 | 2015/16 |
| Details of personnel numbers, compensation of employees and unit cost |         |         |         |                  |                       |         |         |
| A. Permanent and full-time-contract employees                         |         |         |         |                  |                       |         |         |
| Personnel cost (R thousand)   | -       | 1 143   | 2 311   | 589              | -                     | -       | -       |
| Personnel numbers (head count)  | -       | 2       | 6       | 2                | -                     | -       | -       |
| Unit cost   | -       | 572     | 385     | 295              | -                     | -       | -       |
| B. Part-time and temporary contract employees                         |         |         |         |                  |                       |         |         |
| Personnel cost (R thousand)   | -       | -       | -       | 1 508            | -                     | -       | -       |
| Personnel numbers (head count)  | -       | -       | -       | 4                | -                     | -       | -       |
| Unit cost   | -       | -       | -       | 377              | -                     | -       | -       |
| C. Interns  |         |         |         |                  |                       |         |         |
| Personnel cost (R thousand)   | -       | -       | -       | 192              | -                     | -       | -       |
| Personnel numbers (head count)  | -       | -       | -       | 2                | -                     | -       | -       |
| Unit cost   | -       | -       | -       | 96               | -                     | -       | -       |
| Total for entity  |         |         |         |                  |                       |         |         |
| Personnel cost (R thousand)   | -       | 1 143   | 2 311   | 2 289            | -                     | -       | -       |
| Personnel numbers (head count)  | -       | 2       | 6       | 8                | -                     | -       | -       |
| Unit cost   | -       | 572     | 385     | 286              | -                     | -       | -       |
| Details of personnel numbers according to salary level                |         |         |         |                  |                       |         |         |
| Salary Level  |         |         |         |                  |                       |         |         |
| Board Members   |         |         |         |                  |                       |         |         |
| Executive Management  |         |         |         |                  |                       |         |         |
| Senior Management   |         |         |         |                  |                       |         |         |
| Middle Management   |         |         |         |                  |                       |         |         |
| Professionals   |         |         |         |                  |                       |         |         |
| Semi-skilled  |         |         |         |                  |                       |         |         |
| Very low skilled  |         |         |         |                  |                       |         |         |
| Total   | -       | -       | -       | -                | -                     | -       | -       |

\*Note: The transfer of staff from the department to the Royal Trust is still being finalised, and hence no figures are provided over the MTEF at this stage.