

VOTE 10

The Royal Household

Operational budget	R 55 028 000
MEC remuneration	Nil
Total amount to be appropriated	R 55 028 000
of which:	
Unauth. exp. (1 st charge) not available for spending	R 3 767 000
Vote 10 baseline available for spending after 1 st charge	R 51 261 000
Responsible MEC	The Premier, Dr. Z.L. Mkhize ¹
Administrating department	The Royal Household
Accounting officer	Head: Royal Household

1. Overview

Vision

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

Strategic objectives

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

The main strategic objectives of the department are as follows:

- To monitor progress in establishing and running the Royal Trust;
- To identify potential challenges in the implementation of Executive Council directives;
- To identify His Majesty, the King's mandatory responsibilities in terms of legislation;
- To establish His Majesty, the King's mandatory responsibilities in terms of custom/tradition;
- To determine Inter-Governmental Relations (IGR) and other protocol requirements;
- To investigate sustainability strengths and opportunities in respect of each palace;
- To collaborate with other government departments and/or agencies with a view to identifying a role for palaces in income-generating tourism activity;
- To investigate potential twinning opportunities that are likely to yield long-term benefits for palaces;

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

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

Legislative mandate

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

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

2. Review of the 2010/11 financial year

Section 2 provides a review of 2010/11, outlining the main achievements and progress made by the department during the year, as well as providing a brief discussion on challenges and new developments.

The Royal Trust

The Royal Trust was established in 2009 in terms of the KZN Royal Trust Act, 2007 and, as its objective, was to administer the following for the benefit of the Monarch and the Royal Household:

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

- To market the Royal Trust, and its related activities.

In December 2009, the department approached National Treasury regarding the listing of the Royal Trust as a public entity in terms of the PFMA, and it is anticipated that the listing will be finalised in 2011/12. In the interim, the Royal Trust will operate as an entity established in terms of the KZN Royal Trust Act, 2007.

The department focussed on the establishment of the Royal Trust in 2010/11. Five Board members were appointed, as well as a Chief Executive Officer (CEO), and the CEO's secretary. To this end, the Board of the Royal Trust is fully functional. Financial policies and guidelines for the Trust were also finalised during the year. During the transition period, pending the full establishment of the Royal Trust, the department continued with its routine activities, such as administrative support to His Majesty, the King, maintenance of palaces and farming activities. In the 2010/11 Adjustments Estimate, the first transfer payments were made to the Royal Trust. Funds were moved from various categories, such as *Compensation of employees*, *Goods and services*, etc., for operational purposes and to facilitate the setting up of the Royal Trust, including the remuneration of the CEO and five Board members. Funds were also transferred for the running costs of the Royal Household, including municipal costs, fuel, food and food supplies, etc., in respect of His Majesty's Queens', and other members of the Royal Family. It should be noted that the original purpose of these funds was not changed, but they are now merely administered by the Royal Trust.

In 2010/11, the department had budgeted for the retrenchment of 68 staff members, who were in excess to the establishment. All of the employees in question provide domestic and related services, such as cleaning and gardening, to the Royal Family. This retrenchment did not go ahead in 2010/11 due to the department awaiting the Royal Trust to be fully operational. The newly established Royal Trust Board is in the process of reviewing the organogram and, once this is finalised, it will be decided which of these staff are to be retained, and which are to be retrenched.

His Majesty, the King's activities

During 2010/11 His Majesty, the King undertook the following:

- Participated in government events and ceremonies, such as the opening of the KZN Provincial Legislature, the launching of the circumcision initiative in KZN, and the opening of the King Shaka International Airport;
- Visited the United Kingdom, Morocco, Libya and Uganda, as a business ambassador to KZN;
- Hosted a number of foreign dignitaries during the 2010 World Cup;
- Hosted major traditional events, such as the Reed Dance and First Fruits ceremony;
- Installed *Amakhosi* both statutorily and customarily; and
- Was involved in farming activities, such as plant and animal production.

General

New policies were developed to administer the expenses of the palaces, and other expenses of the Royal Trust, i.e. policies were developed by the Royal Trust to correctly control expenditure.

The department continued to draft the protocol manual, regarding the activities of the Royal Household, and it is anticipated that this manual will be completed in the first half of 2011/12.

3. Outlook for the 2011/12 financial year

Section 3 looks at the key focus areas of 2011/12, outlining what the department is hoping to achieve during the year, as well as briefly looking at challenges and proposed new developments.

The Royal Trust

The department will continue to transfer funds to the Royal Trust for operational costs of the Board and running costs of the Royal Household, which are administered by the Royal Trust. These include the

remuneration of the CEO, his secretary and the five Board members, as well as running costs in respect of His Majesty's Queens'. As mentioned above, the department approached National Treasury regarding the listing of the Royal Trust as a public entity, and anticipates that this will be finalised in 2011/12.

The Board is in the process of reviewing the department's organogram to see who will remain within the administrative support staff to His Majesty, the King (and hence will remain as part of the department), and who will be moved to the Royal Trust, and anticipates that this will be finalised in 2011/12, once the organogram is complete.

Following the establishment of the Board in 2010/11, the first-phase of the transition toward the Royal Trust will continue in 2011/12, with palace support staff moving from Programme 2: Royal Household Planning and Development to the Royal Trust. The second-phase of the transition will take place over the longer-term (latter part of the MTEF period), with staff, including all farm workers, being moved from Programme 3: His Majesty, the King's Farms, to the Royal Trust. The ultimate objective over the next three to five years will be for Vote 10 to only have one budget programme, with two sub-programmes, namely the King's Office Support Services and Royal Trust. The King's Office Support Services sub-programme will cater only for the administrative costs in respect of His Majesty, the King, including the salaries of all support staff to His Majesty, His Majesty's salary, and other associated costs, such as His Majesty's subsistence and travel costs. All costs relating to the remainder of the Royal Family (His Majesty's Queens', school fees, transport, etc), as well as the maintenance of palaces and all farming activities, will be administered by the Royal Trust, under the sub-programme: Royal Trust.

Renovations to palaces

The department plans to focus on required renovations and maintenance to all seven of the Royal residences, for which additional funding was provided over the 2011/12 MTEF. This includes total renovation, upgrading and refurbishment, emergency repairs to both the inside and outside of the palaces, as well as providing for water reticulation systems inside each of the palaces, and landscaping. Some of the major renovation projects include the following: extension of a dining room, kitchen revamping, provision of rondavel clusters, paving of driveways, and provision of toilet blocks.

Protocol manual of the department

The protocol manual regarding to the activities of the Royal Household will be finalised in the first half of 2011/12.

His Majesty, the King's activities

During 2011/12, His Majesty, the King will continue to install *Amakhosi*, host the First Fruits ceremony and the Reed Dance ceremony, among others, undertake both national and international trips as a business ambassador to KZN, and be involved in crop and animal production.

Feasibility studies of His Majesty, the King's farms

Feasibility studies of His Majesty, the King's Farms were completed by the Department of Agriculture, Environmental Affairs and Rural Development (DAEARD) in December 2010. The Royal Household in conjunction with DAEARD is planning to roll out the findings of these studies in 2011/12, in order to commence with the full commercialisation of three of His Majesty's farms which are considered to be commercially viable. The transfer of farm workers to the Royal Trust will take place in a phased-in approach over the outer years of the MTEF, taking into account the findings of these feasibility studies.

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 2007/08 to 2013/14. The table also compares actual and budgeted receipts against actual and budgeted payments.

Table 10.1: Summary of receipts and financing

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
Provincial allocation	37 354	39 356	40 643	43 845	45 113	45 113	55 028	59 434	64 065
Total	37 354	39 356	40 643	43 845	45 113	45 113	55 028	59 434	64 065
Total payments	39 114	47 853	40 407	43 845	47 149	47 149	55 028	59 434	64 065
Surplus/(Deficit) before financing	(1 760)	(8 497)	236	-	(2 036)	(2 036)	-	-	-
Financing									
of which									
Provincial roll-overs	-	-	-	-	236	236	-	-	-
Provincial cash resources	-	-	-	-	1 800	1 800	-	-	-
Surplus/(deficit) after financing	(1 760)	(8 497)	236	-	-	-	-	-	-

The department ended 2007/08 and 2008/09 with a deficit after financing. The over-spending in these two financial years 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. Although not evident in the table, the department also over-spent its budget in 2005/06 and 2006/07 due to the same reasons. To this end, the department is liable for the repayment of R11.301 million in terms of Section 34(2) of the PFMA. This amount was spread over the first three years of the 2010/11 MTEF, and is a first charge against the department's budget, and is implemented in terms of SCOPA Resolutions 18 of 2009, 20 and 21 of 2010, as explained in further detail under Section 5.3 below.

The department ended 2009/10 with an under-spending of R236 000, due to the implementation of stringent cost-cutting measures, in line with the Cabinet-approved Provincial Recovery Plan.

The department had a deficit before financing of R2.036 million in 2010/11, which was financed by a roll-over of R236 000 from 2009/10, and additional funding of R1.800 million allocated in the 2010/11 Adjustments Estimate to cater for back-pay in respect of the King's salary which was inadvertently under-paid since 2000/01. The department is projecting to end 2010/11 with a balanced budget, and this will be achieved through the stringent implementation of cost-cutting measures.

The increase in the budget from the 2010/11 Adjusted Appropriation to 2011/12 is mainly due to the department receiving additional funding for renovation and refurbishment of the seven Royal residences over the 2011/12 MTEF period, as well as for the carry-through costs of the higher than anticipated 2010 wage agreement. The department is showing a balanced budget over the 2011/12 MTEF.

4.2 Departmental receipts collection

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

Table 10.2: Details of departmental receipts

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	67	82	89	89	89	89	93	98	103
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	335	-	-	-
Transactions in financial assets and liabilities	-	5	-	-	-	203	-	-	-
Total	67	87	89	89	89	627	93	98	103

The main source of revenue for the department is *Sale of goods and services other than capital assets*, which shows an increasing trend over the seven-year period under review. The revenue is derived from commission on payroll deductions, such as insurance and garnishee orders.

During 2010/11, the department collected once-off revenue on *Sale of capital assets* for the unanticipated sale of 12 redundant vehicles.

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. In 2010/11, the department received R203 000, for the unanticipated recovery of staff debts dating back to 2005/06.

4.3 Donor funding – Nil

5. Payment summary

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

5.1 Key assumptions

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

- Provision was made for the carry-through costs of the 2010 wage agreement and an inflationary wage adjustment of 5.5 per cent for each of the three years of the 2011/12 MTEF.
- Provision was made for an annual 1.5 per cent pay progression, and for the R800 per month housing allowance for staff on levels 1 to 10 as per the 2010 wage agreement.
- The cost-cutting measures as defined in Provincial Treasury PT(1) of 2010/11 (as reissued by the Provincial Treasury in 2011/12) will continue to be adhered to over the 2011/12 MTEF.
- Provision has been made for the filling of vacant posts. However, if the moratorium on the filling of non-critical posts is not lifted, these funds may be reallocated in the Adjustments Estimate process.
- The operations of the Royal Trust will be phased in over the next three to five years, and various staff will be transferred to the Royal Trust in a phased-in approach.

5.2 Additional allocations for the 2009/10 to 2011/12 MTEF

Table 10.3 shows additional funding received by the department over the three MTEF periods: 2009/10, 2010/11 and 2011/12.

The carry-through allocations for the 2009/10 MTEF period (i.e. for the financial years 2012/13 and 2013/14) are based on the incremental percentage used in the 2010/11 MTEF and 2011/12 MTEF. A similar approach was used for the carry-through allocations for the 2010/11 MTEF period.

Table 10.3: Summary of additional provincial allocations for 2009/10 to 2011/12 MTEF

R thousand	2009/10	2010/11	2011/12	2012/13	2013/14
2009/10 MTEF period					
2010/11 MTEF period		590	658	726	766
Carry-through of 2009/10 Adjustments Estimate - 2009 wage agreement		569	636	703	742
Policy on Incapacity Leave and Ill Health Retirement (PILIR)		21	22	23	24
2011/12 MTEF period			8 814	10 874	12 834
Carry-through of 2009/10 Adjustments Estimate - 2010 wage agreement			844	911	884
Prov. priorities: Renovations, refurbishment of the Royal residences			8 000	10 000	12 000
National Cabinet decision to cut provinces by 0.3 per cent			(30)	(37)	(50)
Total		590	9 472	11 600	13 600

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

Over the 2010/11 MTEF, 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).

Over the 2011/12 MTEF, the department received additional funding for the higher than anticipated 2010 wage agreement, as well as for renovations and refurbishment of the Royal residences. Also in the 2011/12 MTEF, National Cabinet took a decision to cut all national votes and the provincial equitable share by 0.3 per cent. The bulk of this equitable share reduction in KZN was sourced by capping the interest on the overdraft provision and by marginally decreasing the budgeted surplus of the province. The balance was sourced proportionately from all 16 provincial votes. The effect of this on the Royal Household is a slight reduction of R30 000, R37 000 and R50 000 over the 2011/12 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 by programme and economic classification, respectively for the period 2007/08 to 2013/14.

Table 10.4: Summary of payments and estimates by programme

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
1. Support Services - His Majesty, the King	22 099	27 938	24 323	24 884	34 695	34 293	39 489	41 746	44 732
2. Royal Household Planning and Development	14 227	17 344	13 666	15 774	9 679	10 382	11 931	13 884	15 589
3. His Majesty, the King's Farms	2 788	2 571	2 418	3 187	2 775	2 474	3 608	3 804	3 744
Total	39 114	47 853	40 407	43 845	47 149	47 149	55 028	59 434	64 065
Unauth. exp. (1 st charge) not available for spending	-	-	-	(3 767)	(3 767)	(3 767)	(3 767)	(3 767)	-
Baseline available for spending after 1st charge	39 114	47 853	40 407	40 078	43 382	43 382	51 261	55 667	64 065

Table 10.5: Summary of payments and estimates by economic classification

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
Current payments	35 602	45 571	39 378	34 400	32 593	34 044	19 023	19 276	23 543
Compensation of employees	14 655	16 176	16 891	14 148	19 906	18 963	8 866	8 720	8 800
Goods and services	20 947	29 395	22 487	20 252	12 687	15 081	10 157	10 556	14 743
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	111	327	236	3 630	8 440	8 428	22 088	24 133	26 140
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	8 000	8 000	22 000	24 000	26 000
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	111	327	236	3 630	440	428	88	133	140
Payments for capital assets	3 401	1 955	647	2 048	2 132	910	10 150	12 258	14 382
Buildings and other fixed structures	650	-	314	745	745	380	8 782	10 821	12 866
Machinery and equipment	2 751	1 955	333	1 303	1 303	446	1 368	1 437	1 516
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	84	84	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	146	3 767	3 984	3 767	3 767	3 767	-
Total	39 114	47 853	40 407	43 845	47 149	47 149	55 028	59 434	64 065
Unauth. exp. (1 st charge) not available for spending	-	-	-	(3 767)	(3 767)	(3 767)	(3 767)	(3 767)	-
Baseline available for spending after 1st charge	39 114	47 853	40 407	40 078	43 382	43 382	51 261	55 667	64 065

In terms of Section 34(2) of the PFMA, and in line with SCOPA Resolutions 18 of 2009, 20 and 21 of 2010, the department is liable for the repayment of over-expenditure from 2005/06 to 2008/09, resulting in a first charge of R11.301 million against the department's budget, spread over a three-year period from 2010/11 to 2012/13. The first instalment of R3.767 million was implemented in 2010/11, and the second and third instalments of R3.767 million each will be implemented in 2011/12 and 2012/13, respectively. This is allocated against Programme 1 and *Payments for financial assets*, and the amounts available for

spending from 2010/11 to 2012/13 have been reduced by the instalment amounts. The first charge is shown as a footnote to the tables above.

The increase in Programme 1 from 2007/08 to 2008/09 was 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 increase in *Goods and services* over the same period. The substantial in 2009/10 relates to cost-cutting.

The increase from the 2010/11 Main to the 2010/11 Adjusted Appropriation in Programme 1 was mainly in respect of additional funding for the higher than anticipated 2010 wage agreement, back-pay for His Majesty, the King's salary which was inadvertently under-paid since 2000/01 and R700 000 to cater for the King's salary which was increased in 2010/11 in line with the Remuneration of Public Office Bearers Act of 1998. These reasons also explain the increase against *Compensation of employees* over the same period. The increase in the 2010/11 Adjusted Appropriation is also explained by the fact that R8 million was transferred to this programme from Programmes 2 and 3 for transfer to the Royal Trust, to provide for establishment and remuneration costs of the Board and the running costs of the Royal Household which are to be administered by the Royal Trust. The increase over the 2011/12 MTEF relates to the phased-in approach of fully capacitating the Royal Trust, as explained under Programme 1.

It must be noted that, depending on progress with regard to the establishment of the Royal Trust, the department will need to review and perhaps adjust the proposed MTEF transfers to the Trust.

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 were in a poor state of neglect and disrepair. This also partially explains the increase in *Goods and services* over the same period. The decrease from 2008/09 to 2009/10 is due to a number of maintenance projects (which also explains the decrease in *Goods and services*) to the palaces being delayed in line with cost-cutting and the department's pledge to remain within budget. The department had budgeted to purchase furniture for some of the palaces but, in line with cost-cutting, these purchases did not go ahead (explaining the decrease against *Machinery and equipment*). The decrease from the 2010/11 Main to the Adjusted Appropriation is due to the fact that funds were moved from this programme to Programme 1 for transfer to the Royal Trust, as mentioned previously. The department was given substantial additional funding for the refurbishment of the King's residences over the 2011/12 MTEF, but this is offset by a decrease in the allocation of Programme 2 resulting from funds moved to Programme 1 for transfer to the Royal Trust, as the Trust continues to take over functions of the department. This programme shows an inflationary increase over the 2011/12 MTEF but, as mentioned previously, this depends on the progress of the phased-in transitional process.

The relatively high spending against Programme 3 in 2007/08 was 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. The decrease from 2008/09 to 2009/10 relates to the purchase of animal vaccines on a smaller scale than was budgeted for, in order to curtail spending. The decrease from the 2010/11 Main Appropriation to the Revised Estimate is due to the fact that certain farming projects, such as planting and the dipping of livestock, took place on a smaller scale than was originally budgeted for, in order to remain within budget. The movement of funds from this programme to Programme 1 to cater for a portion of the operational costs of the Royal Trust also explains this decrease. The increased budget from 2011/12 to 2013/14 is inflationary related.

The decrease in *Compensation of employees* and *Goods and services* from the 2010/11 Revised Estimate to 2011/12 is due to the transferring of funds to the Royal Trust to cater for operational costs of the Royal Trust and certain running costs of the Royal Household, administered by the Royal Trust. This explains the high budget against *Transfers and subsidies to: Departmental agencies and accounts*. The decrease against the former two categories from the 2010/11 Revised Estimate to 2011/12 is due to the fact that the department plans to transfer a number of staff and functions from Programme 2 (2011/12 onward) and Programme 3 (outer years of the 2011/12 MTEF) to the Royal Trust, as part of the first and second-phases

of the implementation of the Royal Trust, hence the corresponding increase in *Transfers and subsidies to: Departmental agencies and accounts* over this period.

The amounts reflected against *Transfers and subsidies to: Households* over the seven-year period are in respect of the payment of exit packages and leave gratuities. The particularly high 2010/11 Main Appropriation relates to the department budgeting to retrench 68 staff who are in excess to the establishment. As explained in detail above, this retrenchment did not go ahead and these funds were reprioritised to *Compensation of employees* in the 2010/11 Adjusted Appropriation to pay for the salaries of these staff. This retrenchment has not been budgeted for over the 2011/12 MTEF, due to the fact that these staff will be transferred to the Royal Trust (as part of phase 1) once the organogram has been finalised, whereafter a decision will be taken by the Board as to which of these staff are to be retained, and which are to be retrenched.

The 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 due to the department placing all capital infrastructure projects on hold in order to remain within budget. Projects relating to all seven Royal residences are expected to commence on a much larger scale from 2011/12 onward, as a result of additional funding allocated over the 2011/12 MTEF for the renovation and refurbishment of the Royal residences. Some of the major renovation projects which are to take place include, among others: extension of a dining room, kitchen revamping, provision of rondavel clusters, paving of driveways, and provision of toilet blocks. The payment for ongoing maintenance and repairs to the Royal residences is 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 2007/08 and the 2010/11 Adjusted Appropriation, as well as over the 2011/12 MTEF, is due to the cyclical nature of these purchases. The decrease from the 2010/11 Adjusted Appropriation to the Revised Estimate is due to the department placing the purchase of certain equipment on hold in line with cost-cutting.

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

The amounts reflected against *Payments for financial assets* from the 2010/11 Main Appropriation to 2012/13 can be ascribed to payments in respect of the first charge. The 2009/10 amount pertains to the write-off of staff debts.

5.4 Summary of payments and estimates by district municipal area

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

5.5 Summary of conditional grant payments and estimates – Nil

5.6 Summary of infrastructure payments and estimates

Table 10.6 presents a summary of infrastructure payments and estimates by category for Vote 10.

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

Table 10.6: Summary of infrastructure payments and estimates

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
New and replacement assets									
Existing infrastructure assets	2 359	3 000	1 339	3 328	3 328	2 963	11 528	14 349	16 588
Upgrades and additions	650	-	-	-	-	-	-	-	-
Rehabilitation, renovations and refurbishments	-	-	314	745	745	380	8 782	10 821	12 866
Maintenance and repairs	1 709	3 000	1 025	2 583	2 583	2 583	2 746	3 528	3 722
Infrastructure transfers	-	-	-	-	-	-	-	-	-
Current									
Capital									
<i>Capital infrastructure</i>	650	-	314	745	745	380	8 782	10 821	12 866
<i>Current infrastructure</i>	1 709	3 000	1 025	2 583	2 583	2 583	2 746	3 528	3 722
Total	2 359	3 000	1 339	3 328	3 328	2 963	11 528	14 349	16 588

The department undertook *Upgrades and additions* to the Royal residences in 2007/08. However, due to over-spending within other areas, such as *Goods and services*, *Upgrades and additions* have not been undertaken since. The department undertook *Rehabilitation, renovations and refurbishments* during 2009/10 in order to repair severe damage to a dining room at one of the palaces caused by a hail storm which damaged its thatch roof. Over the 2011/12 MTEF, *Rehabilitation, renovations and refurbishments* projects will be undertaken on all seven of the Royal residences. To this end, the department received additional funding for these renovations and refurbishments. As mentioned above, some of the major renovation projects include the following: extension of a dining room, kitchen revamping, provision of rondavel clusters, paving of driveways, and provision of toilet blocks, among others.

The department spent R3 million on *Maintenance and repairs* to the palaces in 2008/09. This high spending is due to more maintenance being required than was originally projected. The department reduced its *Maintenance and repairs* budget from 2008/09 to 2009/10 in order to offset over-spending on *Goods and services*. This was achieved by stopping the commencement of certain maintenance projects to palaces which were not considered urgent. The *Maintenance and repairs* budget over the 2011/12 MTEF shows a gradual increase.

5.7 Summary of Public Private Partnerships – Nil

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

5.9 Transfers to other entities

Table 10.7 presents a summary of transfer payments made to other entities for Vote 10.

Table 10.7: Summary of departmental transfers to other entities

R thousand	Sub-programme	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
		2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
Royal Trust	1.2: Royal Trust	-	-	-	-	8 000	8 000	22 000	24 000	26 000
Total		-	-	-	-	8 000	8 000	22 000	24 000	26 000

The Royal Trust was established in 2010/11 as an entity in terms of the KZN Royal Trust Act of 2007, but the department is still awaiting the Royal Trust to be listed as a public entity in terms of the PFMA, as mentioned previously.

The department will continue to run as a separate Vote in the future, despite the formation of the Royal Trust. However, in the 2010/11 Adjusted Appropriation, funds were transferred to the Royal Trust to cater for the set-up costs of the Royal Trust, the remuneration of the Board, as well as various costs of the Royal Household which are to be administered by the Royal Trust. These include municipal costs, fuel,

food and food supplies, etc, relating to His Majesty's Queens', and members of the Royal Family. It should be noted that the original purpose of these funds has not changed, they are merely being administered by the Royal Trust now.

Over the 2011/12 MTEF, further funds will be transferred to the Royal Trust. As mentioned under Section 3 above, the organogram is currently being reviewed, and a phased-in approach of transferring staff from the department to the Royal Trust over the next few years will commence. To this end, palace support staff in Programme 2 are scheduled to be moved first and, thereafter, farm staff from Programme 3 are anticipated to be transferred to the Royal Trust. It is anticipated that this process will take three to five years to complete. Depending on the progress made with the phased-in approach, the MTEF allocations will be revised accordingly.

5.10 Transfers to municipalities – Nil

5.11 Transfers and subsidies

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

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
1. Support Services - His Majesty, the King	-	150	76	67	8 320	8 322	22 000	24 000	26 000
Departmental agencies and accounts	-	-	-	-	8 000	8 000	22 000	24 000	26 000
Royal Trust	-	-	-	-	8 000	8 000	22 000	24 000	26 000
Households	-	150	76	67	320	322	-	-	-
Leave gratuities/exit packages	-	150	76	67	320	322	-	-	-
2. Royal Household Planning and Dev	111	161	160	3 549	106	106	73	133	140
Households	111	161	160	3 549	106	106	73	133	140
Leave gratuities/exit packages	111	161	160	3 549	106	106	73	133	140
3. His Majesty, the King's Farms	-	16	-	14	14	-	15	-	-
Households	-	16	-	14	14	-	15	-	-
Leave gratuities/exit packages	-	16	-	14	14	-	15	-	-
Total	111	327	236	3 630	8 440	8 428	22 088	24 133	26 140

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 the 2010/11 Main Appropriation, the department had budgeted to retrench 68 staff members who were in excess to the establishment. However, this retrenchment did not take place, pending the full operation of the Royal Trust, and the listing of it as a public entity. These funds were reprioritised to *Compensation of employees* to cater for these staff members' salaries. This also explains the large reduction in spending against this category in Programme 2 from the 2010/11 Main to the Revised Estimate.

The large transfer against *Departmental agencies and accounts* from the 2010/11 Adjusted Appropriation onward against Programme 1 relates to the phased-in transfer of funds to the Royal Trust, as explained previously.

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, and also houses the transfers to the Royal Trust.

This programme now consists of two sub-programmes. The sub-programme: King's Office Support Services caters for all costs in respect of His Majesty, the King, such as the salary of His Majesty, the King and all administrative costs. The sub-programme: Royal Trust caters for the operational costs of the Royal Trust, as well as running costs of the Royal Household, in respect of His Majesty's Queens and the rest of the Royal Family, as well as the running costs of the farms over the last part of the MTEF. Tables 10.9 and 10.10 reflect information relating to the programme for the period 2007/08 to 2013/14.

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
King's Office Support Services	22 099	27 938	24 323	24 884	26 695	26 293	17 489	17 746	18 732
Royal Trust	-	-	-	-	8 000	8 000	22 000	24 000	26 000
Total	22 099	27 938	24 323	24 884	34 695	34 293	39 489	41 746	44 732
Unauth. exp. (1 st charge) not available for spending	-	-	-	(3 767)	(3 767)	(3 767)	(3 767)	(3 767)	-
Baseline available for spending after 1st charge	22 099	27 938	24 323	21 117	30 928	30 526	35 722	37 979	44 732

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
Current payments	20 651	26 109	24 247	19 937	21 278	22 077	12 542	12 740	17 425
Compensation of employees	6 150	7 084	7 646	8 004	10 326	10 946	4 938	4 457	4 447
Goods and services	14 501	19 025	16 601	11 933	10 952	11 131	7 604	8 283	12 978
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	-	150	76	67	8 320	8 322	22 000	24 000	26 000
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	8 000	8 000	22 000	24 000	26 000
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	150	76	67	320	322	-	-	-
Payments for capital assets	1 448	1 679	-	1 113	1 113	127	1 180	1 239	1 307
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 448	1 679	-	1 113	1 113	127	1 180	1 239	1 307
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	3 767	3 984	3 767	3 767	3 767	-
Total	22 099	27 938	24 323	24 884	34 695	34 293	39 489	41 746	44 732
Unauth. exp. (1 st charge) not available for spending	-	-	-	(3 767)	(3 767)	(3 767)	(3 767)	(3 767)	-
Baseline available for spending after 1st charge	22 099	27 938	24 323	21 117	30 928	30 526	35 722	37 979	44 732

As mentioned in Section 5.3 above, in terms of Section 34(2) of the PFMA, and in line with SCOPA Resolutions 18 of 2009, 20 and 21 of 2010, the department is liable for the repayment of previous year's over-expenditure, resulting in a first charge against the budget. The first instalment of R3.767 million was implemented in 2010/11, 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 the sub-programme: King's Office Support Services 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 significant increase in the sub-programme: King's Office Support Services from 2007/08 to 2008/09 was 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 increase in *Goods and services* over the same period. The substantial decrease between 2008/09 to 2009/10 relates to cost-cutting. The increase

from the 2010/11 Main to the Adjusted Appropriation was mainly in respect of additional funding for the higher than anticipated 2010 wage agreement, back-pay for His Majesty, the King's salary which was inadvertently under-paid since 2000/01 and R700 000 to cater for the King's salary which was increased in 2010/11 in line with the Remuneration of Public Office Bearers Act, 1998. These reasons also explain the increase against *Compensation of employees* over the same period. The decrease from the 2010/11 Revised Estimate to 2011/12 relates to the transfer of funds to cater for the operational costs of the Royal Trust.

In 2011/12, the sub-programme: Royal Trust was created. An amount of R8 million was transferred to this sub-programme from Programmes 2 and 3 to provide for the operational costs of the Royal Trust, as well as various running costs of the Royal Household, as mentioned above. The increase over the 2011/12 MTEF relates to the further phasing in of the running costs of the Royal Household that are to be administered by the Royal Trust (including the transfer of palace support staff and farm workers).

The decrease against *Compensation of employees* from 2011/12 onward is mainly due to unfilled posts, the budget for which was moved to *Transfers and subsidies to: Departmental agencies and accounts* to pay for the remuneration of the Board.

The decrease against *Goods and services* from the 2010/11 Revised Estimate to 2011/12 is mainly due to cost-cutting, as well as the fact that a portion of the budget has been moved to *Transfers and subsidies to: Departmental agencies and accounts* (within the same programme) toward the Royal Trust. It should be noted that all costs in respect of His Majesty, the King, including subsistence and travel costs, support staff costs, etc, will continue to be financed out of this programme, and will not be incurred by the Royal Trust, as mentioned in Section 3 above.

As mentioned in detail above, *Transfers and subsidies to: Departmental agencies and accounts* relates to transfers made to the Royal Trust, which commenced in 2010/11. Transfer of staff from Programme 2 and Programme 3, as well as further running costs of the Royal Household, will be implemented in a phased-in approach, as explained previously.

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

The increase from 2007/08 to 2008/09 against *Machinery and equipment* can be ascribed to the costs of vehicles acquired. The department did not spend any funds on *Machinery and equipment* in 2009/10 due to cost-cutting. The department continues to implement cost-cutting measures against this category. Also, *Machinery and equipment* is purchased on a cyclical basis, hence the fluctuating trend over the MTEF.

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	
		2010/11	2011/12	2012/13	2013/14
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 2007/08 to 2013/14.

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
Support Services - His Majesty the King	14 227	17 344	13 666	15 774	9 679	10 382	11 931	13 884	15 589
Total	14 227	17 344	13 666	15 774	9 679	10 382	11 931	13 884	15 589

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
Current payments	12 163	17 183	12 713	11 290	8 638	9 577	2 888	2 843	2 491
Compensation of employees	6 829	7 373	7 566	3 975	7 323	6 572	1 411	1 653	1 630
Goods and services	5 334	9 810	5 147	7 315	1 315	3 005	1 477	1 190	861
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	111	161	160	3 549	106	106	73	133	140
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	111	161	160	3 549	106	106	73	133	140
Payments for capital assets	1 953	-	647	935	935	699	8 970	10 908	12 958
Buildings and other fixed structures	650	-	314	745	745	380	8 782	10 821	12 866
Machinery and equipment	1 303	-	333	190	190	319	188	87	92
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	146	-	-	-	-	-	-
Total	14 227	17 344	13 666	15 774	9 679	10 382	11 931	13 884	15 589

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 were in a poor state of neglect and disrepair. This also partially explains the increase in *Goods and services* over the same period. The decrease in spending from 2008/09 to 2009/10 is due to a number of maintenance projects to the palaces being delayed in line with cost-cutting and the department's pledge to remain within budget (which also explains the decrease in *Goods and services*, over the same period). The department had budgeted to purchase furniture for some of the palaces. However, in line with cost-cutting, these purchases did not go ahead (explaining the decrease against *Machinery and equipment*). The decrease from the 2010/11 Main to the Adjusted Appropriation is due to the fact that funds were moved from this programme to Programme 1, to cater for a portion of the Royal Household's costs, which are to be administered by the Royal Trust.

The substantial decrease in *Compensation of employees* from 2009/10 to the 2010/11 Main Appropriation was due to the planned retrenchment of 68 officials, who are in excess to the establishment (hence, the allocation in the 2010/11 Main Appropriation against *Transfers and subsidies to: Households*, this being provision for retrenchment packages). This retrenchment did not go ahead, as mentioned previously. Once the organogram of the Royal Trust has been finalised, these staff will be moved to the Royal Trust over the 2011/12 MTEF, and from there it will be decided by the Board of the Royal Trust as to which of these staff are to be retained, and which are to be retrenched. The substantial decrease from the 2010/11 Revised Estimate to 2011/12 is due to the movement of a large portion of the budget to *Transfers and subsidies to: Departmental agencies and accounts* (in Programme 1) to cater for a portion of the certain running costs of the Royal Household which are to be administered by the Royal Trust.

The decrease in *Goods and services* from the 2010/11 Main to the Adjusted Appropriation was due to cost-cutting, mainly in respect of less critical maintenance of some the Royal residences being put on hold. The decrease from the 2010/11 Revised Estimate to 2011/12 is due to the transferring of a portion of the department's *Goods and services* budget (over all three years of the 2011/12 MTEF) to *Transfers and subsidies to: Departmental agencies and accounts* toward the Royal Trust.

Transfers and subsidies to: Households relates to the payment of leave gratuities and other staff exit costs, as well as for the provision of the above-mentioned retrenchment of 68 staff (2010/11 Main Appropriation only), which did not take place.

The department purchases *Machinery and equipment* on a cyclical basis, hence the fluctuating trend against this category over the 2011/12 MTEF.

The 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 due to the department placing all capital infrastructure projects on hold in order to remain within budget. Projects relating to all seven of the Royal residences are expected to begin on a much larger scale from 2011/12 onward. To this end, the department received additional funding for the renovation and refurbishment of the Royal residences over the 2011/12 MTEF. Some of the major renovation projects which are to take place include, among others: extension of a dining room, kitchen revamping, provision of rondavel clusters, paving of driveways, and provision of toilet blocks.

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

Table 10.14 shows the service delivery information for Programme 2.

In the medium to long-term (three to five years), these tasks will be performed by the Royal Trust.

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

Outputs	Performance indicators	Estimated performance	Medium-term targets			
		2010/11	2011/12	2012/13	2013/14	
1. Maintenance of the Royal residences	• No. of maintenance projects	10	12	12	12	
2. Refurbishment projects to palaces	• No. of palaces refurbished	n/a	3	3	1	

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.

As mentioned above, feasibility studies of His Majesty, the King's Farms were completed by the DAEARD. The department is planning to roll-out the findings of these studies in 2011/12, and will commence with the full commercialisation of three of His Majesty's farms, which are considered to be commercially viable.

Tables 10.15 and 10.16 below illustrate a summary of payments and estimates for this programme for the period 2007/08 to 2013/14.

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
His Majesty the King's Farms	2 788	2 571	2 418	3 187	2 775	2 474	3 608	3 804	3 744
Total	2 788	2 571	2 418	3 187	2 775	2 474	3 608	3 804	3 744

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
Current payments	2 788	2 279	2 418	3 173	2 677	2 390	3 593	3 693	3 627
Compensation of employees	1 676	1 719	1 679	2 169	2 257	1 445	2 517	2 610	2 723
Goods and services	1 112	560	739	1 004	420	945	1 076	1 083	904
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	-	16	-	14	14	-	15	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	-	16	-	14	14	-	15	-	-
Payments for capital assets	-	276	-	-	84	84	-	111	117
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	-	276	-	-	-	-	-	111	117
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	84	84	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	2 788	2 571	2 418	3 187	2 775	2 474	3 608	3 804	3 744

Goods and services was high in 2007/08 due to the payment of fertiliser, ordered in 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. The decrease from the 2010/11 Main to the 2010/11 Adjusted Appropriation was due to funds being moved to *Transfers and subsidies to: Departmental agencies and accounts* in Programme 1 towards the Royal Trust. In line with the phased-in approach, costs associated with the farms (including farm worker's salaries) will be moved to the Royal Trust over the 2011/12 MTEF. To this end, adjustments will be made accordingly, going forward.

A saving of R84 000, resulting from a reduced number of hectares planted, was moved in the 2010/11 Adjustments Estimate to *Biological assets* under Programme 3 for the purchase of 12 Nguni cattle.

Machinery and equipment is purchased on a cyclical basis, hence the fluctuating trend against this category over the seven-year period under review.

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 three commercially viable farms. In the medium to long-term (three to five years), these tasks will be performed by the Royal Trust.

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

Outputs		Performance indicators	Estimated performance	Medium-term targets			
			2010/11	2011/12	2012/13	2013/14	
1.	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	
2.	Crop production	• No. of hectares planted	80	120	120	120	
3.	Fenced commercially viable farms	• No. of fenced commercially viable farms	2	n/a	n/a	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 number of filled and estimated posts over the seven-year period.

As reflected in Table 10.19, the personnel numbers were expected to drop in the 2010/11 Main Appropriation, due to the planned retrenchment of 68 employees. However, this did not take place as explained in detail above. The department is projecting to transfer palace support staff from Programme 2 (2011/12 going forward) and farm workers from Programme 3 (evident only in 2013/14) in a phased-in approach to the Royal Trust over the next three to five years, hence the reduction in staff numbers against these two programmes over the MTEF, which explains the decrease in average personnel costs over the MTEF. The number of staff anticipated to be transferred to the Royal Trust over the 2011/12 MTEF is shown against Programme 1 (The Royal Trust) in Table 10.18 below.

It should be noted that the Royal Trust Board members are excluded from this table.

Table 10.18: Personnel numbers and cost:

	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	As at 31 March 2014
Personnel numbers							
1. Support Services - His Majesty the King	24	25	27	29	99	119	139
Administrative costs of His Majesty the King	24	25	27	27	27	27	27
The Royal Trust	-	-	-	2	72	92	112
2. Royal Household Planning and Development	97	97	102	102	32	12	8
3. His Majesty the King's farms	28	28	21	21	21	21	5
Total	149	150	150	152	152	152	152
Total personnel cost (R thousand)	14 655	16 176	16 891	18 963	8 866	8 720	8 800
Unit cost (R thousand)	98	108	113	125	58	57	58

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

Table 10.19: Details of departmental personnel numbers and costs

	Audited Outcome			Main Appropriation	Adjusted Appropriation 2010/11	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
Total for department									
Personnel numbers (head count)	149	150	150	82	150	152	152	152	152
Personnel cost (R thousand)	14 655	16 176	16 891	14 148	19 906	18 963	8 866	8 720	8 800
Human resources component									
Personnel numbers (head count)	6	6	6	6	6	6	6	6	6
Personnel cost (R thousand)	1 294	1 143	1 229	1 428	1 428	1 428	1 522	1 627	1 717
Head count as % of total for department	4.03	4.00	4.00	7.32	4.00	3.95	3.95	3.95	3.95
Personnel cost as % of total for department	8.83	7.07	7.28	10.09	7.17	7.53	17.17	18.66	19.51
Finance component									
Personnel numbers (head count)	12	13	13	13	13	13	13	13	13
Personnel cost (R thousand)	2 751	2 851	3 306	3 679	3 679	3 679	3 922	3 922	3 922
Head count as % of total for department	8.05	8.67	8.67	15.85	8.67	8.55	8.55	8.55	8.55
Personnel cost as % of total for department	18.77	17.62	19.57	26.00	18.48	19.40	44.23	44.97	44.57
Full time workers									
Personnel numbers (head count)	149	150	150	82	150	152	152	152	152
Personnel cost (R thousand)	14 655	16 176	16 891	14 148	19 906	18 963	8 866	8 720	8 800
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	-	-	-	-	-	-	-	-	-

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

7.2 Training

Tables 10.20 and 10.21 give a summary of departmental spending and information on training for the period 2007/08 to 2010/11 and budgeted expenditure for the period 2011/12 to 2013/14. Table 10.20 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. No provision has been made for training in 2010/11 or over the 2011/12 MTEF.

Table 10.20: Payments and estimates on training

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
1. Support Services - His Majesty the King									
2. Royal Household Planning and Development	5	5	-	-	-	-	-	-	-
3. His Majesty the King's farms									
Total	5	5	-	-	-	-	-	-	-

Table 10.21: Information on training

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
Number of staff	149	150	150	82	150	152	152	152	152
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	-	-	-	-	-	-	-	-	-
External									
Internal									
Number of interns appointed									
Number of learnerships appointed									
Number of days spent on training									

ANNEXURE – VOTE 10: ROYAL HOUSEHOLD

Table 10.A: Details of departmental receipts

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10		2010/11		2011/12	2012/13	2013/14
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
Sale of goods and services other than capital assets	67	82	89	89	89	89	93	98	103
Sale of goods and services produced by dept. (excl. capital assets)	67	82	89	89	89	89	93	98	103
Sales by market establishments									
Administrative fees	-	27	29	-	-	-	-	-	-
Other sales	67	55	60	89	89	89	93	98	103
Of which									
Commission on insurance	67	55	60	89	89	89	93	98	103
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	-	-	-	-	-	-	-	-	-
Interest									
Dividends									
Rent on land									
Sale of capital assets	-	-	-	-	-	335	-	-	-
Land and subsoil assets									
Other capital assets	-	-	-	-	-	335	-	-	-
Transactions in financial assets and liabilities	-	5	-	-	-	203	-	-	-
Total	67	87	89	89	89	627	93	98	103

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation 2010/11	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
Current payments	35 602	45 571	39 378	34 400	32 593	34 044	19 023	19 276	23 543
Compensation of employees	14 655	16 176	16 891	14 148	19 906	18 963	8 866	8 720	8 800
Salaries and wages	12 829	14 162	14 820	12 599	18 022	17 079	7 020	6 783	6 765
Social contributions	1 826	2 014	2 071	1 549	1 884	1 884	1 846	1 937	2 035
Goods and services	20 947	29 395	22 487	20 252	12 687	15 081	10 157	10 556	14 743
of which									
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	47	27	66	60	60	60	53	53	56
Assets <R5000	306	321	334	398	76	76	6	7	7
Audit cost: External	824	865	824	1 394	-	-	-	-	-
Bursaries (employees)	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	-	-	-	-	-	-	-
Communication	1 346	1 412	1 086	1 106	1 114	1 114	1 012	362	1 121
Computer services	-	-	-	-	-	-	-	-	-
Cons/prof: Business & advisory services	849	891	655	541	555	555	574	296	629
Cons/prof: Infrastructure & planning	-	-	-	-	-	-	-	-	-
Cons/prof: Laboratory services	-	-	-	-	-	-	-	-	-
Cons/prof: Legal cost	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	250	250	-	-	-
Agency & support/outsourced services	-	-	-	-	-	-	-	-	-
Entertainment	3 068	3 221	1 302	1 100	887	887	826	868	916
Fleet services (incl. GMT)	-	-	-	-	-	-	-	-	-
Housing	155	162	185	190	28	28	29	31	33
Inventory: Food and food supplies	944	991	996	1 230	6	6	6	7	7
Inventory: Fuel, oil and gas	194	203	217	251	355	355	-	-	-
Inventory: Learner and teacher supp material	-	-	-	-	-	-	-	-	-
Inventory: Raw materials	-	-	-	-	-	-	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Military stores	-	-	-	-	-	-	-	-	-
Inventory: Other consumables	-	-	-	200	350	350	212	219	231
Inventory: Stationery and printing	235	241	404	305	405	405	313	329	347
Lease payments (incl. operating, excl. fin)	95	100	124	124	124	124	130	137	145
Property payments	1 374	5 654	1 335	2 860	9	1 699	1 487	1 200	872
Transport provided: Departmental activity	2 009	2 104	4 567	1 390	1 500	1 500	1 484	583	1 670
Travel and subsistence	7 243	7 605	8 303	7 437	6 187	6 366	2 724	5 117	7 526
Training and development	5	5	-	-	-	-	-	-	-
Operating expenditure	1 076	523	689	772	354	879	828	825	632
Venues and facilities	1 177	5 070	1 400	894	427	427	473	522	551
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	111	327	236	3 630	8 440	8 428	22 088	24 133	26 140
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	8 000	8 000	22 000	24 000	26 000
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	-	-	8 000	8 000	22 000	24 000	26 000
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	111	327	236	3 630	440	428	88	133	140
Social benefits	111	327	236	3 630	440	428	88	133	140
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	3 401	1 955	647	2 048	2 132	910	10 150	12 258	14 382
Buildings and other fixed structures	650	-	314	745	745	380	8 782	10 821	12 866
Buildings	-	-	-	-	-	380	-	-	-
Other fixed structures	650	-	314	745	745	-	8 782	10 821	12 866
Machinery and equipment	2 751	1 955	333	1 303	1 303	446	1 368	1 437	1 516
Transport equipment	1 354	1 797	-	947	-	-	1 004	1 054	1 112
Other machinery and equipment	1 397	158	333	356	1 303	446	364	383	404
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	84	84	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	146	3 767	3 984	3 767	3 767	3 767	-
Total	39 114	47 853	40 407	43 845	47 149	47 149	55 028	59 434	64 065
Unauth. exp. (1 st charge) not available for spending	-	-	-	(3 767)	(3 767)	(3 767)	(3 767)	(3 767)	-
Baseline available for spending after 1st charge	39 114	47 853	40 407	40 078	43 382	43 382	51 261	55 667	64 065

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
Current payments	20 651	26 109	24 247	19 937	21 278	22 077	12 542	12 740	17 425
Compensation of employees	6 150	7 084	7 646	8 004	10 326	10 946	4 938	4 457	4 447
Salaries and wages	5 404	6 234	6 786	7 144	9 231	9 851	3 831	3 292	3 227
Social contributions	746	850	860	860	1 095	1 095	1 107	1 165	1 220
Goods and services	14 501	19 025	16 601	11 933	10 952	11 131	7 604	8 283	12 978
of which									
Administrative fees									
Advertising	41	21	60	53	60	60	53	53	56
Assets <R5000	6	6	6	6	6	6	6	7	7
Audit cost: External	824	865	-	-	-	-	-	-	-
Bursaries (employees)									
Catering: Departmental activities									
Communication	1 237	1 298	964	964	964	964	1 012	362	1 121
Computer services									
Cons/prof: Business & advisory services	849	891	655	541	555	555	574	296	629
Cons/prof: Infrastructure & planning									
Cons/prof: Laboratory services									
Cons/prof: Legal cost									
Contractors									
Agency & support/outsourced services									
Entertainment	1 447	1 519	787	787	787	787	826	868	916
Fleet services (incl. GMT)									
Housing	21	22	28	28	28	28	29	31	33
Inventory: Food and food supplies	5	5	6	6	6	6	6	7	7
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher supp material									
Inventory: Raw materials									
Inventory: Medical supplies									
Inventory: Medicine									
Medsas inventory interface									
Inventory: Military stores									
Inventory: Other consumables									
Inventory: Stationery and printing	231	237	399	299	399	399	313	329	347
Lease payments (incl. operating, excl. fin)	95	100	124	124	124	124	130	137	145
Property payments	2	2	9	9	9	9	10	10	11
Transport provided: Departmental activity	2 009	2 104	4 567	1 390	1 500	1 500	1 484	583	1 670
Travel and subsistence	7 123	7 479	8 169	7 299	6 087	6 266	2 688	5 078	7 485
Training and development	5	5	-	-	-	-	-	-	-
Operating expenditure									
Venues and facilities	606	4 471	827	427	427	427	473	522	551
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest									
Rent on land									
Transfers and subsidies to	-	150	76	67	8 320	8 322	22 000	24 000	26 000
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts	-	-	-	-	8 000	8 000	22 000	24 000	26 000
Social security funds									
Entities receiving funds	-	-	-	-	8 000	8 000	22 000	24 000	26 000
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	-	150	76	67	320	322	-	-	-
Social benefits	-	150	76	67	320	322	-	-	-
Other transfers to households									
Payments for capital assets	1 448	1 679	-	1 113	1 113	127	1 180	1 239	1 307
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings									
Other fixed structures									
Machinery and equipment	1 448	1 679	-	1 113	1 113	127	1 180	1 239	1 307
Transport equipment	1 354	1 580	-	947	-	-	1 004	1 054	1 112
Other machinery and equipment	94	99	-	166	1 113	127	176	185	195
Heritage assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets	-	-	-	3 767	3 984	3 767	3 767	3 767	-
Total	22 099	27 938	24 323	24 884	34 695	34 293	39 489	41 746	44 732
Unauth. exp. (1 st charge) not available for spending	-	-	-	(3 767)	(3 767)	(3 767)	(3 767)	(3 767)	-
Baseline available for spending after 1st charge	22 099	27 938	24 323	21 117	30 928	30 526	35 722	37 979	44 732

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10				2011/12	2012/13	2013/14
Current payments	12 163	17 183	12 713	11 290	8 638	9 577	2 888	2 843	2 491
Compensation of employees	6 829	7 373	7 566	3 975	7 323	6 572	1 411	1 653	1 630
Salaries and wages	5 941	6 415	6 580	3 513	6 802	6 051	928	1 145	1 094
Social contributions	888	958	986	462	521	521	483	508	536
Goods and services	5 334	9 810	5 147	7 315	1 315	3 005	1 477	1 190	861
of which									
Administrative fees									
Advertising	6	6	6	7	-	-	-	-	-
Assets <R5000	300	315	328	392	70	70	-	-	-
Audit cost: External	-	-	824	1 394	-	-	-	-	-
Bursaries (employees)									
Catering: Departmental activities									
Communication	109	114	122	142	150	150	-	-	-
Computer services									
Cons/prof: Business & advisory services									
Cons/prof: Infrastructure & planning									
Cons/prof: Laboratory services									
Cons/prof: Legal cost									
Contractors	-	-	-	-	250	250	-	-	-
Agency & support/outsourced services									
Entertainment	1 621	1 702	515	313	100	100	-	-	-
Fleet services (incl. GMT)									
Housing	126	132	138	162	-	-	-	-	-
Inventory: Food and food supplies	939	986	990	1 224	-	-	-	-	-
Inventory: Fuel, oil and gas	194	203	217	251	355	355	-	-	-
Inventory: Learner and teacher supp material									
Inventory: Raw materials									
Inventory: Medical supplies									
Inventory: Medicine									
Medsas inventory interface									
Inventory: Military stores									
Inventory: Other consumables	-	-	-	-	250	250	-	-	-
Inventory: Stationery and printing	4	4	5	6	6	6	-	-	-
Lease payments (incl. operating, excl. fin)									
Property payments	1 372	5 652	1 326	2 851	-	1 690	1 477	1 190	861
Transport provided: Departmental activity									
Travel and subsistence	92	97	103	106	100	100	-	-	-
Training and development									
Operating expenditure	-	-	-	-	34	34	-	-	-
Venues and facilities	571	599	573	467	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest									
Rent on land									
Transfers and subsidies to	111	161	160	3 549	106	106	73	133	140
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds									
Entities receiving funds									
Universities and technikons									
Foreign governments and international organisations									
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production									
Other transfers	-	-	-	-	-	-	-	-	-
Private enterprises									
Subsidies on production									
Other transfers									
Non-profit institutions									
Households	111	161	160	3 549	106	106	73	133	140
Social benefits	111	161	160	3 549	106	106	73	133	140
Other transfers to households									
Payments for capital assets	1 953	-	647	935	935	699	8 970	10 908	12 958
Buildings and other fixed structures	650	-	314	745	745	380	8 782	10 821	12 866
Buildings	-	-	-	-	-	380	-	-	-
Other fixed structures	650	-	314	745	745	-	8 782	10 821	12 866
Machinery and equipment	1 303	-	333	190	190	319	188	87	92
Transport equipment									
Other machinery and equipment	1 303	-	333	190	190	319	188	87	92
Heritage assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets	-	-	146	-	-	-	-	-	-
Total	14 227	17 344	13 666	15 774	9 679	10 382	11 931	13 884	15 589

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2007/08	2008/09	2009/10	2010/11			2011/12	2012/13	2013/14
Current payments	2 788	2 279	2 418	3 173	2 677	2 390	3 593	3 693	3 627
Compensation of employees	1 676	1 719	1 679	2 169	2 257	1 445	2 517	2 610	2 723
Salaries and wages	1 484	1 513	1 454	1 942	1 989	1 177	2 261	2 346	2 444
Social contributions	192	206	225	227	268	268	256	264	279
Goods and services	1 112	560	739	1 004	420	945	1 076	1 083	904
of which									
Administrative fees									
Advertising									
Assets <R5000									
Audit cost: External									
Bursaries (employees)									
Catering: Departmental activities									
Communication									
Computer services									
Cons/prof: Business & advisory services									
Cons/prof: Infrastructure & planning									
Cons/prof: Laboratory services									
Cons/prof: Legal cost									
Contractors									
Agency & support/outsourced services									
Entertainment									
Fleet services (incl. GMT)									
Housing	8	8	19	-	-	-	-	-	-
Inventory: Food and food supplies									
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher supp material									
Inventory: Raw materials									
Inventory: Medical supplies									
Inventory: Medicine									
Medsas inventory interface									
Inventory: Military stores									
Inventory: Other consumables	-	-	-	200	100	100	212	219	231
Inventory: Stationery and printing									
Lease payments (incl. operating, excl. fin)									
Property payments									
Transport provided: Departmental activity									
Travel and subsistence	28	29	31	32	-	-	36	39	41
Training and development									
Operating expenditure	1 076	523	689	772	320	845	828	825	632
Venues and facilities									
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest									
Rent on land									
Transfers and subsidies to	-	16	-	14	14	-	15	-	-
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Provinces	-	-	-	-	-	-	-	-	-
Provincial Revenue Funds									
Provincial agencies and funds									
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Social security funds									
Entities receiving funds									
Universities and technikons									
Foreign governments and international organisations									
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Public corporations	-	-	-	-	-	-	-	-	-
Subsidies on production									
Other transfers									
Private enterprises	-	-	-	-	-	-	-	-	-
Subsidies on production									
Other transfers									
Non-profit institutions									
Households	-	16	-	14	14	-	15	-	-
Social benefits	-	16	-	14	14	-	15	-	-
Other transfers to households									
Payments for capital assets	-	276	-	-	84	84	-	111	117
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings									
Other fixed structures									
Machinery and equipment	-	276	-	-	-	-	-	111	117
Transport equipment	-	217	-	-	-	-	-	-	-
Other machinery and equipment	-	59	-	-	-	-	-	111	117
Heritage assets									
Specialised military assets									
Biological assets	-	-	-	-	84	84	-	-	-
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	2 788	2 571	2 418	3 187	2 775	2 474	3 608	3 804	3 744

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

No.	Project name	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					2011/12	2012/13	2013/14
R thousand														
New and replacement assets									-	-	-	-	-	-
Upgrades and additions									-	-	-	-	-	-
Rehabilitation, renovations and refurbishments														
1.	Rehabilitation of palaces	Zululand	Zululand	Palaces	7	Ongoing	Ongoing	Royal Household Plan.	-	8 857	-	8 782	10 821	12 866
Total Rehabilitation, renovations and refurbishments									-	8 857	-	8 782	10 821	12 866
Maintenance and repairs														
1.	Maintenance and repairs to palaces	Zululand	Zululand	Palaces	7	Ongoing	Ongoing	Royal Household Plan.	-	2 348	-	2 746	3 528	3 722
Total Maintenance and repairs									-	2 348	-	2 746	3 528	3 722
Infrastructure transfers - current									-	-	-	-	-	-
Infrastructure transfers - capital									-	-	-	-	-	-
Total Infrastructure									-	11 205	-	11 528	14 349	16 588