

# VOTE 10

## The Royal Household

Operational budget	R 36 479 000
MEC remuneration	Nil
Total amount to be appropriated	R 36 479 000
Responsible MEC	The Premier, Mr J. S. Ndebele
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 Monarchy.*

#### Mission statement

The mission of the department is to create a sustainable, conducive environment for the Zulu Monarch in which to lead, develop and protect the Zulu Nation.

#### Strategic objectives

The main strategic objectives of the department are as follows:

- To facilitate the sharing of information between the Executive Council and His Majesty the King and members of the Royal Household on the necessity of replacing the department with a Trust;
- To hold internal departmental workshops in order to share information with staff;
- To conduct an internal skills audit;
- To prepare a preliminary Trust Business Plan which indicates future areas of focus;
- To monitor progress in the passing of provincial legislation that provides for the establishment of the Trust;
- To identify potential challenges in the implementation of Executive Council directives;
- To identify His Majesty's mandatory responsibilities in terms of legislation;
- To establish His Majesty's mandatory responsibilities in terms of custom/tradition;
- To generate a schedule of events and ceremonies;
- To establish the required auxiliary services;
- To prepare an operational budget in respect of His Majesty's activities;
- To determine IGR and other protocol requirements;
- To compile a status quo report on all palaces including historical data and assets value;
- 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 generating tourism activity;
- To investigate potential twinning opportunities that are likely to yield long-term benefits for palaces;
- To position palaces as critical heritage sites without compromising traditional/customary protocols;
- To identify Royal Household assets that can play a major role in the enhancement of the Zulu brand;
- To develop an operational business plan for each farm that belongs to His Majesty the King; and
- To develop and implement a business strategy for the protection and promotion of Nguni cattle.

### **Core functions**

In order to attain the above strategic objectives, the department is responsible for carrying out the following core functions:

- The provision of administrative services, financial management, auxiliary services and human resource management and development;
- The maintenance of the Royal Residences;
- The maintenance of His Majesty the King's Farms; and
- To transform the Department of the Royal Household in line with Cabinet Resolutions.

### **Legislative mandate**

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

- KwaZulu-Natal Traditional Leadership and Governance Act, 2005
- Traditional Leadership and Governance Act, 2003
- Proclamation of June 2000
- Public Service Act of 1994, as amended
- Public Service Regulations, 1999, as amended
- Labour Relations Act of 1995, as amended
- Conditions of Remuneration of Public Office Bearers
- Public Finance Management Act, 1999, as amended
- Treasury Regulations
- Employment Equity Act, 1998
- Skills Development Act, 1998
- The Royal Household protocols
- The roles and functions of His Majesty the King in terms of custom and tradition

## **2. Review of the 2006/07 financial year**

Section 2 provides a review of the 2006/07 financial year, outlining the main achievements and progress made by the department during the year, as well as providing a brief discussion on the challenges facing the department, and new developments.

The 2006/07 financial year was characterised by a lack of clarity regarding indirect mandates. More specifically, the KZN Traditional Leadership and Governance Act was passed in December 2005. This piece of legislation became central in the definition of the department's mandates. However, a set of clear regulations was required in order to clarify roles, functions and responsibilities for the department itself as well as the Traditional Affairs component of the Department of Local Government and Traditional Affairs. The draft regulations were finalised towards the end of 2006/07.

In 2006/07, the department introduced activities of the Traditional Leadership Commission, which is expected to confirm all Kingships in the country and resolve disputes. The department was successful in responding to the requests and instructions of the Commission. In addition, the department facilitated the implementation of the new roles and functions in terms of emerging legislation. All of this took place in conjunction with the traditional approved programme activities for which the department is responsible.

The department identified a potential place for all Palaces in the provincial Tourism Development Plan, which forms part of the transformation agenda, and will in all likelihood contribute towards sustainability. The department also commenced with preparations for the implementation of Cabinet Resolutions.

### **3. Outlook for the 2007/08 financial year**

Section 3 looks at the key focus areas of 2007/08, outlining what the department is hoping to achieve during the year, as well as briefly looking at challenges and proposed new developments.

Cabinet Resolution No. 245 of 2005 gave rise to the Royal Household Trust Bill that was drafted in order to transform the department into a sustainable entity. The areas of focus for this transformation include the alignment of His Majesty the King's functions with new legislation, the identification of new revenue streams, and the recovery of costs in all functions and duties executed in support of, and in terms of, direct mandates applicable to other government departments.

One of the challenges facing the department is the recovery of costs from the Department of Local Government and Traditional Affairs in respect of the installation of *Amakhosi* ceremonies, as well as recoveries from the Department of Education for the *Umkhosi WoMhlanga* (Reed Dance Ceremony). *Umkhosi WoMhlanga* has specific relevance in the fight against HIV and AIDS, in so far as it promotes and encourages chastity and sexual abstinence up until marriage.

In addition, the department is also facing the challenge of deriving profits from farming activities, while retaining the customary role of His Majesty the King's Farms of providing food and sustenance to destitute and poverty stricken members of the Zulu Nation, in his role as protector and benefactor.

There is no dedicated and funded transformation programme at this stage. However, transformation activities are included in Programme 1: Support Services – His Majesty the King. Arrangements in the form of written submissions to the Director-General will be made for funding to be sourced.

Overall, the 2007/08 financial year will be characterised by increased financial accountability, given the clarity in the KwaZulu-Natal Traditional Leadership and Governance Act of 2005, regarding the roles and functions of His Majesty the King.

The 2007/08 financial year is expected to see the introduction of other revenue streams, following the part commercialisation of His Majesty the King's Farms and the inclusion of all Palaces in the Tourism Development Plan. It is noted that the above are transformation activities in respect of which a mandate exists, but for which additional funding must be sourced.

## 4. Receipts and financing

### 4.1 Summary of receipts and financing

Table 10.1 below gives the sources of funding for Vote 10 for the period 2003/04 to 2009/10.

In 2003/04, the department under-spent its budget allocation by R3 million. However, both the 2004/05 and 2005/06 financial years saw the department marginally over-spending its budget allocations, the latter being the result of spending pressures associated with high Subsistence and Travel (S&T) costs for His Majesty the King, his entourage and the Queens.

Table 10.1: Summary of receipts and financing

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited 2003/04	Audited 2004/05	Audited 2005/06				2007/08	2008/09	2009/10
Provincial allocation	20,076	21,319	27,598	31,409	34,609	34,609	36,479	39,032	41,959
<b>Total</b>	<b>20,076</b>	<b>21,319</b>	<b>27,598</b>	<b>31,409</b>	<b>34,609</b>	<b>34,609</b>	<b>36,479</b>	<b>39,032</b>	<b>41,959</b>
<b>Total payments</b>	<b>22,746</b>	<b>25,385</b>	<b>29,956</b>	<b>31,409</b>	<b>34,609</b>	<b>38,436</b>	<b>36,479</b>	<b>39,032</b>	<b>41,959</b>
Surplus/(Deficit) before financing	(2,670)	(4,066)	(2,358)	-	-	(3,827)	-	-	-
Financing									
of which									
Provincial roll-overs	1,715	1,893	-	-	-	-	-	-	-
Provincial cash resources	3,997	2,000	1,927	-	-	-	-	-	-
<b>Surplus/(deficit) after financing</b>	<b>3,042</b>	<b>(173)</b>	<b>(431)</b>	<b>-</b>	<b>-</b>	<b>(3,827)</b>	<b>-</b>	<b>-</b>	<b>-</b>

The increase from the 2006/07 Main Budget to the 2006/07 Adjusted Budget relates to additional funding of R3,2 million in respect of S&T costs for travelling and accommodation arrangements for the Royal family, as well as for His Majesty the King's fleet. Despite additional funding being granted to the department in the 2006/07 Adjustments Estimate, the department is projecting to end the financial year with a deficit of R3,8 million, owing to its move from Ulundi to Nongoma. The department needs to implement a plan in order to curtail this over-expenditure and manage this accordingly.

The department is showing a balanced budget over the 2007/08 MTEF period.

### 4.2 Departmental receipts collection

Table 10.2 below provides a summary of the sources of revenue for the department. The main sources of revenue for the department are derived from rental income from state houses, the recovery of staff debts, and commission on insurance deductions made on behalf of officials.

Table 10.2: Details of departmental receipts

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited 2003/04	Audited 2004/05	Audited 2005/06				2007/08	2008/09	2009/10
Tax receipts	-	-	-	-	-	-	-	-	-
Non-tax receipts	86	41	57	44	44	44	45	48	52
Sale of goods and services other than capital assets	47	40	29	44	44	40	45	48	52
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	39	1	28	-	-	4	-	-	-
Transfers received	-	-	-	-	-	-	-	-	-
Sales of capital assets	-	-	-	-	-	-	-	-	-
Financial transactions	58	727	72	-	-	-	-	-	-
<b>Total</b>	<b>144</b>	<b>768</b>	<b>129</b>	<b>44</b>	<b>44</b>	<b>44</b>	<b>45</b>	<b>48</b>	<b>52</b>

The substantial revenue collection in 2004/05, relative to the prior financial years, includes a once-off amount received from the Office of the Premier in respect of the package for the former HOD.

The budgeted revenue collection for the period 2006/07 to 2009/10 appears to be conservative, given the fact that the department exceeded its budgeted collection in the past financial years. From 2007/08 onwards, revenue collection remains fairly constant, increasing in line with inflation.

## 5. Payment summary

This section provides information pertaining to the vote as a whole at an aggregated level, including payments and budgeted estimates in terms of programmes and economic classification. Further details are provided in Section 6 below, as well as in the *Annexure to 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 limited financial resources. These assumptions are as follows:

- Salary increases are based on an increase of 6 per cent, 5 per cent and 5 per cent for 2007/08, 2008/09 and 2009/10, respectively;
- Provision was made for the excess staff, as they are not likely to be retrenched by 2007/08;
- Provision was made for a medical aid service to the Monarchy; and
- Inflation related increases are based on CPIX projections.

### 5.2 Additional allocation for the 2005/06 to 2007/08 MTEF

Table 10.3 shows additional funding received by the department over the three MTEF periods: 2005/06, 2006/07 and 2007/08. Note that the table reflects only the provincial additional allocations, and excludes additional allocations in respect of conditional grants.

The purpose of introducing such a 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 table serves as a reminder of the number of new priorities that are funded on an annual basis – often without the success thereof being monitored from a policy implementation perspective.

The carry-through allocations for the 2005/06 MTEF period (i.e. for the financial years 2008/09 and 2009/10) are based on the incremental percentage used in the 2006/07 MTEF and 2007/08 MTEF. A similar approach was used for the carry-through allocations for the 2006/07 MTEF period.

It is important to explain how this table should be read and interpreted. The total additional funding in any given year shows how much a department received in addition to the increases which already existed in its 2004/05 MTEF baseline. The sum of the total additional provincial allocations across the five financial years shows cumulative amounts received over and above the cumulative baseline budget for that period.

Table 10.3: Summary of additional provincial allocations for 2005/06 to 2009/10

R000	2005/06	2006/07	2007/08	2008/09	2009/10
<b>2005/06 MTEF period</b>	<b>7,100</b>	<b>5,250</b>	<b>5,512</b>	<b>5,898</b>	<b>6,340</b>
Carry through of 2004/05 Adjustments Estimate	5,000	5,250	5,512	5,898	6,340
2005/06 Adj. Estimates - spending pressure on goods and services	2,100	-	-	-	-
<b>2006/07 MTEF period</b>	<b>-</b>	<b>5,405</b>	<b>2,315</b>	<b>2,477</b>	<b>2,663</b>
Carry through of 2005/06 Adjustments Estimate	-	2,205	2,315	2,477	2,663
2006/07 Adj. Estimates - spending pressure on goods and services	-	3,200	-	-	-
<b>2007/08 MTEF period</b>	<b>-</b>	<b>-</b>	<b>3,500</b>	<b>3,745</b>	<b>4,026</b>
Carry-through of 2006/07 Adjustments Estimate	-	-	3,500	3,745	4,026
<b>Total</b>	<b>7,100</b>	<b>10,655</b>	<b>11,327</b>	<b>12,120</b>	<b>13,029</b>

As can be seen from the above table, the bulk of the additional funding allocated to the department in the previous and the current MTEF was to off-set spending pressures relating to the increased travelling and accommodation requirements for the Royal Family, and the acquisition of vehicles for His Majesty's

Queens. Carry-through costs relating to these spending pressures were also allocated to the department to ensure that the level of services provided to the Royal Family is sustainable over the MTEF.

### 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 over the MTEF period by programme and economic classification, respectively.

The services rendered by this department fall under three programmes, namely Support Services – His Majesty the King, Royal Household Planning and Development, and His Majesty the King's Farms.

Table 10.4: Summary of payments and estimates by programme

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited	Audited	Audited				2007/08	2008/09	2009/10
	2003/04	2004/05	2005/06						
					2006/07				
1. Support Services - His Majesty the King	10,780	11,700	16,273	16,093	19,293	21,557	20,174	22,153	23,813
2. Royal Household Planning and Development	10,378	11,829	11,750	13,450	13,450	14,776	14,094	14,533	15,624
3. His Majesty the King's Farms	1,588	1,856	1,933	1,866	1,866	2,103	2,211	2,346	2,522
<b>Total</b>	<b>22,746</b>	<b>25,385</b>	<b>29,956</b>	<b>31,409</b>	<b>34,609</b>	<b>38,436</b>	<b>36,479</b>	<b>39,032</b>	<b>41,959</b>

Table 10.5: Summary of payments and estimates by economic classification

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited	Audited	Audited				2007/08	2008/09	2009/10
	2003/04	2004/05	2005/06						
					2006/07				
<b>Current payments</b>	<b>20,546</b>	<b>21,951</b>	<b>29,640</b>	<b>26,761</b>	<b>28,361</b>	<b>32,409</b>	<b>32,068</b>	<b>36,291</b>	<b>38,717</b>
Compensation of employees	12,731	12,858	12,533	13,058	13,058	13,001	14,063	14,766	15,505
Goods and services	7,815	9,093	17,107	13,703	15,303	19,408	18,005	21,525	23,212
Other	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>104</b>	<b>167</b>	<b>156</b>	<b>135</b>	<b>135</b>	<b>528</b>	<b>111</b>	<b>116</b>	<b>122</b>
Local government	24	37	35	10	10	6	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	121	-	-	118	-	-	-
Other	80	130	-	125	125	404	111	116	122
<b>Payments for capital assets</b>	<b>2,096</b>	<b>3,267</b>	<b>160</b>	<b>4,513</b>	<b>6,113</b>	<b>5,499</b>	<b>4,300</b>	<b>2,625</b>	<b>3,120</b>
Buildings and other fixed structures	1,542	1,794	-	2,000	2,000	920	1,000	784	1,188
Machinery and equipment	554	1,473	160	2,513	4,113	4,579	3,300	1,841	1,932
Other	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>22,746</b>	<b>25,385</b>	<b>29,956</b>	<b>31,409</b>	<b>34,609</b>	<b>38,436</b>	<b>36,479</b>	<b>39,032</b>	<b>41,959</b>

There is a steady increase across all three programmes over the period under review, in line with projected inflation.

The substantial increase against Programme 1: Support Services – His Majesty the King in the 2006/07 Adjusted Budget relates to higher than anticipated S&T costs for His Majesty the King, his entourage and the Queens. These spending pressures fall under the economic classification *Goods and services*, and are anticipated to continue from 2007/08 onwards. Further explanation is provided in Section 6 below.

The category *Buildings and other fixed structures* relates primarily to renovations and upgrades to Royal Palaces. The budget fluctuates from 2007/08 onwards, in line with refurbishment plans.

The budget for *Machinery and equipment* includes funds for the acquisition of official vehicles and domestic and office equipment. The increase in the 2006/07 Adjusted Budget compared to the 2006/07 Main Budget is due to the acquisition of new vehicles for His Majesty's Queens. During the 2007/08 financial year, it is anticipated that the department will acquire a new vehicle for His Majesty the King. This category remains fairly constant over the remainder of the MTEF period.

## 5.4 Summary of expenditure and estimates by district municipal area

Table 10.6 presents a summary of the department's spending within district municipal areas, excluding operational costs.

The spending by the department is concentrated in the Zululand district municipal area, given that the department's prime function is to provide services to the Royal Household. The table below illustrates the expected increase over the medium-term period.

Table 10.6: Summary of expenditure and estimates by district municipal area

District Municipal Area	Outcome Audited 2005/06	Estimated Actual 2006/07	Medium-term estimates		
			2007/08	2008/09	2009/10
<b>R000</b>					
eThekweni					
Ugu					
uMgungundlovu					
Uthukela					
Umzinyathi					
Amajuba					
Zululand	17,423	21,269	21,217	22,702	24,404
Umkhanyakude					
uThungulu					
Ilembe					
Sisonke					
<b>Total</b>	<b>17,423</b>	<b>21,269</b>	<b>21,217</b>	<b>22,702</b>	<b>24,404</b>

## 5.5 Summary of infrastructure expenditure and estimates

Table 10.7 presents a summary of infrastructure expenditure and estimates by categories for Vote 10.

Table 10.7: Summary of infrastructure expenditure and estimates

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited 2003/04	Audited 2004/05	Audited 2005/06				2007/08	2008/09	2009/10
					2006/07				
<b>Capital</b>	1,542	1,794	-	2,000	2,000	920	1,000	784	1,188
New constructions	-	-	-	2,000	2,000	920	322	784	1,188
Rehabilitation/upgrading	1,542	1,794	-	-	-	-	678	-	-
Other capital projects	-	-	-	-	-	-	-	-	-
Infrastructure transfer	-	-	-	-	-	-	-	-	-
<b>Current</b>	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1,542</b>	<b>1,794</b>	<b>-</b>	<b>2,000</b>	<b>2,000</b>	<b>920</b>	<b>1,000</b>	<b>784</b>	<b>1,188</b>

With regard to the maintenance to the Royal Residences, the department did not undertake any form of rehabilitation in 2005/06 or 2006/07. However, an amount of R678,000 is included in the 2007/08 allocation for the installation of water pipes and sewer lines in all of the Palaces.

The refurbishment of the Palaces is the major focus of infrastructure spending. The intention is to restore the integrity of the Royal Family. From 2007/08 onwards, the main focus is on the following *New Constructions*:

- Construction of car-ports at Kwakhetha and Enyokeni Palaces in 2007/08; and
- Construction of an arena with a pavilion at Khangela Palace in 2008/09 and 2009/10.

## 5.6 Transfers to local government

Table 10.8 details transfers to municipalities, summarised according to categories A, B and C. The amounts reflected in the table pertain solely to the payment of the Regional Service Council Levy (RSCL), in the Zululand district municipality. As a result of changes in legislation, the payment of the RSCL was discontinued in 2006.

Table 10.8: Summary of departmental transfers to local government by category

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited 2003/04	Audited 2004/05	Audited 2005/06				2007/08	2008/09	2009/10
Category A	-	-	-	-	-	-	-	-	-
Category B	-	-	-	-	-	-	-	-	-
Category C	24	37	35	10	10	6	-	-	-
Unallocated/unclassified	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>24</b>	<b>37</b>	<b>35</b>	<b>10</b>	<b>10</b>	<b>6</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 6. Programme description

The services rendered by this department are categorised under 3 programmes. The expenditure and budgeted estimates for each of these programmes are summarised in terms of economic classification below, details of which are presented in the *Annexure to 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. Additional activities towards the transformation of the department in terms of Cabinet instructions are included in this programme.

This programme consists of one sub-programme, King's Office Support Services. Tables 10.9 and 10.10 illustrate the payments and estimates relating to the programme for the period 2003/04 to 2009/10.

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

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited 2003/04	Audited 2004/05	Audited 2005/06				2007/08	2008/09	2009/10
King's Office Support Services	10,780	11,700	16,273	16,093	19,293	21,557	20,174	22,153	23,813
<b>Total</b>	<b>10,780</b>	<b>11,700</b>	<b>16,273</b>	<b>16,093</b>	<b>19,293</b>	<b>21,557</b>	<b>20,174</b>	<b>22,153</b>	<b>23,813</b>

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

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited 2003/04	Audited 2004/05	Audited 2005/06				2007/08	2008/09	2009/10
Current payments	10,696	10,674	16,174	14,999	16,599	17,719	17,617	21,093	22,700
Compensation of employees	5,804	5,763	5,539	6,074	6,074	5,896	6,484	6,808	7,149
Goods and services	4,892	4,911	10,635	8,925	10,525	11,823	11,133	14,285	15,551
Other	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	84	85	15	81	81	475	57	60	63
Local government	4	17	15	6	6	3	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	-	-	-	91	-	-	-
Other	80	68	-	75	75	381	57	60	63
Payments for capital assets	-	941	84	1,013	2,613	3,363	2,500	1,000	1,050
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	941	84	1,013	2,613	3,363	2,500	1,000	1,050
Other	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>10,780</b>	<b>11,700</b>	<b>16,273</b>	<b>16,093</b>	<b>19,293</b>	<b>21,557</b>	<b>20,174</b>	<b>22,153</b>	<b>23,813</b>

The increase in the 2007/08 MTEF budget, compared to the 2006/07 Adjusted Budget, is in keeping with additional legislative and customary roles and functions in respect of His Majesty the King and the Royal Family. The department has commenced with the restoration of dignity to His Majesty the King and members of the Royal Family, in accordance with express provincial government intentions, as clearly set out in the KZN Traditional Leadership and Governance Act (Act No. 5 of 2005). This legislative mandate became operational in 2006/07.



The relatively high amount reflected against *Goods and services* in the 2006/07 Adjusted Budget relates to higher than anticipated S&T costs for His Majesty the King, his entourage and the Queens. These spending pressures were evident in 2005/06, and are anticipated to persist over the 2007/08 MTEF period. Accordingly, the department allocated the bulk of its budget to this category in an attempt to thwart the over-spending which has plagued the department over the past two financial years. The department must ensure that proper control measures are implemented in order to curtail further over-spending.

As stated in Section 4.1 above, the department received an additional R3,2 million in the 2006/07 Adjustments Estimate, which was allocated to Programme 1 – R1,6 million to *Goods and services* for S&T costs, and R1,6 million to *Machinery and equipment* for His Majesty the King's fleet.

The 2007/08 MTEF budget for this programme shows inflationary increases.

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

Table 10.11 illustrates the service delivery measures pertaining to Programme 1, including performance targets for 2007/08 as well as estimated actual for 2006/07.

The department has drawn up a 2007/08 Annual Performance Plan, with completely new service delivery measures, as presented below.

Table 10.11: Service delivery measures – Programme 1: Support Services – His Majesty the King

Output type	Performance measures	Performance targets	
		2006/07	2007/08
		Est. Actual	Estimate
To support His Majesty the King to fulfil his legislative and customary mandate			
1. His Majesty's mandatory responsibilities in terms of legislation and customs identified	• Develop protocol manual	-	1
2. His majesty's principle activities in terms of Legislation established	• Number of <i>Amakhosi</i> installed statutorily	7	8
3. His majesty's principle activities in terms of custom/tradition established	• Number of <i>Amakhosi</i> installed in terms of custom	7	8
4. Schedule of events and ceremonies generated	• Number of ceremonies held	-	1
5. Required auxiliary services established	• Percentage of customary events held in alignment with costed schedule of events	-	100%
6. Operational budget in respect of His Majesty's activities prepared	• Costed schedule of events developed	-	1
7. IGR and other protocol requirements determined	• Participation of the King's TC in Local Government	On going	On going
Transformation of the department into a Trust			
1. Sharing of information between the Executive Council and His Majesty the King and members of the Royal Household on the necessity of replacing the department with a Trust facilitated	• Number of joint sessions between the RHH and Portfolio Committee	2	4
2. Staff buy-in into the transformation process secured	• Number of workshops	-	4
3. Level and category of existing skills established	• Skills audit completed and presented to Cabinet	-	Presentation to cabinet on skills audit
4. Potential challenges in the implementation of Executive Council directives addressed	• Percentage of challenges addressed	80%	80%
5. The passing of provincial legislation that provides for the establishment of the Trust facilitated	• King's Trust Act passed	Bill certified	Act passed

## 6.2 Programme 2: Royal Household Planning and Development

This programme is responsible for the overall infrastructure design and maintenance of the Royal Households, with its core activity being the refurbishment of Palaces. Note that, previously, this programme was called Maintenance of Royal Households. The change of name is to ensure alignment with the department's Annual Performance Plan.

Tables 10.12 and 10.13 reflect payments and estimates for the period 2003/04 to 2009/10.

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

Table 18.12: Summary of payments and estimates - Programme 2: Royal Household Planning and Development										
R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates			
	Audited	Audited	Audited				2006/07	2007/08	2008/09	2009/10
	2003/04	2004/05	2005/06							
Support Services - His Majesty the King	10,378	11,829	11,750	13,450	13,450	14,776	14,094	14,533	15,624	
Total	10,378	11,829	11,750	13,450	13,450	14,776	14,094	14,533	15,624	

Table 10.13: Summary of payments and estimates by economic classification - Prog. 2: Royal Household Planning and Development

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited	Audited	Audited						
	2003/04	2004/05	2005/06				2006/07	2007/08	2008/09
Current payments	8,266	9,425	11,575	9,907	9,907	12,597	12,252	12,864	13,508
Compensation of employees	5,653	5,792	5,785	5,929	5,929	5,902	6,236	6,548	6,876
Goods and services	2,613	3,633	5,790	3,978	3,978	6,695	6,016	6,316	6,632
Other	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	16	78	99	43	43	43	42	44	46
Local government	16	16	17	3	3	3	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	82	-	-	27	-	-	-
Other	-	62	-	40	40	13	42	44	46
Payments for capital assets	2,096	2,326	76	3,500	3,500	2,136	1,800	1,625	2,070
Buildings and other fixed structures	1,542	1,794	-	2,000	2,000	920	1,000	784	1,188
Machinery and equipment	554	532	76	1,500	1,500	1,216	800	841	882
Other	-	-	-	-	-	-	-	-	-
Total	10,378	11,829	11,750	13,450	13,450	14,776	14,094	14,533	15,624

The increase in *Compensation of employees* from 2007/08 onwards is largely based on the annual salary increase. It should be noted, however, that the department is still unable to retrench excess employees because there is no appropriate retrenchment tool. It is probable that the costs of these excess employees will be incurred during the 2007/08 financial year, as it is highly unlikely that the department will be able to retrench them before the end of 2006/07.

The slight decrease in 2008/09 against *Buildings and other fixed structures* is in line with refurbishment plans.

The economic category *Machinery and equipment* increases from 2005/06 to the 2006/07 Main Budget due to the purchase of additional furniture and fittings at various Palaces. The same reasoning applies to the steady increase against this category from 2007/08 onwards.

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

Table 10.14 below illustrates the service delivery measures pertaining to Programme 2, including performance targets for 2007/08 as well as estimated actual for 2006/07. The department has drawn up a 2007/08 Annual Performance Plan in which completely new service delivery measures have been devised. These new measures are represented in the table below.

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

Output type	Performance measures	Performance targets	
		2006/07	2007/08
		Est. Actual	Estimate
Maintenance of Royal Palaces			
1. Tourism Business Plan developed for 6 palaces	• 6 Gijima funding applications submitted	-	6
2. Twinning arrangements with foreign palaces established	• Number of twinning arrangements finalised	-	1
3. Palaces refurbishment plans completed	• Number of refurbishment plans completed	6	6

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

This programme is responsible for the operation and maintenance of the farms. It ensures commercial viability 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 illustrate a summary of payments and estimates for this programme, for the period 2003/04 to 2009/10.

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

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited	Audited	Audited				2007/08	2008/09	2009/10
	2003/04	2004/05	2005/06						
His Majesty the King's Farms	1,588	1,856	1,933	1,866	1,866	2,103	2,211	2,346	2,522
<b>Total</b>	<b>1,588</b>	<b>1,856</b>	<b>1,933</b>	<b>1,866</b>	<b>1,866</b>	<b>2,103</b>	<b>2,211</b>	<b>2,346</b>	<b>2,522</b>

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

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited	Audited	Audited				2007/08	2008/09	2009/10
	2003/04	2004/05	2005/06						
<b>Current payments</b>	<b>1,584</b>	<b>1,852</b>	<b>1,891</b>	<b>1,855</b>	<b>1,855</b>	<b>2,093</b>	<b>2,199</b>	<b>2,334</b>	<b>2,509</b>
Compensation of employees	1,274	1,303	1,209	1,055	1,055	1,203	1,343	1,410	1,480
Goods and services	310	549	682	800	800	890	856	924	1,029
Other	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>4</b>	<b>4</b>	<b>42</b>	<b>11</b>	<b>11</b>	<b>10</b>	<b>12</b>	<b>12</b>	<b>13</b>
Local government	4	4	3	1	1	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	39	-	-	-	-	-	-
Other	-	-	-	10	10	10	12	12	13
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>1,588</b>	<b>1,856</b>	<b>1,933</b>	<b>1,866</b>	<b>1,866</b>	<b>2,103</b>	<b>2,211</b>	<b>2,346</b>	<b>2,522</b>

The department is currently investigating approaches and methodologies towards the commercialisation of His Majesty the King's Farms. These farms are expected to contribute towards the fulfilment of the customary/traditional role of His Majesty the King, while at the same time satisfying the requirements of successful commercial farming. Concurrently, these farms are expected to provide food to those subjects of His Majesty the King who are poverty stricken and destitute, and consequently entitled to relief and protection in terms of custom and tradition. As part of the transformation programme, a turn-around strategy will be devised in respect of His Majesty the King's Farms. This strategy will include commercial as well as customary/traditional components of His Majesty the King's farming activities.

The budget for *Compensation of employees* illustrates a steady increase from 2007/08 onwards, largely in line with annual salary adjustments. However, it should be noted that 28 farm workers are in excess to the

department. Until a proper retrenchment tool is made available to the Royal Household, it is anticipated that these workers will remain in the employ of the department.

The inflation related increase in the *Goods and services* budget over the 2007/08 MTEF is to cater for the purchase of essential agricultural material, including seeds and the cultivation of crops, as well as remedies for dipping, dosing and vaccination of livestock. The particularly large increase in the outer year is a result of the anticipated costs of transforming His Majesty's Farms into economically viable entities.

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

Table 10.17 below illustrates service delivery measures pertaining to Programme 3. As stated, the measures reflected in the table are in line with the department's 2007/08 Annual Performance Plan, in which completely new service delivery measures were devised.

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

Table 10.11: Service delivery measures – Programme of His Majesty the King of Farms			
Output type	Performance measures	Performance targets	
		2006/07	2007/08
		Est. Actual	Estimate
To achieve the income generating objectives and customary/traditional requirements of farming activities			
1. Operational business plan in respect of each farm that belongs to His Majesty the King developed	• Business Plan approved by Cabinet	-	6 Business Plans
2. Business Plan implementation strategy developed	• Business Plan approved by Cabinet	-	1

## 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 departmental establishment as per the approved structure.

Table 10.18: Personnel numbers and costs per programme

	As at 31 March 2004	As at 31 March 2005	As at 31 March 2006	As at 31 March 2007	As at 31 March 2008	As at 31 March 2009	As at 31 March 2010
Personnel numbers							
1. Support Services - His Majesty the King	31	27	30	30	30	30	30
2. Royal Household Planning and Development	120	114	112	112	112	112	112
3. His Majesty the King's farms	33	29	28	28	28	28	28
<b>Total</b>	<b>184</b>	<b>170</b>	<b>170</b>	<b>170</b>	<b>170</b>	<b>170</b>	<b>170</b>
Total personnel cost (R000)	12,731	12,858	12,533	13,001	14,063	14,766	15,505
Unit cost (R000)	69	76	74	76	83	87	91

Table 10.19: Details of departmental personnel numbers and costs

	Audited 2003/04	Audited 2004/05	Audited 2005/06	Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
				2006/07			2007/08	2008/09	2009/10
<b>Total for department</b>									
Personnel numbers (head count)	184	170	170	170	170	170	170	170	170
Personnel cost (R'000)	12,731	12,858	12,533	13,058	13,058	13,001	14,063	14,766	15,505
<b>Human resources component</b>									
Personnel numbers (head count)	6	6	6	6	6	6	6	6	6
Personnel cost (R'000)	875	941	983	1,027	1,027	333	1,068	1,143	1,229
Head count as % of total for department	3.26	3.53	3.53	3.53	3.53	3.53	3.53	3.53	3.53
Personnel cost as % of total for department	6.87	7.32	7.84	7.86	7.86	2.56	7.59	7.74	7.92
<b>Finance component</b>									
Personnel numbers (head count)	12	12	12	14	14	12	12	12	12
Personnel cost (R'000)	1,997	2,087	2,181	2,279	2,279	259	2,370	2,536	2,726
Head count as % of total for department	6.52	7.06	7.06	8.24	8.24	7.06	7.06	7.06	7.06
Personnel cost as % of total for department	15.69	16.23	17.40	17.45	17.45	1.99	16.85	17.17	17.58
<b>Full time workers</b>									
Personnel numbers (head count)	184	170	170	170	170	170	170	170	170
Personnel cost (R'000)	12,731	12,858	12,533	13,058	13,058	13,001	14,063	14,766	15,505
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'000)	-	-	-	-	-	-	-	-	-
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'000)	-	-	-	-	-	-	-	-	-
Head count as % of total for department	-	-	-	-	-	-	-	-	-
Personnel cost as % of total for department	-	-	-	-	-	-	-	-	-

Over 5 per cent of vacancies at middle management and junior levels have not been filled. In the 2006/07 MTEF, the percentage of *Compensation of employees* to the Adjusted Budget is 37.7 per cent, compared to an average of between 42 per cent and 57 per cent in previous financial years. This means that the department has gradually been able to release funding from personnel to other core activities.

Currently, 51 palace workers and 28 farm workers are in excess to the establishment, at an annual cost of more than R3,7 million. It is probable that the costs of these excess employees will be incurred in 2007/08, as it is unlikely that the department will be able to retrench them before the end of 2006/07.

## 7.2 Training

Table 10.20 below summarises the departmental budget for training for the period 2003/04 to 2009/10. It is anticipated that further training requirements will be identified during the implementation of transformation activities.

All three programmes show expenditure on training from 2007/08 onwards. The department is placing particular emphasis on training programmes within Programmes 1 and 2, as it is essential that Palace and farm workers are adequately trained, particularly with regard to Adult Basic Education and Training. This training will ensure that when excess staff are retrenched, they should be able to follow other sustainable commercial endeavours.

Table 10.20: Expenditure on training

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited 2003/04	Audited 2004/05	Audited 2005/06	2006/07			2007/08	2008/09	2009/10
1. Support Services - His Majesty the King	72	29	-	60	60	60	63	61	83
2. Royal Household Planning and Development	3	-	-	59	59	59	62	59	63
3. His Majesty the King's farms	5	-	-	13	13	13	13	13	14
<b>Total</b>	<b>80</b>	<b>29</b>	<b>-</b>	<b>132</b>	<b>132</b>	<b>132</b>	<b>138</b>	<b>133</b>	<b>160</b>

## ANNEXURE TO VOTE 10 – THE ROYAL HOUSEHOLD

Table 10.A: Details of departmental receipts

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited 2003/04	Audited 2004/05	Audited 2005/06				2007/08	2008/09	2009/10
<b>Tax receipts</b>	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Motor vehicle licenses	-	-	-	-	-	-	-	-	-
Horseracing	-	-	-	-	-	-	-	-	-
Other taxes	-	-	-	-	-	-	-	-	-
<b>Non-tax receipts</b>	<b>86</b>	<b>41</b>	<b>57</b>	<b>44</b>	<b>44</b>	<b>44</b>	<b>45</b>	<b>48</b>	<b>52</b>
Sale of goods and services other than capital asset	47	40	29	44	44	40	45	48	52
Sales of goods and services produced by dept.	47	40	29	44	44	40	45	48	52
Sales by market establishments	-	-	-	-	-	-	-	-	-
Administrative fees	-	-	-	-	-	-	-	-	-
Other sales	47	40	29	44	44	40	45	48	52
Of which									
Commission on insurance	47	40	29	44	44	40	45	48	52
Sales of scrap, waste, arms and other used current goods (excluding capital assets)	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	39	1	28	-	-	4	-	-	-
Interest	38	1	13	-	-	4	-	-	-
Dividends	-	-	-	-	-	-	-	-	-
Rent on land	1	-	15	-	-	-	-	-	-
<b>Transfers received from:</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other governmental units	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments	-	-	-	-	-	-	-	-	-
International organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Households and non-profit institutions	-	-	-	-	-	-	-	-	-
<b>Sales of capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Land and subsoil assets	-	-	-	-	-	-	-	-	-
Other capital assets	-	-	-	-	-	-	-	-	-
<b>Financial transactions</b>	<b>58</b>	<b>727</b>	<b>72</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>144</b>	<b>768</b>	<b>129</b>	<b>44</b>	<b>44</b>	<b>44</b>	<b>45</b>	<b>48</b>	<b>52</b>

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

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited	Audited	Audited				2007/08	2008/09	2009/10
	2003/04	2004/05	2005/06						
<b>Current payments</b>	<b>20,546</b>	<b>21,951</b>	<b>29,640</b>	<b>26,761</b>	<b>28,361</b>	<b>32,409</b>	<b>32,068</b>	<b>36,291</b>	<b>38,717</b>
Compensation of employees	12,731	12,858	12,533	13,058	13,058	13,001	14,063	14,766	15,505
Salaries and wages	8,747	10,684	11,884	11,374	11,374	11,309	12,244	12,897	13,543
Social contributions	3,984	2,174	649	1,684	1,684	1,692	1,819	1,869	1,962
Goods and services	7,815	9,093	17,107	13,703	15,303	19,408	18,005	21,525	23,212
of which									
S & T accommodation & meals	629	1,330	4,056	4,019	4,635	5,202	6,123	7,713	8,398
Petrol card : Petrol & oil	674	1,047	2,737	2,451	2,451	2,719	2,115	2,571	2,799
Consultants and advisory services	515	573	1,256	800	800	946	779	1,000	1,089
Other	5,997	6,143	9,058	6,433	7,417	10,541	8,988	10,241	10,926
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Financial transactions in assets and liabilities	-	-	-	-	-	-	-	-	-
Unauthorised expenditure	-	-	-	-	-	-	-	-	-
<b>Transfers and subsidies to:</b>	<b>104</b>	<b>167</b>	<b>156</b>	<b>135</b>	<b>135</b>	<b>528</b>	<b>111</b>	<b>116</b>	<b>122</b>
Local government	24	37	35	10	10	6	-	-	-
Municipalities	24	37	35	10	10	6	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	80	130	-	125	125	404	111	116	122
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	80	130	-	125	125	404	111	116	122
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production	-	-	-	-	-	-	-	-	-
Other transfers	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	121	-	-	118	-	-	-
Social benefits	-	-	-	-	-	-	-	-	-
Other transfers to households	-	-	121	-	-	118	-	-	-
<b>Payments for capital assets</b>	<b>2,096</b>	<b>3,267</b>	<b>160</b>	<b>4,513</b>	<b>6,113</b>	<b>5,499</b>	<b>4,300</b>	<b>2,625</b>	<b>3,120</b>
Buildings and other fixed structures	1,542	1,794	-	2,000	2,000	920	1,000	784	1,188
Buildings	1,542	1,794	-	2,000	2,000	920	1,000	784	1,188
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	554	1,473	160	2,513	4,113	4,579	3,300	1,841	1,932
Transport equipment	-	1,473	-	1,900	3,500	2,825	3,146	1,033	1,082
Other machinery and equipment	554	-	160	613	613	1,754	154	808	850
Cultivated assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>22,746</b>	<b>25,385</b>	<b>29,956</b>	<b>31,409</b>	<b>34,609</b>	<b>38,436</b>	<b>36,479</b>	<b>39,032</b>	<b>41,959</b>

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

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited	Audited	Audited						
	2003/04	2004/05	2005/06				2007/08	2008/09	2009/10
<b>Current payments</b>	<b>10,696</b>	<b>10,674</b>	<b>16,174</b>	<b>14,999</b>	<b>16,599</b>	<b>17,719</b>	<b>17,617</b>	<b>21,093</b>	<b>22,700</b>
Compensation of employees	5,804	5,763	5,539	6,074	6,074	5,896	6,484	6,808	7,149
Salaries and wages	3,524	4,528	4,890	5,349	5,349	5,188	5,706	5,991	6,291
Social contributions	2,280	1,235	649	725	725	708	778	817	858
Goods and services	4,892	4,911	10,635	8,925	10,525	11,823	11,133	14,285	15,551
of which									
S & T accommodation & meals	629	1,330	4,056	4,019	4,635	5,202	6,123	7,713	8,398
Petrol card : Petrol & oil	674	927	2,737	2,451	2,451	2,719	2,115	2,571	2,799
Consultants and advisory services	511	573	1,256	800	800	946	779	1,000	1,089
Other	3,078	2,081	2,586	1,655	2,639	2,956	2,116	3,001	3,265
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest									
Rent on land									
Financial transactions in assets and liabilities									
Unauthorised expenditure									
<b>Transfers and subsidies to:</b>	<b>84</b>	<b>85</b>	<b>15</b>	<b>81</b>	<b>81</b>	<b>475</b>	<b>57</b>	<b>60</b>	<b>63</b>
Local government	4	17	15	6	6	3	-	-	-
Municipalities	4	17	15	6	6	3	-	-	-
Municipal agencies and funds									
Departmental agencies and accounts	80	68	-	75	75	381	57	60	63
Social security funds									
Entities receiving funds	80	68	-	75	75	381	57	60	63
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production									
Other transfers									
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production									
Other transfers									
Foreign governments and international organisations									
Non-profit institutions									
Households	-	-	-	-	-	91	-	-	-
Social benefits									
Other transfers to households	-	-	-	-	-	91	-	-	-
<b>Payments for capital assets</b>	<b>-</b>	<b>941</b>	<b>84</b>	<b>1,013</b>	<b>2,613</b>	<b>3,363</b>	<b>2,500</b>	<b>1,000</b>	<b>1,050</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings									
Other fixed structures									
Machinery and equipment	-	941	84	1,013	2,613	3,363	2,500	1,000	1,050
Transport equipment	-	941	-	600	2,200	2,825	2,475	850	893
Other machinery and equipment	-	-	84	413	413	538	25	150	157
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
<b>Total</b>	<b>10,780</b>	<b>11,700</b>	<b>16,273</b>	<b>16,093</b>	<b>19,293</b>	<b>21,557</b>	<b>20,174</b>	<b>22,153</b>	<b>23,813</b>



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

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited	Audited	Audited						
	2003/04	2004/05	2005/06				2007/08	2008/09	2009/10
<b>Current payments</b>	<b>8,266</b>	<b>9,425</b>	<b>11,575</b>	<b>9,907</b>	<b>9,907</b>	<b>12,597</b>	<b>12,252</b>	<b>12,864</b>	<b>13,508</b>
Compensation of employees	5,653	5,792	5,785	5,929	5,929	5,902	6,236	6,548	6,876
Salaries and wages	4,232	4,960	5,785	5,157	5,157	5,135	5,387	5,698	5,983
Social contributions	1,421	832	-	772	772	767	849	850	893
Goods and services	2,613	3,633	5,790	3,978	3,978	6,695	6,016	6,316	6,632
of which									
S & T accommodation & meals	-	120	-	-	-	-	-	-	-
Petrol card : Petrol & oil	4	-	-	-	-	-	-	-	-
Consultants and advisory services	2,609	3,513	5,790	3,978	3,978	6,695	6,016	6,316	6,632
Other	-	-	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest									
Rent on land									
Financial transactions in assets and liabilities									
Unauthorised expenditure									
<b>Transfers and subsidies to:</b>	<b>16</b>	<b>78</b>	<b>99</b>	<b>43</b>	<b>43</b>	<b>43</b>	<b>42</b>	<b>44</b>	<b>46</b>
Local government	16	16	17	3	3	3	-	-	-
Municipalities	16	16	17	3	3	3	-	-	-
Municipal agencies and funds									
Departmental agencies and accounts	-	62	-	40	40	13	42	44	46
Social security funds									
Entities receiving funds	-	62	-	40	40	13	42	44	46
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production									
Other transfers									
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production									
Other transfers									
Foreign governments and international organisations									
Non-profit institutions									
Households	-	-	82	-	-	27	-	-	-
Social benefits									
Other transfers to households	-	-	82	-	-	27	-	-	-
<b>Payments for capital assets</b>	<b>2,096</b>	<b>2,326</b>	<b>76</b>	<b>3,500</b>	<b>3,500</b>	<b>2,136</b>	<b>1,800</b>	<b>1,625</b>	<b>2,070</b>
Buildings and other fixed structures	1,542	1,794	-	2,000	2,000	920	1,000	784	1,188
Buildings	1,542	1,794	-	2,000	2,000	920	1,000	784	1,188
Other fixed structures									
Machinery and equipment	554	532	76	1,500	1,500	1,216	800	841	882
Transport equipment	-	532	-	1,300	1,300	-	671	183	189
Other machinery and equipment	554	-	76	200	200	1,216	129	658	693
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
<b>Total</b>	<b>10,378</b>	<b>11,829</b>	<b>11,750</b>	<b>13,450</b>	<b>13,450</b>	<b>14,776</b>	<b>14,094</b>	<b>14,533</b>	<b>15,624</b>

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

R000	Outcome			Main Budget	Adjusted Budget	Estimated actual	Medium-term estimates		
	Audited	Audited	Audited						
	2003/04	2004/05	2005/06				2007/08	2008/09	2009/10
<b>Current payments</b>	<b>1,584</b>	<b>1,852</b>	<b>1,891</b>	<b>1,855</b>	<b>1,855</b>	<b>2,093</b>	<b>2,199</b>	<b>2,334</b>	<b>2,509</b>
Compensation of employees	1,274	1,303	1,209	1,055	1,055	1,203	1,343	1,410	1,480
Salaries and wages	991	1,196	1,209	868	868	986	1,151	1,208	1,269
Social contributions	283	107	-	187	187	217	192	202	211
Goods and services	310	549	682	800	800	890	856	924	1,029
of which									
S & T accommodation & meals									
Petrol card : Petrol & oil									
Consultants and advisory services									
Other	310	549	682	800	800	890	856	924	1,029
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest									
Rent on land									
Financial transactions in assets and liabilities									
Unauthorised expenditure									
<b>Transfers and subsidies to:</b>	<b>4</b>	<b>4</b>	<b>42</b>	<b>11</b>	<b>11</b>	<b>10</b>	<b>12</b>	<b>12</b>	<b>13</b>
Local government	4	4	3	1	1	-	-	-	-
Municipalities	4	4	3	1	1	-	-	-	-
Municipal agencies and funds									
Departmental agencies and accounts	-	-	-	10	10	10	12	12	13
Social security funds									
Entities receiving funds	-	-	-	10	10	10	12	12	13
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production									
Other transfers									
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production									
Other transfers									
Foreign governments and international organisations									
Non-profit institutions									
Households	-	-	39	-	-	-	-	-	-
Social benefits									
Other transfers to households	-	-	39	-	-	-	-	-	-
<b>Payments for capital assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings									
Other fixed structures									
Machinery and equipment	-	-	-	-	-	-	-	-	-
Transport equipment									
Other machinery and equipment									
Cultivated assets									
Software and other intangible assets									
Land and subsoil assets									
<b>Total</b>	<b>1,588</b>	<b>1,856</b>	<b>1,933</b>	<b>1,866</b>	<b>1,866</b>	<b>2,103</b>	<b>2,211</b>	<b>2,346</b>	<b>2,522</b>

Table 10.F: Details of expense on infrastructure

Type of Infrastructure	Programme	Number of projects	Total costs	Medium-term estimates		
				2007/08	2008/09	2009/10
<b>Capital</b>		<b>3</b>	<b>-</b>	<b>1,000</b>	<b>784</b>	<b>1,188</b>
New constructions		2	-	322	784	1,188
2. Construction of arena with a pavilion at Khangela Palace	Prog. 2	1	-	-	784	1,188
3. Construction of car-ports at Kwakhetha and Enyokeni Palaces	Prog. 2	1	-	322	-	-
Rehabilitation		1	-	678	-	-
4. Construction of water pipes and sewer lines in all palaces		1	-	678	-	-
Other capital projects		-	-	-	-	-
Infrastructure transfers		-	-	-	-	-
<b>Current</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>		<b>3</b>	<b>-</b>	<b>1,000</b>	<b>784</b>	<b>1,188</b>