

VOTE 10

The Royal Household

Operational budget	R 43 845 000
MEC remuneration	Nil
Total amount to be appropriated	R 43 845 000
<i>of which:</i>	
Unauthorised expenditure (1 st charge) not available for spending	R 3 767 000
Vote 10 baseline available for spending after 1 st charge	R 40 078 000
Responsible MEC	The Premier, Dr. Z.L. Mkhize¹
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

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 Royal Trust (hereafter referred to as the 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, the King's mandatory responsibilities in terms of legislation;
- To establish His Majesty, the King's mandatory responsibilities in terms of custom/tradition;

¹ The salary of the MEC for the Royal Household is budgeted under Vote 1: Office of the Premier.

- To generate a schedule of events and ceremonies;
- To establish the required auxiliary services;
- To prepare an operational budget in respect of His Majesty, the King's activities;
- To determine Inter-Governmental Relations (IGR) and other protocol requirements;
- To compile a *status quo* report with information 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 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;
- To identify Royal Household assets that can play a major role towards the enhancement of the Zulu brand;
- To develop an operational business plan for each farm that belongs to the department; and
- 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 Trust;
- To provide administrative services, financial management, auxiliary services and human resource management and development;
- The maintenance of the Royal residences; and
- The maintenance of His Majesty, the King's farms.

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
- The 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
- The roles and functions of His Majesty, the King in terms of the provisions of the 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

2. Review of the 2009/10 financial year

Section 2 provides a review of 2009/10, 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.

During 2009/10, the department succeeded in aligning its programme activities with the budget structure.

During 2009/10, the department implemented a number of cost-cutting measures in order to stay within budget and in line with the Cabinet-approved Provincial Recovery Plan. In order to achieve this, activities in all three programmes were reprioritised. As a result of this cut-back, there was a decrease in the number of ceremonies attended and hosted by His Majesty, the King, as well as a reduction in the number of His Majesty, the King's entourage. Furthermore, refurbishment projects on the palaces were put on hold until 2010/11.

The department continued with the process of establishing the Trust, and trustees were appointed during 2009/10. The budget structure thereof was discussed and agreed to with His Majesty, the King. The process will only be rolled out fully in 2010/11, as the department is awaiting the listing of the Trust as a public entity by National Treasury.

Implementation of the Supply Chain Management (SCM) policy and processes, and the financial policy dealing with permissible expenditure items (to be paid from the departmental Vote), have not been finalised, due to the work-study unit from the Office of the Premier investigating the current structure of the Royal Household.

3. Outlook for the 2010/11 financial year

Section 3 looks at the key focus areas of 2010/11, outlining what the department is hoping to achieve during the year, as well as briefly looking at challenges and proposed new developments.

The department intends to fully roll out the implementation of the Trust during 2010/11. The department approached National Treasury in the latter part of December 2009 regarding the formulation of the Trust into a public entity. The department anticipates that the Trust will be listed as a public entity by mid-year, and that the Trust will run parallel with the department as an interim measure. The department has already commenced with the appointment of board members and the Chief Executive Officer, who will facilitate the whole process. Financial policies and guidelines for the Trust will be finalised during 2010/11. Once the Trust has been listed as a public entity, funds will be transferred from the department to the Trust. If, as anticipated, the Trust is listed by mid-year, then the necessary adjustments will be undertaken, and the bulk, if not all expenditure, will be shown against *Transfers and subsidies to: Departmental agencies and accounts*. As of the 2011/12 financial year, it is envisaged that the department will be replaced by the Trust and will be incorporated into Vote 1: Office of the Premier as a sub-programme.

During the transition period, the department will continue with its routine activities, such as administrative support to His Majesty, the King, maintenance of palaces and farming activities. The protocol manual with regard to the size of His Majesty, the King's entourage will also be finalised and implemented in 2010/11.

Retrenchment packages for the 68 excess domestic staff that are to be retrenched have been calculated, and will be paid during 2010/11.

Structural developments will continue to be an area of focus. The present structure does not cater for SCM, and this will be addressed in 2010/11. As mentioned under Section 2 above, implementation of the SCM policy and processes, and the financial policy dealing with permissible expenditure items (to be paid from the departmental Vote), is being investigated by the work-study unit of the Office of the Premier, and implementation of the SCM component is anticipated to take place in 2010/11 once the structural analysis has been completed.

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 2006/07 to 2012/13. The table also compares actual and budgeted receipts against actual and budgeted payments.

Table 10.1: Summary of receipts and financing

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
Provincial allocation	34 609	37 354	39 356	40 643	40 643	40 643	43 845	46 214	48 560
Total	34 609	37 354	39 356	40 643	40 643	40 643	43 845	46 214	48 560
Total payments	38 147	39 114	47 853	40 643	40 643	40 643	43 845	46 214	48 560
Surplus/(Deficit) before financing	(3 538)	(1 760)	(8 497)	-	-	-	-	-	-
Financing									
of which									
Provincial roll-overs									
Provincial cash resources									
Suspension to ensuing year									
Surplus/(deficit) after financing	(3 538)	(1 760)	(8 497)	-	-	-	-	-	-

The department's deficit after financing decreased from 2006/07 to 2007/08, but increased markedly from 2007/08 to 2008/09. The over-spending in all three financial years (2006/07 to 2008/09) was largely due to the number of under-budgeted official trips undertaken by His Majesty, the King and his entourage. The general upkeep of the Royal residences, and the recurrent running costs of the vehicle fleet, also had a major impact on spending. To this end, the department is liable for the repayment of R11.301 million, spread over the first three years of the 2010/11 MTEF, in line with the first charge implemented in terms of the Standing Committee on Public Accounts (SCOPA) Resolutions 18 of 2009, 20 of 2010 and 21 of 2010, as explained in further detail under Section 5.3 below.

The department is projecting to end the 2009/10 financial year with a balanced budget. This will be achieved through a number of cost-cutting measures which include, among others, a decrease in the number of ceremonies attended and hosted by His Majesty, the King, as well as a reduction in the number making up the King's entourage. Maintenance projects to the Royal residences have also been put on hold, and the funds reprioritised to offset possible over-spending against *Goods and services*. The cut-back appears to be feasible as, at the end of December 2009, the department was still projecting to remain within budget. However, the department will have to continue to implement strict cost-cutting measures in order to ensure this.

The budget allocation from 2010/11 onward shows an inflationary linked increase, and the department is showing a balanced budget over the 2010/11 MTEF. This budget is, however, subject to the establishment of the Trust, which is anticipated to be finalised during the latter part of 2010/11.

4.2 Departmental receipts collection

Table 10.2 below provides a summary of the sources of revenue for the department.

The main source of revenue for the department is *Sale of goods and services other than capital assets*. The revenue is derived from commission on payroll deductions, such as insurance and garnishee orders. In 2006/07, the department received a minimal amount of R3 000 on *Interest, dividends and rent on land* which was in respect of rental income from State houses. In 2008/09, the department collected R5 000 against *Transactions in financial assets and liabilities*, which related to the recovery of staff debts from previous financial years.

Details of the receipts are provided in *Annexure – Vote 10: Royal Household*.

Table 10.2: Details of departmental receipts

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	43	67	82	52	52	85	89	93	98
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	3	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-	-	-
Transactions in financial assets and liabilities	-	-	5	-	-	-	-	-	-
Total	46	67	87	52	52	85	89	93	98

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 limited financial resources. These assumptions are as follows:

- Salary increases of 5.3 per cent for 2010/11, 5.5 per cent for 2011/12 and 5 per cent for 2012/13 were included for the improvement in conditions of service, and an annual 1.5 per cent pay progression;
- The formation and listing of the Trust will be finalised during 2010/11;
- Only currently filled posts have been budgeted for;
- Retrenchment packages for 68 staff have been provided for in 2010/11; and
- The cost-cutting measures as defined in Provincial Treasury Circular PT (11) of 2009/10 will be adhered to by the department over the 2010/11 MTEF.

5.2 Additional allocation for the 2008/09 to 2010/11 MTEF

Table 10.3 shows additional funding received by the department over the three MTEF periods: 2008/09, 2009/10 and 2010/11.

The carry-through allocations for the 2008/09 MTEF period (i.e. for the financial years 2011/12 and 2012/13) are based on the incremental percentage used in the 2009/10 MTEF and 2010/11 MTEF. A similar approach was used for the carry-through allocations for the 2009/10 MTEF period.

Table 10.3: Summary of additional provincial allocations for 2008/09 to 2010/11 MTEF

R thousand	2008/09	2009/10	2010/11	2011/12	2012/13
2008/09 MTEF period	324	441	725	769	807
Personnel inflation adjustment	135	219	265	281	295
Government Employees Medical Scheme	189	222	460	488	512
2009/10 MTEF period					
2010/11 MTEF period			590	658	726
Carry-through of 2009/10 Adjustments Estimate - 2009 wage agreement			569	636	703
Policy on Incapacity Leave and Ill Health Retirement (PILIR)			21	22	23
Total	324	441	1 315	1 427	1 533

The additional 2008/09 MTEF allocation is to provide for the higher than anticipated wage agreement, and government's contribution towards the Government Employees Medical Scheme (GEMS).

No additional funding was received over the 2009/10 MTEF period.

Over the 2010/11 MTEF period, the department received additional funding for the carry-through costs of the higher than anticipated 2009 wage agreement, as well as for the Policy on Incapacity Leave and Ill Health Retirement (PILIR).

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 2006/07 to 2012/13.

Table 10.4: Summary of payments and estimates by programme

R thousand	Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09	Appropriation	Appropriation 2009/10	Estimate	2010/11	2011/12	2012/13
1. Support Services - His Majesty, the King	22 067	22 099	27 938	21 459	23 459	24 024	24 884	26 157	27 391
2. Royal Household Planning and Development	14 122	14 227	17 344	16 331	14 331	13 766	15 774	16 687	17 620
3. His Majesty, the King's Farms	1 958	2 788	2 571	2 853	2 853	2 853	3 187	3 370	3 549
Total	38 147	39 114	47 853	40 643	40 643	40 643	43 845	46 214	48 560
Unauth. exp. (1 st charge) not available for spending	-	-	-	-	-	-	(3 767)	(3 767)	(3 767)
Baseline available for spending after 1st charge	38 147	39 114	47 853	40 643	40 643	40 643	40 078	42 447	44 793

Table 10.5: Summary of payments and estimates by economic classification

R thousand	Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09	Appropriation	Appropriation 2009/10	Estimate	2010/11	2011/12	2012/13
Current payments	33 367	35 602	45 571	38 589	38 940	39 132	34 400	40 209	42 402
Compensation of employees	13 120	14 655	16 176	16 916	16 166	16 180	14 148	15 022	15 809
Goods and services	20 247	20 947	29 395	21 673	22 774	22 952	20 252	25 187	26 593
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	484	111	327	122	213	286	3 630	88	133
Provinces and municipalities	9	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	475	111	327	122	213	286	3 630	88	133
Payments for capital assets	4 296	3 401	1 955	1 932	1 490	1 225	2 048	2 150	2 258
Buildings and other fixed structures	-	650	-	-	-	-	745	782	821
Machinery and equipment	4 296	2 751	1 955	1 932	1 490	1 225	1 303	1 368	1 437
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	3 767	3 767	3 767
Total	38 147	39 114	47 853	40 643	40 643	40 643	43 845	46 214	48 560
Unauth. exp. (1 st charge) not available for spending	-	-	-	-	-	-	(3 767)	(3 767)	(3 767)
Baseline available for spending after 1st charge	38 147	39 114	47 853	40 643	40 643	40 643	40 078	42 447	44 793

In terms of Section 34(2) of the PFMA, and in line with SCOPA Resolutions 18 of 2009, 20 of 2010, 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 instalment of R3.767 million will be implemented against the 2010/11 budget, and the second and third instalments of R3.767 million each will be implemented in 2011/12 and 2012/13, respectively. This will result in a reduction against Programme 1: Support Services, His Majesty, the King and Programme 2: Royal Household Planning and Development, and against the economic classification *Goods and services*. The first charge to be implemented is allocated under Programme 1, against *Payments for financial assets*, and the amounts available for spending from 2010/11 to 2012/13 have been reduced by the instalment amounts.

As part of the Cabinet-approved Provincial Recovery Plan, the department committed itself to spend within budget and to absorb the shortfall in respect of the higher than anticipated 2009 wage agreement through internal reprioritisation. The department is projecting to spend its full allocation by the end of 2009/10.

The significant increase in Programme 1 from 2007/08 to 2008/09 is mainly due to the higher than anticipated number of official trips that were undertaken by His Majesty, the King and his entourage. Further to this, the number of official guests hosted by His Majesty, the King increased far more than expected. This also explains the substantial increase in *Goods and services* over the same period.

The substantial decrease in Programme 1 between 2008/09 to the 2009/10 Main Appropriation relates to cost-cutting measures. The department reduced Programme 1 and the economic category *Goods and services*, specifically the amounts allocated for communication, consultant and advisory services, and transport provided in respect of departmental activities.

The increase from 2007/08 to 2008/09 against Programme 2 was mainly due to the rising costs of maintaining the Royal residences, some of which are in a poor state of neglect and disrepair. This also partially explains the increase in *Goods and services* over the same period.

Spending against Programme 3: His Majesty, the King's Farms from 2006/07 to 2007/08 shows a relatively large increase, due to the department paying for fertiliser for the previous financial year as a result of the late receipt of invoices, and an increase in livestock, which ultimately led to over-spending on fodder and animal feed, as well as veterinary supplies. This also partly explains the increase against *Goods and services* over the same period.

The decrease in *Compensation of employees* from the 2009/10 Main to the 2009/10 Adjusted Appropriation is due to the non-filling of budgeted vacant posts, and the subsequent movement of savings from this category to *Goods and services* to offset spending pressures. The decrease in *Compensation of employees* from the 2009/10 Adjusted Appropriation to 2010/11 is the result of the planned retrenchment of 68 staff members, who are in excess to the establishment, in 2010/11. The budget for the retrenchment packages is reflected against *Transfers and subsidies to: Households* in 2010/11, hence the substantial increase against this category in that year. All of the employees in question provide domestic and related services, such as cleaning and gardening, to the Royal Family. It is anticipated that these services will be performed by relevant service providers in the future, and the salary budget for these 68 employees has been reprioritised to *Goods and services* in the two outer years of the MTEF.

The actual expenditure against *Buildings and other fixed structures* in 2007/08 relates to the upgrading of the Royal residences. No capital projects were undertaken in 2008/09 or 2009/10 due to a lack of funding, and attempts by the department to thwart over-expenditure in the areas of *Goods and services* and *Machinery and equipment*. Projects relating to the Royal residences are expected to begin in 2010/11. The payment for the ongoing maintenance and repairs to the Royal residences are recorded as part of current payments against *Goods and services*.

The budget for *Machinery and equipment* includes funds for the acquisition of official vehicles and domestic and office equipment. The fluctuating trend between 2006/07 and 2007/08 is due to the cyclical nature of this expenditure, such as the acquisition of new vehicles for His Majesty, the King's Queens during 2006/07 and replacement of other vehicles in the Royal fleet in 2008/09.

5.4 Summary of payments 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 payments and estimates by district municipal area

R thousand	Audited Outcome 2008/09	Revised Estimate 2009/10	Medium-term Estimates		
			2010/11	2011/12	2012/13
eThekweni					
Ugu					
uMgungundlovu					
Uthukela					
Umkhanyathle					
Amajuba					
Zululand	16 000	16 100	16 136	17 081	17 935
Umkhanyakude					
uThungulu					
Ilembe					
Sisonke					
Total	16 000	16 100	16 136	17 081	17 935

5.5 Summary of infrastructure payments and estimates

Table 10.7 presents a summary of infrastructure payments and estimates by category for Vote 10.

Table 10.7: Summary of infrastructure payments and estimates

R thousand	Outcome			Main Appropriation 2009/10	Adjusted Appropriation 2009/10	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
New and replacement assets	-	-	-	-	-	-	-	-	-
Existing infrastructure assets	3 547	650	3 000	3 025	1 025	-	3 328	3 528	4 349
Upgrades and additions	-	650	-	-	-	-	-	-	-
Rehabilitation, renovations and refurbishments	-	-	-	-	-	-	745	782	821
Maintenance and repairs	3 547	-	3 000	3 025	1 025	-	2 583	2 746	3 528
Infrastructure transfers	-	-	-	-	-	-	-	-	-
Current									
Capital									
Capital infrastructure	-	650	-	-	-	-	745	782	821
Current infrastructure	3 547	-	3 000	3 025	1 025	-	2 583	2 746	3 528
Total	3 547	650	3 000	3 025	1 025	-	3 328	3 528	4 349

The maintenance and repair work that is undertaken at the royal residences is recorded as *Current infrastructure*, whereas the capital additions are reflected against *Upgrades and additions* and *Rehabilitation, renovations and refurbishments*.

The department reduced its *Maintenance and repairs* budget during the 2009/10 Adjustments Estimate by R2 million in order to offset over-spending within *Goods and services*. This was reduced by stopping the commencement of certain maintenance projects to palaces which were not considered urgent.

The department undertook *Upgrades and additions* to the Royal residences in 2007/08. However, due to budget constraints, *Upgrades and additions* have not been undertaken since. Over the 2010/11 MTEF period, *Rehabilitation, renovations and refurbishments* projects have been budgeted to commence.

The department is not projecting to spend any money on infrastructure projects during 2009/10 (as can be seen from the 2009/10 Revised Estimate column), in order for it to remain within budget. All maintenance projects have been put on hold until 2010/11.

5.6 Transfers to municipalities

In 2006/07, the department paid R9 000 to the Zululand District Municipality in respect of the Regional Service Council Levy (RSCL). As a result of changes in legislation, the payment of the RSCL was discontinued in 2006.

5.7 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	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
1. Support Services - His Majesty, the King	452	-	150	63	154	188	67	-	-
Provinces and municipalities	4	-	-	-	-	-	-	-	-
Regional Service Council Levy	4	-	-	-	-	-	-	-	-
Households	448	-	150	63	154	188	67	-	-
Leave gratuities/exit packages	448	-	150	63	154	188	67	-	-
2. Royal Household Planning and Development	31	111	161	46	46	85	3 549	73	133
Provinces and municipalities	4	-	-	-	-	-	-	-	-
Regional Service Council Levy	4	-	-	-	-	-	-	-	-
Households	27	111	161	46	46	85	3 549	73	133
Leave gratuities/exit packages	27	111	161	46	46	85	3 549	73	133
3. His Majesty, the King's Farms	1	-	16	13	13	13	14	15	-
Provinces and municipalities	1	-	-	-	-	-	-	-	-
Regional Service Council Levy	1	-	-	-	-	-	-	-	-
Households	-	-	16	13	13	13	14	15	-
Leave gratuities/exit packages	-	-	16	13	13	13	14	15	-
Total	484	111	327	122	213	286	3 630	88	133

The amount of R9 000 paid to *Transfers and subsidies to: Provinces and municipalities* against the three programmes in 2006/07 pertains to the RSCL, which was discontinued in 2006.

Transfers and subsidies to: Households against all three programmes over the seven-year period pertains mainly to the payment of leave gratuities and other staff exit costs. In 2010/11, the department is planning to retrench 68 excess staff members, as mentioned under Section 5.3 above, hence the substantial increase against this category in that year, being the provision for the retrenchment packages.

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 the *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 one sub-programme, namely King's Office Support Services. Tables 10.9 and 10.10 reflect information relating to the programme for the period 2006/07 to 2012/13.

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

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
King's Office Support Services	22 067	22 099	27 938	21 459	23 459	24 024	24 884	26 157	27 391
Total	22 067	22 099	27 938	21 459	23 459	24 024	24 884	26 157	27 391
Unauth. exp. (1st charge) not available for spending	-	-	-	-	-	-	(3 767)	(3 767)	(3 767)
Baseline available for spending after 1st charge	22 067	22 099	27 938	21 459	23 459	24 024	21 117	22 390	23 624

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

R thousand	Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09	Appropriation	Appropriation	Estimate	2010/11	2011/12	2012/13
					2009/10				
Current payments	18 284	20 651	26 109	20 346	22 697	22 996	19 937	21 210	22 385
Compensation of employees	5 905	6 150	7 084	7 481	6 731	7 417	8 004	8 576	9 065
Goods and services	12 379	14 501	19 025	12 865	15 966	15 579	11 933	12 634	13 320
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	452	-	150	63	154	188	67	-	-
Provinces and municipalities	4	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	448	-	150	63	154	188	67	-	-
Payments for capital assets	3 331	1 448	1 679	1 050	608	840	1 113	1 180	1 239
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	3 331	1 448	1 679	1 050	608	840	1 113	1 180	1 239
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	3 767	3 767	3 767
Total	22 067	22 099	27 938	21 459	23 459	24 024	24 884	26 157	27 391
Unauth. exp. (1st charge) not available for spending	-	-	-	-	-	-	(3 767)	(3 767)	(3 767)
Baseline available for spending after 1st charge	22 067	22 099	27 938	21 459	23 459	24 024	21 117	22 390	23 624

As mentioned under Section 5.3 above, in terms of Section 34(2) of the PFMA, and in line with SCOPA Resolutions 18 of 2009, 20 of 2010, and 21 of 2010, 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 instalment of R3.767 million will be implemented against the 2010/11 budget, and the second and third instalments of R3.767 million each will be implemented in 2011/12 and 2012/13, respectively. The first charge to be implemented is allocated under Programme 1, against *Payments for financial assets*, and the amounts available for spending from 2010/11 to 2012/13 have been reduced by the instalment amounts.

The programme's spending increases substantially from 2007/08 to 2008/09 due to the higher than anticipated number of official trips that were undertaken by His Majesty, the King and his entourage. Also, the number of official guests hosted by His Majesty, the King, increased far more than expected. This also explains the substantial increase in spending over the same period against *Goods and services*.

The decrease in this programme from 2008/09 to the 2009/10 Main Appropriation pertains to cost-cutting measures. This also explains the decrease over the same period against *Goods and services*, specifically the amounts allocated for communication, consultant and advisory services, and transport provided in respect of departmental activities.

The budget of this programme was increased by R2 million from the 2009/10 Main to the 2009/10 Adjusted Appropriation against *Goods and services*, in order to partially offset spending pressures in Programme 1, particularly in the areas of communication, consultant and advisory services, and transport provided for departmental activities. Savings were identified against Programme 2 due to the implementation of cost-cutting measures in line with the Cabinet-approved Provincial Recovery Plan.

The increase from the 2009/10 Adjusted Appropriation to the 2009/10 Revised Estimate is due to the department under-budgeting for *Compensation of employees*, as a result of the higher than anticipated 2009 wage adjustment. This will be funded by savings identified as a result of cost-cutting measures, within *Goods and services* in Programme 1 and *Machinery and equipment* in Programme 2.

Transfers and subsidises to: Households relates to the payment of leave gratuities and other staff exit costs.

The high expenditure in 2006/07 against *Machinery and equipment* is mainly due to the purchase of new vehicles for His Majesty, the King's Queens. The high expenditure in 2008/09 can be ascribed to the payment of inter-departmental claims from the Department of Transport for vehicles acquired, but not paid for in prior years due to the late receipt of invoices. The department budgeted to spend

R1.050 million on *Machinery and equipment* in 2009/10. However, the decrease from the 2009/10 Main to the 2009/10 Adjusted Appropriation relates to and enforced saving in line with the Cabinet-approved Provincial Recovery Plan. The saving was moved to *Goods and services* to offset higher than anticipated subsistence and travel costs, as well as function and events costs.

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	
		2009/10	2010/11	2011/12	2012/13
To support His Majesty, the King in fulfilling his 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 2006/07 to 2012/13.

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

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09	2009/10			2010/11	2011/12	2012/13
Support Services - His Majesty, the King	14 122	14 227	17 344	16 331	14 331	13 766	15 774	16 687	17 620
Total	14 122	14 227	17 344	16 331	14 331	13 766	15 774	16 687	17 620

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

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09	2009/10			2010/11	2011/12	2012/13
Current payments	13 126	12 163	17 183	15 403	13 403	13 296	11 290	15 644	16 579
Compensation of employees	5 939	6 829	7 373	7 553	7 553	6 871	3 975	4 167	4 389
Goods and services	7 187	5 334	9 810	7 850	5 850	6 425	7 315	11 477	12 190
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	31	111	161	46	46	85	3 549	73	133
Provinces and municipalities	4	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	27	111	161	46	46	85	3 549	73	133
Payments for capital assets	965	1 953	-	882	882	385	935	970	908
Buildings and other fixed structures	-	650	-	-	-	-	745	782	821
Machinery and equipment	965	1 303	-	882	882	385	190	188	87
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	14 122	14 227	17 344	16 331	14 331	13 766	15 774	16 687	17 620

The increase from 2007/08 to 2008/09 was mainly due to the rising costs of maintaining the Royal residences, some of which are in a poor state of neglect and disrepair, which also explains the increase in *Goods and services* over the same period.

The decrease in the budget of this programme (as well as in *Goods and services*) from the 2009/10 Main to the 2009/10 Adjusted Appropriation is due to the fact that R2 million was moved from *Goods and services* in Programme 2 to *Goods and services* in Programme 1 in order to partially offset spending pressures within the latter programme. The saving was a result of the department placing certain maintenance projects to the palaces, which were not urgent, on hold in order to break-even at year-end. These projects will commence in 2010/11.

The decrease in *Compensation of employees* from 2009/10 to 2010/11 is due to the planned retrenchment of 68 officials at the end of 2009/10. The department has provided for the retrenchment packages in the 2010/11 budget, reflected against *Transfers and subsidies to: Households*. All of the employees in question provide domestic and related services, such as cleaning and gardening, to the Royal Family. It is anticipated that these services will be performed by relevant service providers in the future, and the salary budget for these 68 employees has been reprioritised to the category *Goods and services* in 2011/12. Any savings from the payment of the retrenchment packages in 2010/11 will be used to pay for domestic services provided by service providers.

In 2007/08, the department undertook renovations and repairs to the Royal residences (*Buildings and other fixed structures*) which were in dire need of upgrading. Further capital projects were put on hold, in order to avoid over-spending in other areas. However, as of 2010/11, infrastructure projects (*Buildings and other fixed structures*) will commence.

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

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

Table 10.14 shows the service delivery information for Programme 2.

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

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2009/10	2010/11	2011/12	2012/13
Maintenance of the Royal Residences	• No. of maintenance projects	-	10	10	10

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 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 2006/07 to 2012/13.

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

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09	2009/10	2009/10	2009/10	2010/11	2011/12	2012/13
His Majesty, the King's Farms	1 958	2 788	2 571	2 853	2 853	2 853	3 187	3 370	3 549
Total	1 958	2 788	2 571	2 853	2 853	2 853	3 187	3 370	3 549

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

R thousand	Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09	Appropriation	Appropriation	Estimate	2010/11	2011/12	2012/13
Current payments	1 957	2 788	2 279	2 840	2 840	2 840	3 173	3 355	3 438
Compensation of employees	1 276	1 676	1 719	1 882	1 882	1 892	2 169	2 279	2 355
Goods and services	681	1 112	560	958	958	948	1 004	1 076	1 083
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	1	-	16	13	13	13	14	15	-
Provinces and municipalities	1	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technicians	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	-	16	13	13	13	14	15	-
Payments for capital assets	-	-	276	-	-	-	-	-	111
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	-	276	-	-	-	-	-	111
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	1 958	2 788	2 571	2 853	2 853	2 853	3 187	3 370	3 549

Spending against Programme 3 from 2006/07 to 2007/08 shows a relatively large increase due to the department paying for fertiliser for the previous financial year as a result of the late receipt of invoices, and an increase in livestock, which ultimately led to over-spending on fodder and animal feed, as well as veterinary supplies. This also explains the increase over the same period against *Goods and services*.

With the exception of the above, the budget for this programme shows a steady increase based on inflation, with no major fluctuations at sub-programme or economic classification level.

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		
		2009/10	2010/11	2011/12	2012/13
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

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.

As reflected in the table below, the personnel numbers are expected to drop in 2010/11, largely due to the planned retrenchment of 68 employees at the end of 2009.

Table 10.18: Personnel numbers and costs per programme

Personnel numbers	As at 31 March 2007	As at 31 March 2008	As at 31 March 2009	As at 31 March 2010	As at 31 March 2011	As at 31 March 2012	As at 31 March 2013
1. Support Services - His Majesty, the King	24	24	25	25	25	25	25
2. Royal Household Planning and Development	97	97	97	97	29	29	29
3. His Majesty, the King's farms	28	28	28	28	28	28	28
Total	149	149	150	150	82	82	82
Total personnel cost (R thousand)	13 120	14 655	16 176	16 180	14 148	15 022	15 809
Unit cost (R thousand)	88	98	108	108	173	183	193

Table 10.19: Details of departmental personnel numbers and costs

	Outcome			Main Appropriation	Adjusted Appropriation 2009/10	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
Total for department									
Personnel numbers (head count)	149	149	150	150	150	150	82	82	82
Personnel cost (R thousand)	13 120	14 655	16 176	16 916	16 166	16 180	14 148	15 022	15 809
Human resources component									
Personnel numbers (head count)	6	6	6	6	6	6	6	6	6
Personnel cost (R thousand)	1 172	1 294	1 143	1 229	1 229	1 229	1 428	-	-
Head count as % of total for department	4.03	4.03	4.00	4.00	4.00	4.00	7.32	7.32	7.32
Personnel cost as % of total for department	8.94	8.83	7.07	7.27	7.60	7.60	10.09	-	-
Finance component									
Personnel numbers (head count)	12	12	13	13	13	13	13	13	13
Personnel cost (R thousand)	2 491	2 751	2 851	3 306	3 306	3 306	3 679	-	-
Head count as % of total for department	8.05	8.05	8.67	8.67	8.67	8.67	15.85	15.85	15.85
Personnel cost as % of total for department	18.99	18.77	17.62	19.54	20.45	20.43	26.00	-	-
Full time workers									
Personnel numbers (head count)	149	149	150	150	150	150	82	82	82
Personnel cost (R thousand)	13 120	14 655	16 176	16 916	16 166	16 180	14 148	15 022	15 809
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
Part-time workers									
Personnel numbers (head count)	-	-	-	-	-	-	-	-	-
Personnel cost (R thousand)	-	-	-	-	-	-	-	-	-
Head count as % of total for department	-	-	-	-	-	-	-	-	-
Personnel cost as % of total for department	-	-	-	-	-	-	-	-	-
Contract workers									
Personnel numbers (head count)	-	-	-	-	-	-	-	-	-
Personnel cost (R thousand)	-	-	-	-	-	-	-	-	-
Head count as % of total for department	-	-	-	-	-	-	-	-	-
Personnel cost as % of total for department	-	-	-	-	-	-	-	-	-

7.2 Training

Tables 10.20 and 10.21 give a summary of departmental spending and information on training for the period 2006/07 to 2008/09 and budgeted expenditure for the period 2009/10 to 2012/13. Table 10.21 illustrates the number of staff affected by the various training programmes and initiatives. It also includes a gender breakdown as well as details of the number of bursaries and learnerships.

The department spent a minimal amount of R5 000 on training in 2007/08 and 2008/09. However, no provision has been made for training in 2009/10 and over the 2010/11 MTEF, pending the implementation of the Trust. It is expected that more funding will become available for operational and administrative expenditure items, as the Trust will cover some of the costs incurred by His Majesty, the King.

Table 10.20: Payments and estimates on training

R thousand	Outcome			Main Appropriation	Adjusted Appropriation 2009/10	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
1. Support Services - His Majesty, the King	-	5	5	-	-	-	-	-	-
2. Royal Household Planning and Development	-	-	-	-	-	-	-	-	-
3. His Majesty, the King's Farms	-	-	-	-	-	-	-	-	-
Total	-	5	5	-	-	-	-	-	-

Table 10.21: Information on training

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited	Audited	Audited				2010/11	2011/12	2012/13
	2006/07	2007/08	2008/09						
Number of staff	149	149	150	150	150	150	82	82	82
Number of personnel trained	-	2	2	-	-	-	-	-	-
of which									
Male	-	1	1	-	-	-	-	-	-
Female	-	1	1	-	-	-	-	-	-
Number of training opportunities									
of which									
Tertiary									
Workshops									
Seminars									
Other									
Number of bursaries offered									
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	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
Sale of goods and services other than capital assets	43	67	82	52	52	85	89	93	98
Sale of goods and services produced by dept. (excl. capital assets)	43	67	82	52	52	85	89	93	98
Sales by market establishments									
Administrative fees	-	-	27	-	-	-	-	-	-
Other sales	43	67	55	52	52	85	89	93	98
Of which									
Commission on insurance	43	67	55	52	52	85	89	93	98
Sale of scrap, waste, arms and other used current goods (excluding capital assets)									
Transfers received from:	-	-	-	-	-	-	-	-	-
Other governmental units									
Universities and technikons									
Foreign governments									
International organisations									
Public corporations and private enterprises									
Households and non-profit institutions									
Fines, penalties and forfeits									
Interest, dividends and rent on land	3	-	-	-	-	-	-	-	-
Interest	3	-	-	-	-	-	-	-	-
Dividends									
Rent on land									
Sale of capital assets	-	-	-	-	-	-	-	-	-
Land and subsoil assets									
Other capital assets									
Transactions in financial assets and liabilities	-	-	5	-	-	-	-	-	-
Total	46	67	87	52	52	85	89	93	98

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

R thousand	Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09	Appropriation	Appropriation 2009/10	Estimate	2010/11	2011/12	2012/13
Current payments	33 367	35 602	45 571	38 589	38 940	39 132	34 400	40 209	42 402
Compensation of employees	13 120	14 655	16 176	16 916	16 166	16 180	14 148	15 022	15 809
Salaries and wages	13 120	12 829	14 162	14 888	14 138	14 152	12 599	13 275	13 979
Social contributions	-	1 826	2 014	2 028	2 028	2 028	1 549	1 747	1 830
Goods and services	20 247	20 947	29 395	21 673	22 774	22 952	20 252	25 187	26 593
of which									
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	-	47	27	52	52	52	60	60	61
Assets <R5000	-	306	321	343	343	343	398	417	439
Audit cost: External	681	824	865	1 202	1 202	1 202	1 394	1 473	1 547
Bursaries (employees)	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication	-	1 346	1 412	927	927	927	1 106	1 161	1 218
Computer services	-	-	-	-	-	-	-	-	-
Cons/prof:business & advisory services	327	849	891	440	440	440	541	574	596
Cons/prof: Infrastructure & planning	-	-	-	-	-	-	-	-	-
Cons/prof: Laboratory services	-	-	-	-	-	-	-	-	-
Cons/prof: Legal cost	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency & support/outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	3 068	3 221	1 449	1 449	1 449	1 100	1 154	1 213
Government motor transport	-	-	-	-	-	-	-	-	-
Housing	-	155	162	174	174	174	190	200	211
Inventory: Food and food supplies	-	944	991	1 061	1 061	1 061	1 230	1 291	1 368
Inventory: Fuel, oil and gas	-	194	203	217	217	217	251	263	276
Inventory:Learn & teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Raw materials	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Military stores	-	-	-	-	-	-	-	-	-
Inventory: Other consumables	-	-	-	-	-	-	200	212	219
Inventory: Stationery and printing	-	235	241	263	263	263	305	319	336
Lease payments	-	95	100	107	107	107	124	130	137
Owned & leasehold property expenditure	-	1 374	5 654	3 060	1 060	1 635	2 860	6 767	7 205
Transport provided dept activity	2 259	2 009	2 104	1 853	1 853	2 926	1 390	1 484	1 583
Travel and subsistence	5 677	7 243	7 605	7 973	11 074	9 614	7 437	7 865	8 271
Training & staff development	-	5	5	-	-	-	-	-	-
Operating expenditure	-	-	-	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Other	11 303	2 253	5 593	2 552	2 552	2 542	1 666	1 817	1 913
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	484	111	327	122	213	286	3 630	88	133
Provinces and municipalities	9	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	9	-	-	-	-	-	-	-	-
Municipalities	9	-	-	-	-	-	-	-	-
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	475	111	327	122	213	286	3 630	88	133
Social benefits	475	111	327	122	213	286	3 630	88	133
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	4 296	3 401	1 955	1 932	1 490	1 225	2 048	2 150	2 258
Buildings and other fixed structures	-	650	-	-	-	-	745	782	821
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	650	-	-	-	-	745	782	821
Machinery and equipment	4 296	2 751	1 955	1 932	1 490	1 225	1 303	1 368	1 437
Transport equipment	3 246	1 354	1 797	893	451	683	947	1 004	1 054
Other machinery and equipment	1 050	1 397	158	1 039	1 039	542	356	364	383
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	3 767	3 767	3 767
Total	38 147	39 114	47 853	40 643	40 643	40 643	43 845	46 214	48 560
Unauth. exp. (1 st charge) not available for spending	-	-	-	-	-	-	(3 767)	(3 767)	(3 767)
Baseline available for spending after 1st charge	38 147	39 114	47 853	40 643	40 643	40 643	40 078	42 447	44 793

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

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
Current payments	18 284	20 651	26 109	20 346	22 697	22 996	19 937	21 210	22 385
Compensation of employees	5 905	6 150	7 084	7 481	6 731	7 417	8 004	8 576	9 065
Salaries and wages	5 905	5 404	6 234	6 584	5 834	6 520	7 144	7 568	8 007
Social contributions	-	746	850	897	897	897	860	1 008	1 058
Goods and services	12 379	14 501	19 025	12 865	15 966	15 579	11 933	12 634	13 320
of which									
Administrative fees	-	41	21	46	46	46	53	53	53
Advertising	-	6	6	5	5	5	6	6	7
Assets <R5000	-	824	865	-	-	-	-	-	-
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries (employees)	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	1 237	1 298	805	805	805	964	1 012	1 062
Communication	-	-	-	-	-	-	-	-	-
Computer services	-	-	-	-	-	-	-	-	-
Cons/prof.business & advisory services	327	849	891	440	440	440	541	574	596
Cons/prof: Infrastructure & planning	-	-	-	-	-	-	-	-	-
Cons/prof: Laboratory services	-	-	-	-	-	-	-	-	-
Cons/prof: Legal cost	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency & support/outourced services	-	1 447	1 519	804	804	804	787	826	868
Entertainment	-	-	-	-	-	-	-	-	-
Government motor transport	-	21	22	24	24	24	28	29	31
Housing	-	5	5	6	6	6	6	6	7
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	-
Inventory: Fuel, oil and gas	-	-	-	-	-	-	-	-	-
Inventory:Learn & teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Raw materials	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Military stores	-	-	-	-	-	-	-	-	-
Inventory: Other consumables	-	-	-	-	-	-	-	-	-
Inventory: Stationery and printing	-	231	237	258	258	258	299	313	329
Lease payments	-	95	100	107	107	107	124	130	137
Owned & leasehold property expenditure	-	2	2	7	7	7	9	10	10
Transport provided dept activity	2 259	2 009	2 104	1 853	1 853	2 926	1 390	1 484	1 583
Travel and subsistence	5 677	7 123	7 479	7 839	10 940	9 480	7 299	7 718	8 115
Training & staff development	-	5	5	-	-	-	-	-	-
Operating expenditure	-	-	-	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Other	4 116	606	4 471	671	671	671	427	473	522
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	452	-	150	63	154	188	67	-	-
Provinces and municipalities	4	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	4	-	-	-	-	-	-	-	-
Municipalities	4	-	-	-	-	-	-	-	-
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	448	-	150	63	154	188	67	-	-
Social benefits	448	-	150	63	154	188	67	-	-
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	3 331	1 448	1 679	1 050	608	840	1 113	1 180	1 239
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	3 331	1 448	1 679	1 050	608	840	1 113	1 180	1 239
Transport equipment	3 246	1 354	1 580	893	451	683	947	1 004	1 054
Other machinery and equipment	85	94	99	157	157	157	166	176	185
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	3 767	3 767	3 767
Total	22 067	22 099	27 938	21 459	23 459	24 024	24 884	26 157	27 391
Unauth. exp. (1st charge) not available for spending	-	-	-	-	-	-	(3 767)	(3 767)	(3 767)
Baseline available for spending after 1st charge	22 067	22 099	27 938	21 459	23 459	24 024	21 117	22 390	23 624

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

R thousand	Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	Audited 2006/07	Audited 2007/08	Audited 2008/09				2010/11	2011/12	2012/13
Current payments	13 126	12 163	17 183	15 403	13 403	13 296	11 290	15 644	16 579
Compensation of employees	5 939	6 829	7 373	7 553	7 553	6 871	3 975	4 167	4 389
Salaries and wages	5 939	5 941	6 415	6 647	6 647	5 965	3 513	3 684	3 881
Social contributions	-	888	958	906	906	906	462	483	508
Goods and services	7 187	5 334	9 810	7 850	5 850	6 425	7 315	11 477	12 190
of which									
Administrative fees	-	6	6	6	6	6	7	7	8
Advertising	-	300	315	338	338	338	392	411	432
Assets <R5000	-	-	-	1 202	1 202	1 202	1 394	1 473	1 547
Audit cost: External	-	-	-	-	-	-	-	-	-
Bursaries (employees)	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication	-	109	114	122	122	122	142	149	156
Computer services	-	-	-	-	-	-	-	-	-
Cons/prof:business & advisory services	-	-	-	-	-	-	-	-	-
Cons/prof: Infrastructure & planning	-	-	-	-	-	-	-	-	-
Cons/prof: Laboratory services	-	-	-	-	-	-	-	-	-
Cons/prof: Legal cost	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	-	-	-	-
Agency & support/outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	-	1 621	1 702	645	645	645	313	328	345
Government motor transport	-	-	-	-	-	-	-	-	-
Housing	-	126	132	141	141	141	162	171	180
Inventory: Food and food supplies	-	939	986	1 055	1 055	1 055	1 224	1 285	1 361
Inventory: Fuel, oil and gas	-	194	203	217	217	217	251	263	276
Inventory:Learn & teacher support material	-	-	-	-	-	-	-	-	-
Inventory: Raw materials	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Military stores	-	-	-	-	-	-	-	-	-
Inventory: Other consumables	-	-	-	-	-	-	-	-	-
Inventory: Stationery and printing	-	4	4	5	5	5	6	6	7
Lease payments	-	-	-	-	-	-	-	-	-
Owned & leasehold property expenditure	-	1 372	5 652	3 053	1 053	1 628	2 851	6 757	7 195
Transport provided dept activity	-	-	-	-	-	-	-	-	-
Travel and subsistence	-	92	97	103	103	103	106	111	117
Training & staff development	-	-	-	-	-	-	-	-	-
Operating expenditure	-	-	-	-	-	-	-	-	-
Venues and facilities	-	-	-	-	-	-	-	-	-
Other	7 187	571	599	963	963	963	467	516	566
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	31	111	161	46	46	85	3 549	73	133
Provinces and municipalities	4	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	4	-	-	-	-	-	-	-	-
Municipalities	4	-	-	-	-	-	-	-	-
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	27	111	161	46	46	85	3 549	73	133
Social benefits	27	111	161	46	46	85	3 549	73	133
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	965	1 953	-	882	882	385	935	970	908
Buildings and other fixed structures	-	650	-	-	-	-	745	782	821
Buildings	-	650	-	-	-	-	745	782	821
Other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	965	1 303	-	882	882	385	190	188	87
Transport equipment	-	-	-	-	-	-	-	-	-
Other machinery and equipment	965	1 303	-	882	882	385	190	188	87
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	14 122	14 227	17 344	16 331	14 331	13 766	15 774	16 687	17 620

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

R thousand	Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	Audited	Audited	Audited	Appropriation	Appropriation	Estimate			
	2006/07	2007/08	2008/09	2009/10			2010/11	2011/12	2012/13
Current payments	1 957	2 788	2 279	2 840	2 840	2 840	3 173	3 355	3 438
Compensation of employees	1 276	1 676	1 719	1 882	1 882	1 892	2 169	2 279	2 355
Salaries and wages	1 276	1 484	1 513	1 657	1 657	1 667	1 942	2 023	2 091
Social contributions	-	192	206	225	225	225	227	256	264
Goods and services	681	1 112	560	958	958	948	1 004	1 076	1 083
of which									
Administrative fees									
Advertising									
Assets <R5000									
Audit cost: External	681	-	-	-	-	-	-	-	-
Bursaries (employees)									
Catering: Departmental activities									
Communication									
Computer services									
Cons/prof:business & advisory services									
Cons/prof: Infrastructre & planning									
Cons/prof: Laboratory services									
Cons/prof: Legal cost									
Contractors									
Agency & support/outsourced services									
Entertainment									
Government motor transport									
Housing	-	8	8	9	9	9	-	-	-
Inventory: Food and food supplies									
Inventory: Fuel, oil and gas									
Inventory:Learn & teacher support material									
Inventory: Raw materials									
Inventory: Medical supplies									
Medsas inventory interface									
Inventory: Military stores									
Inventory: Other consumables	-	-	-	-	-	-	200	212	219
Inventory: Stationery and printing									
Lease payments									
Owned & leasehold property expenditure									
Transport provided dept activity									
Travel and subsistence	-	28	29	31	31	31	32	36	39
Training & staff development									
Operating expenditure									
Venues and facilities									
Other	-	1 076	523	918	918	908	772	828	825
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest									
Rent on land									
Transfers and subsidies to	1	-	16	13	13	13	14	15	-
Provinces and municipalities	1	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities	1	-	-	-	-	-	-	-	-
Municipalities	1	-	-	-	-	-	-	-	-
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	-	-	16	13	13	13	14	15	-
Social benefits	-	-	16	13	13	13	14	15	-
Other transfers to households									
Payments for capital assets	-	-	276	-	-	-	-	-	111
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings									
Other fixed structures									
Machinery and equipment	-	-	276	-	-	-	-	-	111
Transport equipment	-	-	217	-	-	-	-	-	-
Other machinery and equipment	-	-	59	-	-	-	-	-	111
Heritage assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets									
Total	1 958	2 788	2 571	2 853	2 853	2 853	3 187	3 370	3 549

Table 10.F: Payments of infrastructure by category

Project name R thousand	Region	Municipality	Type of infrastructure		Project duration		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					2010/11	2011/12	2012/13
New and replacement assets								-	-	-	-	-	-
Upgrades and additions								-	-	-	-	-	-
Rehabilitation, renovations and refurbishments													
1. Rehabilitation etc. to Palaces	Zululand	Zululand	Palaces	7	Ongoing	Ongoing	Royal Household Planning and Development	-	2 348	-	745	782	821
Total rehabilitation, renovations and refurbishments								-	2 348	-	745	782	821
Maintenance and repairs													
1. Repairs to Palaces	Zululand	Zululand	Palaces	7	Ongoing	Ongoing	Royal Household Planning and Development	-	8 857	-	2 583	2 746	3 528
Total maintenance and repairs								-	8 857	-	2 583	2 746	3 528
Infrastructure transfers - current								-	-	-	-	-	-
Infrastructure transfers - capital								-	-	-	-	-	-
Total Vote 10 Infrastructure								-	11 205	-	3 328	3 528	4 349

Note: Total costs represent total estimated payments of a particular project of which the project life span may not coincide fully with the MTEF period. Where projects are of a recurrent nature, the total costs are not depicted.