

VOTE 10

The Royal Household

Operational budget	R 59 566 000
MEC remuneration	Nil
Total amount to be appropriated	R 59 566 000
of which:	
Unauthorised expenditure (1 st charge) not available for spending	R 1 800 000
Vote 10 baseline available for spending after 1 st charge	R 57 766 000
Responsible MEC	The Premier, Dr. Z. L. Mkhize ¹
Administering department	The Royal Household
Accounting officer	Head: Royal Household

1. Overview

Vision

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

Mission statement

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

Strategic objectives

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

The main strategic objectives of the department are as follows:

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

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

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

Core functions

The core functions of the department are as follows:

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

Legislative mandate

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

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

2. Review of the 2011/12 financial year

Section 2 provides a review of 2011/12, 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 Household Trust (hereafter referred to as the Royal Trust) was established in 2009 in terms of the KZN Royal Household Trust Act and has as its objective to administer the following for the benefit of the Monarch and the Royal Household:

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

The department focused on the establishment of the Royal Trust in 2011/12, and the Board of the Royal Trust was appointed. Although the Royal Trust is registered formally and therefore established as an entity, the way forward in listing the Royal Trust as a public entity is still undecided. The listing of the Royal Trust places the financial decision making within the scope of the PFMA and relevant prescripts, which contradicts the original intention of the Royal Household Trust Act, which was to give the Royal Trust autonomy in respect of financial management (i.e. revenue generation, etc.). The feasibility of repealing or amending the Royal Trust Act is currently under review.

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 2011/12 Adjusted Appropriation, R5 million was specifically allocated to the department as seed funding for the establishment (i.e. the set-up and operational costs) of the Royal Trust, in line with a Cabinet resolution.

The transfer of departmental staff to the Royal Trust did not materialise in 2011/12 as anticipated, as a result of the department having to first engage with organised labour. Accordingly funds which were to be transferred to the Royal Trust were shifted back to *Compensation of employees* from *Transfers and subsidies to: Departmental agencies and accounts*, where the salaries of the staff continue to be paid from at this stage. As a result of the non transfer of staff, the Royal Trust was faced with capacity constraints and therefore was not fully functional, and hence the department continued to perform many of the functions that the Royal Trust was anticipated to perform, such as purchasing groceries for His Majesty's Queens, paying for municipal and maintenance costs, etc.

His Majesty, the King's activities

During 2011/12, His Majesty, the King undertook the following:

- Participated in government events and ceremonies, such as the opening of the KZN Provincial Legislature and various events celebrating His Majesty, the King's 40-year reign.
- Hosted major traditional events, such as the Reed Dance, First Fruits and *Amaganu* ceremonies.
- Visited India as a business ambassador to KZN. His Majesty, the King also hosted dignitaries from other countries, such as Prince Charles from the United Kingdom.
- Installed *Amakhosi* both statutorily and customarily.
- Was involved in farming activities, such as plant and animal production.

Renovations to palaces

Maintenance and renovations to the Royal residences commenced in 2011/12, with additional funding which the department received for the rehabilitation and refurbishment of palaces. These projects include 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. In 2011/12, the department commenced the renovations and refurbishment of two palaces, namely KwaKhethomthandayo and KwaDlamahlahla, which are expected to be completed in 2012/13. The department also completed major repairs to two palaces, KwaKhangela and KwaLinduzulu, as a result of storm damages.

3. Outlook for the 2012/13 financial year

Section 3 looks at the key focus areas of 2012/13, 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 and investment purposes. These include the remuneration of the CEO, his secretary and the five board members, as well as educational needs of His Majesty's children, running costs of the Royal residences, His Majesty's

Queens' expenses, etc. The review of the listing of the Royal Trust will be pursued in order to regularise its operations, while also developing administrative policies, processes and systems to implement controls and streamline activities.

The department, together with the Royal Trust, will continue negotiating with organised labour to finalise the transfer of staff from the department to the Royal Trust and to address challenges in respect of the Royal Trust's organisational structure in order to fill vacant posts. Once negotiations with organised labour have been finalised, staff transfers will be done in a phased-in approach, starting with palace workers in Programme 2: Royal Household Planning and Development. The up-keeping of the palaces as a function which is attached to the Queens will be devolved first. 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 the department 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 for only 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.

The focus will also be on identifying strategic areas to market the Royal Trust and its related activities and promote greater participation of the Zulu Monarch, as well as building sustainable relations with public and private stakeholders.

Renovations to palaces

The department's plans will focus on the required renovations and maintenance to all seven of the Royal residences, for which additional funding was provided over the 2011/12 MTEF, ending in 2013/14. In 2012/13, the department will complete the refurbishment of the two palaces, KwaKhethomthandayo and KwaDlamahlahla, and will commence with the upgrade of Ingwavuma, KwaLinduzulu and Enyokeni Palaces.

His Majesty, the King's activities

In 2012/13, His Majesty, the King will continue to participate in government ceremonies and events, install *Amakhosi*, host the First Fruits and Reed Dance ceremonies, among others. His Majesty, the King will also 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

Findings of the feasibility studies on His Majesty, the King's farms showed that none of the farms were commercially viable. To this end, the department informed the Royal Trust for the findings of the feasibility studies and a proposal to purchase a commercially viable farm was put forward. The proposed new farm will be run by the Royal Trust.

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 2008/09 to 2014/15. The table also compares actual and budgeted receipts against actual and budgeted payments.

The department is liable for the repayment of unauthorised expenditure relating to prior years, in line with SCOPA Resolutions 18 of 2009, 20 and 21 of 2010, as explained in further detail in Section 5.3 below.

Table 10.1: Summary of receipts and financing

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
Provincial allocation	39 356	40 643	45 113	55 028	55 643	55 643	59 566	64 203	55 334
Total receipts	39 356	40 643	45 113	55 028	55 643	55 643	59 566	64 203	55 334
Total payments	47 853	40 407	50 627	55 028	60 643	60 643	59 566	64 203	55 334
Surplus/(Deficit) before financing	(8 497)	236	(5 514)	-	(5 000)	(5 000)	-	-	-
Financing									
of which									
Provincial roll-overs	-	-	236	-	-	-	-	-	-
Provincial cash resources	-	-	1 800	-	5 000	5 000	-	-	-
Surplus/(deficit) after financing	(8 497)	236	(3 478)	-	-	-	-	-	-

The department ended 2008/09 with a deficit after financing of R8.497 million. The over-spending 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.

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

In 2010/11, the department had a deficit before financing of R5.514 million, which was financed by a roll-over of R236 000 from 2009/10, and additional funding of R1.800 million allocated in 2010/11 to cater for back-pay in respect of the King's salary which was inadvertently under-paid since 2000/01. After the repayment of the first charge of R3.767 million (see Section 5.3), the department ended the year with a deficit after financing of R3.478 million.

The department is projecting to end 2011/12 with a balanced budget, despite ongoing spending pressures against *Goods and services*. 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 of staff making up the King's entourage. However, the department will have to continue to implement strict cost-cutting measures in order to ensure this. Additional funding of R5 million was allocated in the 2011/12 Adjusted Appropriation as seed funding to establish the Royal Trust, reflected against provincial cash resources.

The budget allocation for the 2012/13 MTEF shows an inflationary linked increase. The decrease in 2014/15 is due to the infrastructure allocation for the renovations to palaces, which comes to an end in 2013/14 in line with project requirements.

4.2 Departmental receipts collection

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

Table 10.2: Details of departmental receipts

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes	-	-	-	-	-	-	-	-	-
Horse racing taxes	-	-	-	-	-	-	-	-	-
Liquor licences	-	-	-	-	-	-	-	-	-
Motor vehicle licences	-	-	-	-	-	-	-	-	-
Sale of goods and services other than capital assets	82	89	81	93	93	100	98	103	109
Transfers received	-	-	-	-	-	-	-	-	-
Fines, penalties and forfeits	-	-	-	-	-	-	-	-	-
Interest, dividends and rent on land	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	335	-	-	-	-	-	-
Transactions in financial assets and liabilities	5	-	97	-	-	50	-	-	-
Total	87	89	513	93	93	150	98	103	109

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

During 2010/11, the department collected once-off revenue on *Sale of capital assets* for the unanticipated sale of 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 R97 000 for the unanticipated recovery of staff debts dating back to 2005/06. During 2011/12, R50 000 was collected against this category, relating to an uncashed cheque for staff exit costs.

4.3 Donor funding - Nil

5. Payment summary

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

5.1 Key assumptions

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

- Provision was made for the carry-through costs of the 2011 wage agreement and an inflationary wage adjustment of 5 per cent for each year of the 2012/13 MTEF, as well as the annual 1.5 per cent pay progression.
- The formation and listing of the Royal Trust as a public entity will be reviewed during 2012/13.
- Inflation related items have been based on CPI projections.
- The cost-cutting measures, as reissued by Provincial Treasury in 2012/13, will be adhered to by the department over the 2012/13 MTEF.
- The operations of the Royal Trust will be phased in over the next three to five years, and various staff will be transferred to the Royal Trust in a phased-in approach.

5.2 Additional allocation for the 2010/11 to 2012/13 MTEF

Table 10.3 shows additional funding received by the department over the three MTEF periods 2010/11, 2011/12 and 2012/13. Note that the table reflects only the provincial additional allocations, and excludes additional allocations in respect of conditional grants.

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

The carry-through allocations for the 2010/11 and 2011/12 MTEF periods (i.e. for the financial year 2014/15) are based on the incremental percentage used in the 2012/13 MTEF.

Table 10.3: Summary of additional provincial allocations for 2010/11 to 2012/13 MTEF

R thousand	2010/11	2011/12	2012/13	2013/14	2014/15
2010/11 MTEF period	590	658	726	766	808
Carry-through of 2009/10 Adjustments Estimate - 2009 wage agreement	569	636	703	742	786
Policy on Incapacity Leave and Ill Health Retirement (PILIR)	21	22	23	24	26
2011/12 MTEF period		8 814	10 874	12 834	13 604
Carry-through of 2010/11 Adjustments Estimate - 2010 wage agreement		844	911	884	937
Prov. priorities: Renovations, refurbishment of the Royal residences		8 000	10 000	12 000	12 720
National Cabinet decision to cut provinces by 0.3 per cent		(30)	(37)	(50)	(53)
2012/13 MTEF period			132	138	(12 575)
Carry-through of 2011/12 Adjustments Estimate - 2011 wage agreement			132	138	145
Prov. priorities: Renovations, refurbishment of the Royal residences			-	-	(12 720)
Total	590	9 472	11 732	13 738	1 837

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 PILIR.

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

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

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 2008/09 to 2014/15.

Table 10.4: Summary of payments and estimates by programme

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
1. Support Services - His Majesty, the King	27 938	24 323	36 120	39 489	44 955	39 512	35 278	39 870	43 416
2. Royal Household Planning and Development	17 344	13 666	11 964	11 931	12 029	19 037	20 484	20 589	8 949
3. His Majesty, the King's Farms	2 571	2 418	2 543	3 608	3 659	2 094	3 804	3 744	2 969
Total	47 853	40 407	50 627	55 028	60 643	60 643	59 566	64 203	55 334
Unauth. exp. (1 st charge) not available for spending	-	-	(3 767)	(3 767)	(3 767)	(3 767)	(1 800)	(1 800)	(3 394)
Baseline available for spending after 1st charge	47 853	40 407	46 860	51 261	56 876	56 876	57 766	62 403	51 940

Table 10.5: Summary of payments and estimates by economic classification

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
Current payments	45 546	39 352	38 973	19 023	35 008	40 748	33 367	26 872	25 551
Compensation of employees	16 176	16 891	20 238	8 866	21 358	21 358	20 852	13 938	13 474
Goods and services	29 370	22 461	18 735	10 157	13 650	19 390	12 515	12 934	12 077
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	352	262	6 564	22 088	12 218	7 948	12 141	21 149	23 718
Provinces and municipalities	25	26	19	-	7	7	8	9	10
Departmental agencies and accounts	-	-	5 857	22 000	12 000	7 700	12 000	21 000	23 560
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	327	236	688	88	211	241	133	140	148
Payments for capital assets	1 955	647	1 106	10 150	9 650	8 180	12 258	14 382	2 671
Buildings and other fixed structures	-	314	259	8 782	8 782	7 413	10 821	12 866	1 063
Machinery and equipment	1 955	333	763	1 368	868	767	1 437	1 516	1 608
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	84	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	146	3 984	3 767	3 767	3 767	1 800	1 800	3 394
Total	47 853	40 407	50 627	55 028	60 643	60 643	59 566	64 203	55 334
Unauth. exp. (1 st charge) not available for spending	-	-	(3 767)	(3 767)	(3 767)	(3 767)	(1 800)	(1 800)	(3 394)
Baseline available for spending after 1st charge	47 853	40 407	46 860	51 261	56 876	56 876	57 766	62 403	51 940

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

Resolution 71 of 2011. The remaining instalments of R1.800 million each will be implemented in 2012/13 and 2013/14, and R3.394 million in 2014/15. 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 2014/15 have been reduced by the instalment amounts.

The decrease in Programme 1 in 2009/10 relates to cost-cutting. The department reduced spending in Programme 1, against two economic categories, *Goods and services* and *Payments for capital assets*. In 2010/11, the Royal Trust was created, housed under Programme 1, which led to an increase in expenditure against *Transfers and subsidies* due to transfers made to the Royal Trust. The increase in the 2011/12 Adjusted Appropriation relates to the additional allocation of R5 million, as seed funding for the establishment of the Royal Trust and R343 000 for the higher than anticipated 2011 wage agreement. The decrease in the 2011/12 Revised Estimate relates to delays in the transfer of seed funding to the Royal Trust and expenditure which was incorrectly allocated to Programme 2, which will be corrected by journal entry. The decrease in 2012/13 is due to the once-off allocation of R5 million as seed funding in 2011/12. The increase over the 2012/13 MTEF is due to the increase in transfers to the Royal Trust, which is anticipated to become fully functional over the MTEF.

The decrease in Programme 2 in 2009/10 and 2010/11 was due to cost-cutting. In the 2011/12 Adjusted Appropriation, the department received additional funds for the higher than budgeted 2011 wage agreement. The increase in the 2011/12 Revised Estimate is due to the misallocation of expenditure which relates to Programme 1, as mentioned above. This will be corrected by journal entry before year-end. The increase over the 2012/13 MTEF relates to the additional funding allocated for the renovations and maintenance of Royal residences, which comes to an end in 2013/14, in line with project requirements, explaining the decrease in 2014/15.

Spending against Programme 3: His Majesty, the King's Farms shows a relatively steady increase over the seven-year period. The decrease in the 2011/12 Revised Estimate is due to the non-filling of vacant funded posts, in order to effect savings.

The increase in *Compensation of employees* in 2010/11 was mainly in respect of the higher than anticipated 2010 wage agreement, back-pay for His Majesty, the King's salary which was inadvertently under-paid since 2000/01 and R700 000 to cater for the King's salary which was increased in 2010/11 in line with the Remuneration of Public Office Bearers Act. The decrease in *Compensation of employees* in the 2011/12 Main Appropriation was caused by the assumption that some of the employees would be transferred to the Royal Trust. However, the staff were not transferred to the Royal Trust in 2011/12 as anticipated, due to ongoing negotiations with organised labour, hence the increase in the 2011/12 Adjusted Appropriation. It is anticipated that the negotiations will be finalised toward the end of 2012/13, as this is a lengthy process. The decrease in 2013/14 and 2014/15 is due to the phased in transfer of staff to the Royal Trust, assuming finalisation of labour negotiations.

Transfers and subsidies to: Provinces and municipalities relates to motor vehicle licences which are now paid under this category, in line with a change in the SCOA classification. Prior years' figures were restated for comparative purposes. The decrease from 2010/11 is due to the disposal of vehicles.

Transfers to the Royal Trust are reflected against *Transfers and subsidies to: Departmental agencies and accounts*. The increase in the 2011/12 Main Appropriation was based on the assumption that the Royal Trust would be undertaking most of the functions of the Royal Household. In the 2011/12 Adjusted Appropriation, the department shifted R15 million in respect of the Royal Trust from *Transfers and subsidies to: Departmental agencies and accounts*. Of the amount shifted, R12 million was moved to *Compensation of employees*, to cater for the salaries of staff who were to be transferred to the Royal Trust and R3 million to *Goods and services*, due to the fact that the department continues to perform many of the functions that the Royal Trust was anticipated to perform. The Royal Trust also received R5 million for establishment costs, in line with a Cabinet resolution. The low 2011/12 Revised Estimate relates to delays in the transfer of seed funding to the Royal Trust. The process of engaging with organised labour regarding the transfer of staff is likely to be lengthy and to only be resolved in 2012/13. The increase in 2013/14 to 2014/15 is due to the increase in transfers, as the Royal Trust is anticipated to become fully functional.

The amounts reflected against *Transfers and subsidies to: Households* over the seven-year period relate to the payment of staff exit costs. The increase in 2010/11 was due to higher than anticipated staff exits and a severance package paid to a departmental official. The 2011/12 Main Appropriation was reduced, as the department anticipated fewer staff exits from the Vote itself, due to the fact that staff were going to be transferred to the Royal Trust. Any exit costs would therefore be paid for by the Royal Trust, rather than the department.

No expenditure was recorded against *Buildings and other fixed structures* in 2008/09 as the department placed all infrastructure projects on hold in order to remain within budget. The department undertook renovations in 2009/10 in order to repair a dining room at one of the palaces which was damaged by a hail storm. In 2010/11, the department undertook renovations of rondavels at two palaces. In the 2011/12 MTEF, the department's budget was increased in line with a funding request which indicated that the palaces were in dire need of renovations and repairs. The department commenced with the renovations and refurbishment of two palaces, i.e KwaKhethomthandayo and KwaDlamahlahla, in 2011/12. All the renovations, upgrading and refurbishment of palaces are expected to be completed by 2013/14, which is when the funding stream for these projects ends.

The budget for *Machinery and equipment* includes funds for the acquisition of official vehicles and domestic and office equipment. The fluctuating trend is due to the cyclical nature of this expenditure, such as the acquisition of new vehicles for His Majesty, and replacement of vehicles in the Royal fleet.

The 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* can be ascribed to payments in respect of the first charge. The 2009/10 and a portion of the 2010/11 amount pertains to the write-off of staff debts. In 2010/11, the first instalment of R3.767 million was paid but further unauthorised expenditure was incurred, which became a first charge as well. The second instalment of R3.767 million was implemented in 2011/12. The remaining instalments of R1.800 million each will be implemented in 2012/13 and 2013/14, and R3.394 million in 2014/15.

5.4 Summary of payments and estimates by district municipal area

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

5.5 Summary of conditional grant payments and estimates – Nil

5.6 Summary of infrastructure payments and estimates

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

Table 10.6: Summary of infrastructure payments and estimates

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2008/09	2009/10	2010/11				2012/13	2013/14	2014/15
New and replacement assets									
Existing infrastructure assets	3 000	1 339	997	11 528	11 528	7 413	14 349	16 588	5 008
Upgrades and additions									
Rehabilitation, renovations and refurbishments	-	314	259	8 782	8 782	7 413	10 821	12 866	1 063
Maintenance and repairs	3 000	1 025	738	2 746	2 746	-	3 528	3 722	3 945
Infrastructure transfers	-	-	-	-	-	-	-	-	-
Current									
Capital									
Capital infrastructure	-	314	259	8 782	8 782	7 413	10 821	12 866	1 063
Current infrastructure	3 000	1 025	738	2 746	2 746	-	3 528	3 722	3 945
Total	3 000	1 339	997	11 528	11 528	7 413	14 349	16 588	5 008

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

The department reduced its *Maintenance and repairs* spending in 2010/11, by not commencing with certain maintenance projects to palaces which were not considered urgent, in an attempt to remain within budget.

In 2011/12, the department received additional funds for the upgrading, refurbishment and rehabilitation of palaces allocated against *Rehabilitation, renovations and refurbishments*. The department started the process of renovating and repairing two palaces, i.e. KwaKhethomthandayo and KwaDlamahlahla, which are expected to be completed in 2012/13. The decrease in the 2011/12 Revised Estimate relates to delays in the implementation of certain infrastructure projects, such as the construction of the King's residence at Enyokeni emanating from the fact that His Majesty, the King was not completely satisfied with the infrastructure plan. Although there is no amount recorded against *Maintenance and repairs* in the 2011/12 Revised Estimate, this is likely to change depending on the progress of the projects underway. All the renovations, upgrading and refurbishment of palaces are expected to be completed by 2013/14, which is when the funding stream for these projects ends.

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 the summary of transfer payments made to other entities by Vote 10.

Table 10.7: Summary of departmental transfers to other entities

R thousand	Sub-programme	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
		2008/09	2009/10	2010/11	Appropriation	Appropriation	Estimate	2012/13	2013/14	2014/15
					2011/12					
Royal Trust	1.2: Royal Trust	-	-	5 857	22 000	12 000	7 700	12 000	21 000	23 560
Total		-	-	5 857	22 000	12 000	7 700	12 000	21 000	23 560

The Royal Trust was established in 2010/11 as an entity in terms of the KZN Royal Household Trust Act, but the department is still waiting for the Royal Trust to be listed as a public entity in terms of the PFMA. However, the listing of the Royal Trust places the financial decision making within the scope of the PFMA and relevant prescripts, contradicting the original intention of the Royal Trust Act which was to give the Royal Trust autonomy in respect of financial management (revenue generation, etc.). The feasibility of repealing or amending the KZN Royal Household Trust Act is currently under review.

The department will continue to be administered as a Vote in the future, despite the formation of the Royal Trust. In 2010/11 and 2011/12, funds were transferred to the Royal Trust to cater for the set-up costs of the Royal Trust, the remuneration of the Board members, as well as various costs of the Royal Household which were administered by the Royal Trust. This included municipal costs, fuel, food supplies, etc., relating to His Majesty's Queens and other members of the Royal Family. It should be noted that the original purpose of these funds has not changed, but are merely being administered by the Royal Trust.

In the 2011/12 Adjusted Appropriation, according to a Cabinet resolution, the Royal Trust received additional funding of R5 million for establishment costs. The department also shifted R15 million in respect of the Royal Trust from *Departmental agencies and accounts*. Of the amount shifted, R12 million was to *Compensation of employees*, to cater for the salaries of staff who were to be transferred to the Royal Trust and R3 million to *Goods and services*, due to the fact that the department continues to perform many of the functions that the Royal Trust was anticipated to perform. The Royal Trust was

unable to perform these functions as it was not yet fully functional, largely due to capacity constraints, pending negotiations with organised labour and the review of the Royal Trust's organogram. Thereafter, the transfer of staff will commence and the Royal Trust will assume all its functions, hence the increase in the 2013/14 and 2014/15 allocations. To this end, the transfer of palace support staff in Programme 2 is scheduled first and thereafter farm staff from Programme 3. It is anticipated that this process will take three to five years to complete, depending on the progress made with the phased-in approach.

5.10 Transfers to local government

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

5.11 Transfers and subsidies

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

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2008/09	2009/10	2010/11	2011/12	2011/12	2011/12	2012/13	2013/14	2014/15
1. Support Services - His Majesty, the King	175	102	6 357	22 000	12 130	7 749	12 008	21 009	23 570
Provinces and municipalities	25	26	19	-	7	7	8	9	10
Motor vehicle licences	25	26	19	-	7	7	8	9	10
Departmental agencies and accounts	-	-	5 857	22 000	12 000	7 700	12 000	21 000	23 560
Royal Trust	-	-	5 857	22 000	12 000	7 700	12 000	21 000	23 560
Households	150	76	481	-	123	42	-	-	-
Staff exit costs	150	76	481	-	123	42	-	-	-
2. Royal Household Planning and Dev	161	160	192	73	73	184	133	140	148
Households	161	160	192	73	73	184	133	140	148
Staff exit costs	161	160	192	73	73	184	133	140	148
3. His Majesty, the King's Farms	16	-	15	15	15	15	-	-	-
Households	16	-	15	15	15	15	-	-	-
Staff exit costs	16	-	15	15	15	15	-	-	-
Total	352	262	6 564	22 088	12 218	7 948	12 141	21 149	23 718

Provinces and municipalities in Programme 1 reflects the payment of motor vehicle licences. These were previously budgeted for under *Goods and services* but, due to a change in the SCOA classification, are now paid under *Provinces and municipalities*. Prior year figures were restated for comparative purposes. The decrease from 2010/11 is due to the disposal of vehicles.

The large transfers against *Departmental agencies and accounts* in Programme 1 relates to the transfer of funds to the Royal Trust. The decrease in the 2011/12 Adjusted Appropriation is due to the fact that the department continued to perform many of the functions that the Royal Trust was anticipated to perform, as it was not yet fully functional. This resulted in the department shifting R15 million in respect of the Royal Trust from *Departmental agencies and accounts*, with R12 million to *Compensation of employees* and R3 million to *Goods and services*. The Royal Trust also received R5 million for establishment costs, in line with a Cabinet resolution. The low 2011/12 Revised Estimate relates to the delays in the transfer of seed funding to the Royal Trust. The department indicated that the process of engaging with organised labour regarding the transfer of staff is lengthy and likely to be resolved in 2012/13, hence the lower transfers in 2012/13, when compared to 2013/14. The increase in 2013/14 and 2014/15 relates to the increase in transfers to the Royal Trust, which is anticipated to become fully functional over the MTEF.

Households pertains mainly to the payment of leave gratuities and other staff exit costs against all three programmes over the seven-year period, which are difficult to predict. The increase in 2010/11 relates to unanticipated staff exits resulting from natural attrition and a payment of a severance package.

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 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 the running costs of the Royal Household, in respect of His Majesty's Queens and the rest of the Royal Family, as well as running costs of the farms over the last part of the MTEF. Tables 10.9 and 10.10 reflect information relating to the programme for the period 2008/09 to 2014/15.

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		
	2008/09	2009/10	2010/11				2012/13	2013/14	2014/15
King's Office Support Services	27 938	24 323	30 263	17 489	32 955	31 712	23 278	18 870	19 856
Royal Trust	-	-	5 857	22 000	12 000	7 800	12 000	21 000	23 560
Total	27 938	24 323	36 120	39 489	44 955	39 512	35 278	39 870	43 416
Unauth. exp. (1 st charge) not available for spending	-	-	(3 767)	(3 767)	(3 767)	(3 767)	(1 800)	(1 800)	(3 394)
Baseline available for spending after 1st charge	27 938	24 323	32 353	35 722	41 188	35 745	33 478	38 070	40 022

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		
	2008/09	2009/10	2010/11				2012/13	2013/14	2014/15
Current payments	26 084	24 221	25 265	12 542	28 378	27 298	20 231	15 754	15 066
Compensation of employees	7 084	7 646	10 482	4 938	17 281	10 829	9 989	4 585	4 859
Goods and services	19 000	16 575	14 783	7 604	11 097	16 469	10 242	11 169	10 207
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	175	102	6 357	22 000	12 130	7 749	12 008	21 009	23 570
Provinces and municipalities	25	26	19	-	7	7	8	9	10
Departmental agencies and accounts	-	-	5 857	22 000	12 000	7 700	12 000	21 000	23 560
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	150	76	481	-	123	42	-	-	-
Payments for capital assets	1 679	-	514	1 180	680	698	1 239	1 307	1 386
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	1 679	-	514	1 180	680	698	1 239	1 307	1 386
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	3 984	3 767	3 767	3 767	1 800	1 800	3 394
Total	27 938	24 323	36 120	39 489	44 955	39 512	35 278	39 870	43 416
Unauth. exp. (1 st charge) not available for spending	-	-	(3 767)	(3 767)	(3 767)	(3 767)	(1 800)	(1 800)	(3 394)
Baseline available for spending after 1st charge	27 938	24 323	32 353	35 722	41 188	35 745	33 478	38 070	40 022

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 and second instalments of R3.767 million were implemented against the 2010/11 and 2011/12 budgets. In 2010/11, the instalment was paid but there was further unauthorised expenditure, which became a further first charge. Due to budget constraints, it was agreed that the department could extend the period i.e., pay the remaining instalments over six years, in line with SCOPA Resolution 71 of 2011. The remaining instalments of R1.800 million each will be implemented in 2012/13 and 2013/14, and R3.394 million in

2014/15. The first charge that was implemented was allocated under Programme 1, against *Payments for financial assets*, and the amounts available for spending from 2010/11 to 2014/15 have been reduced by the instalment amounts.

The overall spending reflects a decrease in 2009/10 due to the effects of cost-cutting.

The increase in the sub-programme: King's Office Support Services in 2010/11 is due to the increase in *Compensation of employees*, which was mainly in respect of the higher than anticipated 2010 wage agreement, back-pay for His Majesty, the King's salary which was inadvertently under-paid since 2000/01 and R700 000 to cater for the King's salary which was increased in 2010/11 in line with the Remuneration of Public Office Bearers Act. The decrease in 2011/12 Main Appropriation was caused by the assumption that some of the employees would be transferred to the Royal Trust. The transfer did not take place due to ongoing negotiations with organised labour. The increase in the 2011/12 Adjusted Appropriation was to cater for salaries, as the staff were not transferred to the Royal Trust as anticipated. This accounts for the trends against *Compensation of employees*. The decrease in the 2011/12 Revised Estimate relates to the incorrect allocation of expenditure to Programme 2 instead of this programme. Journals will be processed before the end of the financial year to correct this error. The expenditure of this sub-programme is expected to decrease over the 2012/13 MTEF, as some of the activities of the department are anticipated to be devolved to the Royal Trust.

In 2010/11, the sub-programme: Royal Trust was created. Funds were transferred to the this sub-programme to provide for the operational costs of the Royal Trust, as well as various running costs of the Royal Household. The increase in the 2011/12 Main Appropriation was due to the Royal Trust anticipating to assume all its functions. This did not happen as anticipated due to pending potential amendments to the Royal Trust Act, as well as delays in transfer of staff to the Royal Trust, as mentioned previously. The low 2011/12 Revised Estimate relates to delays in the transfer of seed funding to the Royal Trust. The increase over the 2012/13 MTEF relates to the further phasing in of the running costs of the Royal Household that are to be administered by the Royal Trust.

Transfers and subsidises to: Households relates to the payment of leave gratuities and other staff exit costs, which are unpredictable, hence the fluctuation.

The amounts against *Machinery and equipment* relate to the acquisition of vehicles, domestic and office equipment. The high expenditure in 2008/09 can be ascribed to costs of vehicles required. The department did not spend any funds on *Machinery and equipment* in 2009/10 due to cost-cutting. The decrease from the 2011/12 Main to the Adjusted Appropriation relates to the movement of savings as a result of cost-cutting, to *Goods and services* to cater for spending pressures under this category, such as subsistence and travel costs, higher than anticipated audit fees, etc. *Machinery and equipment* is purchased on a cyclical basis, hence the fluctuating trend over the MTEF.

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

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

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

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

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2011/12	2012/13	2013/14	2014/15
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 2008/09 to 2014/15.

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2008/09	2009/10	2010/11		2011/12		2012/13	2013/14	2014/15
Support Services - His Majesty, the King	17 344	13 666	11 964	11 931	12 029	19 037	20 484	20 589	8 949
Total	17 344	13 666	11 964	11 931	12 029	19 037	20 484	20 589	8 949

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

R thousand	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2008/09	2009/10	2010/11		2011/12		2012/13	2013/14	2014/15
Current payments	17 183	12 713	11 264	2 888	2 986	11 371	9 443	7 491	7 640
Compensation of employees	7 373	7 566	8 384	1 411	1 509	9 260	8 253	6 630	6 728
Goods and services	9 810	5 147	2 880	1 477	1 477	2 111	1 190	861	912
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	161	160	192	73	73	184	133	140	148
Provinces and municipalities	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	-	-	-	-	-	-	-
Universities and technikons	-	-	-	-	-	-	-	-	-
Foreign governments and international organisations	-	-	-	-	-	-	-	-	-
Public corporations and private enterprises	-	-	-	-	-	-	-	-	-
Non-profit institutions	-	-	-	-	-	-	-	-	-
Households	161	160	192	73	73	184	133	140	148
Payments for capital assets	-	647	508	8 970	8 970	7 482	10 908	12 958	1 161
Buildings and other fixed structures	-	314	259	8 782	8 782	7 413	10 821	12 866	1 063
Machinery and equipment	-	333	249	188	188	69	87	92	98
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	146	-	-	-	-	-	-	-
Total	17 344	13 666	11 964	11 931	12 029	19 037	20 484	20 589	8 949

The decrease in this programme in 2009/10 and 2010/11 was due to cost-cutting. This explains the decrease in spending over the same period in *Goods and services*. In 2010/11, the department also placed certain maintenance projects to the palaces which were not urgent on hold, in an attempt to break-even at year-end. The increase in the Revised Estimate in 2011/12 relates to the department having to continue to perform many of the functions which the Royal Trust was anticipated to perform, as the Royal Trust is not yet fully functional. Also, the incorrect allocation of Programme 1 expenditure to this Programme, as mentioned above, will be corrected by journal entry before the end of the financial year. It is anticipated that the expenditure will decrease over the 2012/13 MTEF, as some of the activities of the department are expected to be devolved to the Royal Trust.

The substantial decrease in *Compensation of employees* from 2010/11 to the 2011/12 Main Appropriation emanated from the planned transfer of staff to the Royal Trust. The transfer was not done due to the on-going negotiations with organised labour. In the 2011/12 Adjusted Appropriation, the slight increase is due to additional funding for the higher than anticipated 2011 wage agreement. The substantial increase in the 2011/12 Revised Estimate is due to the misallocation of expenditure which relates to Programme 1, as mentioned above. This will be corrected by journal entry before year-end. It is anticipated that the staff will be transferred to the Royal Trust over the 2012/13 MTEF. The decrease in 2013/14 and 2014/15 is due to the anticipated phased-in transfer of staff to the Royal Trust.

The amounts reflected against *Transfers and subsidies to: Households* over the seven-year period are in respect of the payment of staff exits and leave gratuities. The 2011/12 Main and Adjusted Appropriation was reduced as the department anticipated fewer staff exits due to the fact that staff were going to be transferred to the Royal Trust.

With regard to *Buildings and other fixed structures*, in 2009/10 and 2010/11 the department undertook renovations and repairs to the Royal residences which were in dire need of upgrading. Further capital

projects were put on hold, in order to avoid over-spending in other areas. The department received additional funding in the 2011/12 MTEF, ring-fenced for the renovations and refurbishment of palaces. In 2011/12, major renovations of two palaces, KwaKhethomthandayo and KwaDlamahlahla, commenced as the department received additional funding for this purpose. The low 2011/12 Revised Estimate is due to delays in the implementation of certain infrastructure projects, such as the construction of the King's residence at Enyokeni emanating from the fact that His Majesty, the King was not completely satisfied with the infrastructure plan. It is anticipated that the department will continue with the renovations of all the palaces over the 2012/13 MTEF, which come to an end in 2013/14 in line with project requirements.

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

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

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

Table 10.14 shows the service delivery information for Programme 2.

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

Outputs	Performance indicators	Estimated performance		Medium-term targets	
		2011/12	2012/13	2013/14	2014/15
Maintenance of the Royal Residences	• No. of maintenance projects	12	12	12	12

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 give a summary of payments and estimates for the period 2008/09 to 2014/15.

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		
	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
His Majesty, the King's Farms	2 571	2 418	2 543	3 608	3 659	2 094	3 804	3 744	2 969
Total	2 571	2 418	2 543	3 608	3 659	2 094	3 804	3 744	2 969

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		
	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
Current payments	2 279	2 418	2 444	3 593	3 644	2 079	3 693	3 627	2 845
Compensation of employees	1 719	1 679	1 372	2 517	2 568	1 269	2 610	2 723	1 887
Goods and services	560	739	1 072	1 076	1 076	810	1 083	904	958
Interest and rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to:	16	-	15	15	15	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	-	15	15	15	15	-	-	-
Payments for capital assets	276	-	84	-	-	-	111	117	124
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Machinery and equipment	276	-	-	-	-	-	111	117	124
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	84	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	-	-	-	-	-	-	-	-
Total	2 571	2 418	2 543	3 608	3 659	2 094	3 804	3 744	2 969

The decrease in this programme in 2009/10 relates to the non-filling of vacant posts, in order to curtail spending.

In 2009/10 and 2010/11, the department did not fill vacant posts, due to cost-cutting. The increase in the 2011/12 Adjusted Appropriation in *Compensation of employees* was to cater for the higher than anticipated 2011 wage agreement and the filling of vacant posts. The low 2011/12 Revised Estimate is due to the department not filling vacant posts, as the farms have not yet been commercialised. The increase in 2012/13 and 2013/14 relates to the filling of vacant posts as the farms are anticipated to be commercialised. The decrease in 2014/15 relates to the anticipated transfer of staff to the Royal Trust.

The amounts against *Machinery and equipment* relate to the purchase of farming implements.

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

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

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

Table 10.17: Service delivery measures – Programme 3: His Majesty, the King's Farms					
Outputs	Performance indicators	Estimated performance	Medium-term targets		
		2011/12	2012/13	2013/14	2014/15
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 department is projecting to transfer palace support staff from Programme 2 (2012/13 going forward) and farm workers from Programme 3 (evident only in 2014/15) 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 2012/13 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 costs per programme

	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	As at 31 March 2015
Personnel numbers							
1. Support Services - His Majesty, the King	25	27	36	36	37	70	82
Administrative staff of His Majesty, the King	25	27	33	33	33	17	17
The Royal Trust	-	-	3	3	4	53	65
2. Royal Household Planning and Development	97	102	93	93	93	60	55
3. His Majesty, the King's farms	28	21	14	14	15	15	8
Total	150	150	143	143	145	145	145
Total personnel cost (R thousand)	16 176	16 891	20 238	21 358	20 852	13 938	13 474
Unit cost (R thousand)	108	113	142	149	144	96	93

Table 10.19: Details of departmental personnel numbers and costs

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2008/09	2009/10	2010/11				2012/13	2013/14	2014/15
Total for department									
Personnel numbers (head count)	150	150	143	143	143	143	145	145	145
Personnel cost (R thousand)	16 176	16 891	20 238	8 866	21 358	21 358	20 852	13 938	14 474
Human resources component									
Personnel numbers (head count)	6	6	6	6	6	-	6	6	6
Personnel cost (R thousand)	1 143	1 229	1 428	1 522	1 522	-	1 735	1 830	1 940
Head count as % of total for department	4.00	4.00	4.20	4.20	4.20	-	4.14	4.14	4.14
Personnel cost as % of total for department	7.07	7.28	7.06	17.17	7.13	-	8.32	13.13	13.40
Finance component									
Personnel numbers (head count)	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	8.67	8.67	9.09	9.09	9.09	-	8.97	8.97	8.97
Personnel cost as % of total for department	17.01	16.88	16.34	41.50	17.23	17.23	18.81	28.14	27.10
Full time workers									
Personnel numbers (head count)	150	150	143	143	143	143	145	145	145
Personnel cost (R thousand)	16 176	16 891	20 238	8 866	21 358	21 358	20 852	13 938	14 474
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 2008/09 to 2010/11 and budgeted expenditure for the period 2011/12 to 2014/15. 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 2008/09. However, no provision has been made for training in 2011/12 and over the 2012/13 MTEF, pending the implementation of the Royal Trust.

Table 10.20: Payments and estimates on training

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2008/09	2009/10	2010/11				2012/13	2013/14	2014/15
R thousand									
1. Support Services - His Majesty, the King									
2. Royal Household Planning and Development	5	-	-	-	-	-	-	-	-
3. His Majesty, the King's farms									
Total	5	-	-	-	-	-	-	-	-

Table 10.21: Information on training

	Audited Outcome			Main Appropriation	Adjusted Appropriation	Revised Estimate	Medium-term Estimates		
	2008/09	2009/10	2010/11				2012/13	2013/14	2014/15
Number of staff	150	150	143	143	143	143	145	145	145
Number of personnel trained	2	-	-	-	-	-	-	-	-
of which									
Male	1	-	-	-	-	-	-	-	-
Female	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		
	2008/09	2009/10	2010/11				2012/13	2013/14	2014/15
Tax receipts	-	-	-	-	-	-	-	-	-
Casino taxes									
Horse racing taxes									
Liquor licences									
Motor vehicle licences									
Sale of goods and services other than capital assets	82	89	81	93	93	100	98	103	109
Sale of goods and services produced by dept. (excl. capital assets)	82	89	81	93	93	100	98	103	109
Sales by market establishments									
Administrative fees	27	29	-	-	-	-	-	-	-
Other sales	55	60	81	93	93	100	98	103	109
Of which									
Commission on insurance	55	60	81	93	93	100	98	103	109
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	-	97	-	-	50	-	-	-
Total	87	89	513	93	93	150	98	103	109

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

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2008/09	2009/10	2010/11	Appropriation	Appropriation	Estimate	2012/13	2013/14	2014/15
Current payments	45 546	39 352	38 973	19 023	35 008	40 748	33 367	26 872	25 551
Compensation of employees	16 176	16 891	20 238	8 866	21 358	21 358	20 852	13 938	13 474
Salaries and wages	14 162	14 820	17 506	7 020	19 364	18 565	18 915	11 903	11 317
Social contributions	2 014	2 071	2 732	1 846	1 994	2 793	1 937	2 035	2 157
Goods and services	29 370	22 461	18 735	10 157	13 650	19 390	12 515	12 934	12 077
of which									
Administrative fees	-	-	-	-	-	-	-	-	-
Advertising	27	66	-	53	53	61	53	56	59
Assets <R5000	321	334	52	6	6	16	7	7	7
Audit cost: External	865	824	245	-	-	1 708	-	-	-
Bursaries (employees)	-	-	-	-	-	-	-	-	-
Catering: Departmental activities	-	-	140	-	-	13	-	-	-
Communication	1 412	1 086	1 182	1 012	1 012	1 259	1 029	1 194	1 128
Computer services	-	-	242	-	-	86	-	-	-
Cons/prof: Business & advisory services	891	655	1 996	574	574	2 223	596	629	637
Cons/prof: Infrastructure & planning	-	-	-	-	-	-	-	-	-
Cons/prof: Laboratory services	-	-	-	-	-	-	-	-	-
Cons/prof: Legal cost	-	-	-	-	-	-	-	-	-
Contractors	-	-	-	-	-	700	-	-	-
Agency & support/outsourced services	-	-	1 960	-	-	-	-	-	-
Entertainment	3 221	1 302	782	826	826	1 434	868	976	921
Fleet services (incl. GMT)	-	-	-	-	-	1 714	-	-	-
Housing	162	185	-	29	29	-	31	33	35
Inventory: Food and food supplies	991	996	521	6	6	1 325	7	7	7
Inventory: Fuel, oil and gas	203	217	36	-	-	68	-	-	-
Inventory: Learner and teacher supp material	-	-	30	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	904	-	-	576	-	-	-
Inventory: Medical supplies	-	-	-	-	-	-	-	-	-
Inventory: Medicine	-	-	-	-	-	-	-	-	-
Medsas inventory interface	-	-	-	-	-	-	-	-	-
Inventory: Military stores	-	-	-	-	-	-	-	-	-
Inventory: Other consumables	-	-	5	212	212	156	219	231	245
Inventory: Stationery and printing	241	404	122	313	313	350	329	467	358
Lease payments	100	124	353	130	130	154	137	165	149
Rental and hiring	-	-	-	-	-	-	-	-	-
Property payments	5 654	1 335	600	1 487	1 487	1 121	1 200	872	924
Transport provided: Departmental activity	2 104	4 567	2 490	1 484	1 484	497	1 575	1 761	1 830
Travel and subsistence	7 580	8 277	6 695	2 724	6 217	5 608	5 117	5 353	4 543
Training and development	5	-	3	-	-	3	-	-	-
Operating expenditure	523	689	377	828	828	318	825	632	670
Venues and facilities	5 070	1 400	-	473	473	-	522	551	564
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-
Rent on land	-	-	-	-	-	-	-	-	-
Transfers and subsidies to	352	262	6 564	22 088	12 218	7 948	12 141	21 149	23 718
Provinces and municipalities	25	26	19	-	7	7	8	9	10
Provinces	25	26	19	-	7	7	8	9	10
Provincial Revenue Funds	-	-	-	-	-	-	-	-	-
Provincial agencies and funds	25	26	19	-	7	7	8	9	10
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities	-	-	-	-	-	-	-	-	-
Municipal agencies and funds	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts	-	-	5 857	22 000	12 000	7 700	12 000	21 000	23 560
Social security funds	-	-	-	-	-	-	-	-	-
Entities receiving funds	-	-	5 857	22 000	12 000	7 700	12 000	21 000	23 560
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	327	236	688	88	211	241	133	140	148
Social benefits	327	236	688	88	211	241	133	140	148
Other transfers to households	-	-	-	-	-	-	-	-	-
Payments for capital assets	1 955	647	1 106	10 150	9 650	8 180	12 258	14 382	2 671
Buildings and other fixed structures	-	314	259	8 782	8 782	7 413	10 821	12 866	1 063
Buildings	-	-	259	-	-	-	-	-	-
Other fixed structures	-	314	-	8 782	8 782	7 413	10 821	12 866	1 063
Machinery and equipment	1 955	333	763	1 368	868	767	1 437	1 516	1 608
Transport equipment	1 797	-	-	1 004	-	-	1 054	1 112	1 179
Other machinery and equipment	158	333	763	364	868	767	383	404	429
Heritage assets	-	-	-	-	-	-	-	-	-
Specialised military assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	84	-	-	-	-	-	-
Land and sub-soil assets	-	-	-	-	-	-	-	-	-
Software and other intangible assets	-	-	-	-	-	-	-	-	-
Payments for financial assets	-	146	3 984	3 767	3 767	3 767	1 800	1 800	3 394
Total	47 853	40 407	50 627	55 028	60 643	60 643	59 566	64 203	55 334
Unauth. exp. (1 st charge) not available for spending	-	-	(3 767)	(3 767)	(3 767)	(3 767)	(1 800)	(1 800)	(3 394)
Baseline available for spending after 1st charge	47 853	40 407	46 860	51 261	56 876	56 876	57 766	62 403	51 940

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		
	2008/09	2009/10	2010/11				2012/13	2013/14	2014/15
Current payments	26 084	24 221	25 265	12 542	28 378	27 298	20 231	15 754	15 066
Compensation of employees	7 084	7 646	10 482	4 938	17 281	10 829	9 989	4 585	4 859
Salaries and wages	6 234	6 786	9 233	3 831	16 086	9 639	8 824	3 365	3 566
Social contributions	850	860	1 249	1 107	1 195	1 190	1 165	1 220	1 293
Goods and services	19 000	16 575	14 783	7 604	11 097	16 469	10 242	11 169	10 207
of which									
Administrative fees									
Advertising	21	60	-	53	53	61	53	56	59
Assets <R5000	6	6	14	6	6	16	7	7	7
Audit cost: External	865	-	245	-	-	1 708	-	-	-
Bursaries (employees)									
Catering: Departmental activities	-	-	140	-	-	13	-	-	-
Communication	1 298	964	1 182	1 012	1 012	1 259	1 029	1 194	1 128
Computer services	-	-	242	-	-	86	-	-	-
Cons/prof: Business & advisory services	891	655	-	574	574	2 223	596	629	637
Cons/prof: Infrastructure & planning									
Cons/prof: Laboratory services									
Cons/prof: Legal cost									
Contractors	-	-	-	-	-	3	-	-	-
Agency & support/outsourced services	-	-	1 960	-	-	-	-	-	-
Entertainment	1 519	787	782	826	826	1 434	868	976	921
Fleet services (incl. GMT)	-	-	-	-	-	1 714	-	-	-
Housing	22	28	-	29	29	-	31	33	35
Inventory: Food and food supplies	5	6	262	6	6	1 304	7	7	7
Inventory: Fuel, oil and gas	-	-	7	-	-	2	-	-	-
Inventory: Learner and teacher supp material	-	-	30	-	-	-	-	-	-
Inventory: Materials and supplies	-	-	-	-	-	5	-	-	-
Inventory: Medical supplies									
Inventory: Medicine									
Medsas inventory interface									
Inventory: Military stores									
Inventory: Other consumables	-	-	5	-	-	67	-	-	-
Inventory: Stationery and printing	237	399	122	313	313	350	329	467	358
Lease payments	100	124	251	130	130	79	137	165	149
Rental and hiring									
Property payments	2	9	267	10	10	124	10	11	12
Transport provided: Departmental activity	2 104	4 567	2 490	1 484	1 484	497	1 575	1 761	1 830
Travel and subsistence	7 454	8 143	6 457	2 688	6 181	5 397	5 078	5 312	4 500
Training and development	5	-	3	-	-	3	-	-	-
Operating expenditure	-	-	324	-	-	124	-	-	-
Venues and facilities	4 471	827	-	473	473	-	522	551	564
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest									
Rent on land									
Transfers and subsidies to	175	102	6 357	22 000	12 130	7 749	12 008	21 009	23 570
Provinces and municipalities	25	26	19	-	7	7	8	9	10
Provinces	25	26	19	-	7	7	8	9	10
Provincial Revenue Funds									
Provincial agencies and funds	25	26	19	-	7	7	8	9	10
Municipalities	-	-	-	-	-	-	-	-	-
Municipalities									
Municipal agencies and funds									
Departmental agencies and accounts	-	-	5 857	22 000	12 000	7 700	12 000	21 000	23 560
Social security funds									
Entities receiving funds	-	-	5 857	22 000	12 000	7 700	12 000	21 000	23 560
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	481	-	123	42	-	-	-
Social benefits	150	76	481	-	123	42	-	-	-
Other transfers to households									
Payments for capital assets	1 679	-	514	1 180	680	698	1 239	1 307	1 386
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings									
Other fixed structures									
Machinery and equipment	1 679	-	514	1 180	680	698	1 239	1 307	1 386
Transport equipment	1 580	-	-	1 004	-	-	1 054	1 112	1 179
Other machinery and equipment	99	-	514	176	680	698	185	195	207
Heritage assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets	-	-	3 984	3 767	3 767	3 767	1 800	1 800	3 394
Total	27 938	24 323	36 120	39 489	44 955	39 512	35 278	39 870	43 416
Unauth. exp. (1 st charge) not available for spending	-	-	(3 767)	(3 767)	(3 767)	(3 767)	(1 800)	(1 800)	(3 394)
Baseline available for spending after 1st charge	27 938	24 323	32 353	35 722	41 188	35 745	33 478	38 070	40 022

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

R thousand	Audited Outcome			Main	Adjusted	Revised	Medium-term Estimates		
	2008/09	2009/10	2010/11	Appropriation	Appropriation	Estimate	2012/13	2013/14	2014/15
Current payments	17 183	12 713	11 264	2 888	2 986	11 371	9 443	7 491	7 640
Compensation of employees	7 373	7 566	8 384	1 411	1 509	9 260	8 253	6 630	6 728
Salaries and wages	6 415	6 580	7 065	928	986	7 758	7 745	6 094	6 160
Social contributions	958	986	1 319	483	523	1 502	508	536	568
Goods and services	9 810	5 147	2 880	1 477	1 477	2 111	1 190	861	912
of which									
Administrative fees									
Advertising	6	6	-	-	-	-	-	-	-
Assets <R5000	315	328	38	-	-	-	-	-	-
Audit cost: External	-	824	-	-	-	-	-	-	-
Bursaries (employees)									
Catering: Departmental activities									
Communication	114	122	-	-	-	-	-	-	-
Computer services									
Cons/prof: Business & advisory services	-	-	1 996	-	-	-	-	-	-
Cons/prof: Infrastructure & planning									
Cons/prof: Laboratory services									
Cons/prof: Legal cost									
Contractors	-	-	-	-	-	697	-	-	-
Agency & support/outourced services									
Entertainment	1 702	515	-	-	-	-	-	-	-
Fleet services (incl. GMT)									
Housing	132	138	-	-	-	-	-	-	-
Inventory: Food and food supplies	986	990	259	-	-	21	-	-	-
Inventory: Fuel, oil and gas	203	217	29	-	-	66	-	-	-
Inventory: Learner and teacher supp material									
Inventory: Materials and supplies	-	-	35	-	-	183	-	-	-
Inventory: Medical supplies									
Inventory: Medicine									
Medsas inventory interface									
Inventory: Military stores									
Inventory: Other consumables									
Inventory: Stationery and printing	4	5	-	-	-	-	-	-	-
Lease payments									
Rental and hiring									
Property payments	5 652	1 326	333	1 477	1 477	997	1 190	861	912
Transport provided: Departmental activity									
Travel and subsistence	97	103	158	-	-	147	-	-	-
Training and development									
Operating expenditure	-	-	32	-	-	-	-	-	-
Venues and facilities	599	573	-	-	-	-	-	-	-
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest									
Rent on land									
Transfers and subsidies to	161	160	192	73	73	184	133	140	148
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	161	160	192	73	73	184	133	140	148
Social benefits	161	160	192	73	73	184	133	140	148
Other transfers to households									
Payments for capital assets	-	647	508	8 970	8 970	7 482	10 908	12 958	1 161
Buildings and other fixed structures	-	314	259	8 782	8 782	7 413	10 821	12 866	1 063
Buildings	-	-	259	-	-	-	-	-	-
Other fixed structures	-	314	-	8 782	8 782	7 413	10 821	12 866	1 063
Machinery and equipment	-	333	249	188	188	69	87	92	98
Transport equipment									
Other machinery and equipment	-	333	249	188	188	69	87	92	98
Heritage assets									
Specialised military assets									
Biological assets									
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets	-	146	-	-	-	-	-	-	-
Total	17 344	13 666	11 964	11 931	12 029	19 037	20 484	20 589	8 949

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		
	2008/09	2009/10	2010/11	2011/12			2012/13	2013/14	2014/15
Current payments	2 279	2 418	2 444	3 593	3 644	2 079	3 693	3 627	2 845
Compensation of employees	1 719	1 679	1 372	2 517	2 568	1 269	2 610	2 723	1 887
Salaries and wages	1 513	1 454	1 208	2 261	2 292	1 168	2 346	2 444	1 591
Social contributions	206	225	164	256	276	101	264	279	296
Goods and services	560	739	1 072	1 076	1 076	810	1 083	904	958
of which									
Administrative fees									
Advertising									
Assets <R5000									
Audit cost: External									
Bursaries (employees)									
Catering: Departmental activities									
Communication									
Computer services									
Cons/prof: Business & advisory services									
Cons/prof: Infrastructure & planning									
Cons/prof: Laboratory services									
Cons/prof: Legal cost									
Contractors									
Agency & support/outsource services									
Entertainment									
Fleet services (incl. GMT)									
Housing	8	19	-	-	-	-	-	-	-
Inventory: Food and food supplies									
Inventory: Fuel, oil and gas									
Inventory: Learner and teacher supp material									
Inventory: Materials and supplies	-	-	869	-	-	388	-	-	-
Inventory: Medical supplies									
Inventory: Medicine									
Medsas inventory interface									
Inventory: Military stores									
Inventory: Other consumables	-	-	-	212	212	89	219	231	245
Inventory: Stationery and printing									
Lease payments	-	-	102	-	-	75	-	-	-
Rental and hiring									
Property payments									
Transport provided: Departmental activity									
Travel and subsistence	29	31	80	36	36	64	39	41	43
Training and development									
Operating expenditure	523	689	21	828	828	194	825	632	670
Venues and facilities									
Interest and rent on land	-	-	-	-	-	-	-	-	-
Interest									
Rent on land									
Transfers and subsidies to	16	-	15	15	15	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	-	15	15	15	15	-	-	-
Social benefits	16	-	15	15	15	15	-	-	-
Other transfers to households									
Payments for capital assets	276	-	84	-	-	-	111	117	124
Buildings and other fixed structures	-	-	-	-	-	-	-	-	-
Buildings									
Other fixed structures									
Machinery and equipment	276	-	-	-	-	-	111	117	124
Transport equipment	217	-	-	-	-	-	-	-	-
Other machinery and equipment	59	-	-	-	-	-	111	117	124
Heritage assets									
Specialised military assets									
Biological assets	-	-	84	-	-	-	-	-	-
Land and sub-soil assets									
Software and other intangible assets									
Payments for financial assets									
Total	2 571	2 418	2 543	3 608	3 659	2 094	3 804	3 744	2 969

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

No. Project name		Municipality/ Region	Type of infrastructure		Project duration		Source of funding	Budget programme name	EPWP budget for current financial year	Total project cost	Payments to date from previous years	Total available	MTEF forward estimates	
			Project/admin block; water; electricity; sanitation; etc.	Units (i.e. number of facilities)	Date: Start	Date: Finish						2012/13	2013/14	2014/15
R thousand														
New and replacement assets								-	-	-	-	-	-	-
Upgrades and additions								-	-	-	-	-	-	-
Rehabilitation, renovations and refurbishments								-	-	-	-	-	-	-
1.	Rehabilitation of palaces	Zululand	Palaces	7	Ongoing	Ongoing	Equitable share	Programme 2	-	24 750	-	10 821	12 866	1 063
Total Rehabilitation, renovations and refurbishments									-	24 750	-	10 821	12 866	1 063
Maintenance and repairs								-	-	-	-	-	-	-
1.	Maintenance and repairs to palaces	Zululand	Palaces	7	Ongoing	Ongoing	Equitable share	Programme 2	-	11 195	-	3 528	3 722	3 945
Total Maintenance and repairs									-	11 195	-	3 528	3 722	3 945
Infrastructure transfers - current								-	-	-	-	-	-	-
Infrastructure transfers - capital								-	-	-	-	-	-	-
Total Infrastructure									-	35 945	-	14 349	16 588	5 008