

# JUDICIARY QUARTERLY EXPENDITURE REVIEW 2020

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## EXECUTIVE SUMMARY

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The Judiciary represents the third branch of the State. Under the Constitution, the Judiciary is vested with the mandate to administer justice independently within the Constitution and the laws of Vanuatu.

The Main objective and areas of Service delivery for the Judiciary are specified within the Article 47 [1] of the Constitution which states that,

“The administration of justice is vested in the judiciary, who are subject only to the Constitution and the law. The function of the judiciary is to resolve proceedings according to law.”

Therefore, the Budget program of the Judiciary is to administer justice all two broad aspects of the phrase:

1. A case by case basis
2. and the administration of justice in the institutional sense, that is, the judicial administration that provides the support and backup to the judicial functions of the Courts.

Judiciary had an overall budget of VT136.8 million in the first half of the year and a budget deficit of VT8.3 million at the end of the first half of the year. The deficit was due to funds being advanced from future period and expended in the current period. The main expenditure items were permanent wages VT71.7 million, sitting allowances VT17.8 million, office rental VT12 million and housing allowances VT9.8 million.

There was a total of twelve virements processed in the first half of the year of a value of VT3.4 million.

The budget share of payroll to operation was 72 percent to 28 percent and the expenditure share of payroll to operation was 65 percent to 35 percent. Recruitments were delay than anticipated.

## CORPORATE SERVICES

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The Corporate Services had overspent its half year budget by VT7.9 million. This huge overspending was due to funds being advanced from the future periods and expended in the current period. Major expenditures were from permanent wages VT3.3 million, office rental VT7.2 million and VAT VT1.5 million.

The payroll budget had a surplus of VT770,841 and the operation had a deficit of VT8.7 million. The huge deficit in operation was due to funds being advanced from the future period and expended in the current period.

The budget share of payroll to operation is 66 percent to 34 percent and the expenditure share of payroll to operation is 31 percent to 69 percent. More operation funds were expended in this period than anticipated.

This Section had already spent 34.6 percent of its annual budget and with that current rate of spending it is most likely to have a budget surplus at the end of the year.

## COURT OF APPEAL

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The Court of Appeal had spent 121 percent of its budget of VT21.1 million in this period. Major expenditure was from sitting allowances VT17.6 million and it had a budget deficit of VT3.7 million. The Court had spent 4 percent less compared to 2019 expenditure in the same period.

The budget share of payroll to operation is 0 percent to 100 percent and the expenditure share of payroll to operation is 0 percent to 100 percent.

The Court had already spent 66 percent of its annual budget and with that current rate of spending, it is most likely the budget will be exhausted before the end of the year.

## **SUPREME COURT**

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The Supreme Court had spent 103 percent of its half year budget of VT58.3 million. Major expenditures was from permanent wages VT35.6 million, office rental VT4.8 million and housing allowances VT4.5 million. There was a payroll surplus of VT1.4 million at the end of the period compared to a surplus of only VT424,771 in 2019 in the same period.

The budget share of payroll to operation is 84 percent to 16 percent and the expenditure share of payroll to operation is 79 percent to 21 percent.

The Court had already spent 43 percent of its annual budget and with that current rate of spending, it is most likely that it will not use up its annual budget by the end of the year.

## **MAGISTRATE COURT**

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The Magistrate Court budget of VT30 million was underspend by 6 percent or by VT1.8 million. Major expenditures were from permanent wages VT21.1 million and housing allowances VT3.4 million. The payroll expenditure rose by 10 percent compared to 2019 in the same period.

The budget share of payroll to operation is 93 percent to 7 percent and the expenditure share of payroll to operation is 95 percent to 5 percent.

The Court had already spent 43 percent of its annual budget and with that current rate of spending, it is most likely that it will not use up its annual budget by the end of the year.

## **ISLAND COURT**

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The Island Court had spent 96 percent of its half year budget of VT13.3 million and its major expenditures was from permanent wages VT7.5 million and housing allowances VT1.1 million. Expenditure is about the same compared to 2019 in the same period.

The budget share of payroll to operation is 76 percent to 24 percent and the expenditure share of payroll to operation is 76 percent to 24 percent. The budget was well executed in the first half of the year and within the ceiling.

The Court had already spent 48 percent of its annual budget and with that current rate of spending, it is most likely that it will spend within its budget by the end of the year.

## **LAND COURT**

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The land court had a budget of VT2.4 million in the first half of the year and had spent only 2 percent of its budget. Expenses were from local travel and VAT chart of accounts. The Court did not spend as it had anticipated in the first half of the year.

The budget share of payroll to operation is 0 percent to 100 percent and the expenditure share of payroll to operation is 0 percent to 100 percent.

The Court had only spent 1 percent of its annual budget and with that current rate of spending, it is most likely the budget will be in surplus at the end of the year.

## ENFORCEMENT & TRAINING

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The half year budget was VT6.3 million and the Section had a budget surplus of VT557,953. Major expenditures was from permanent wages VT4.2 million and housing allowances VT478,348.

The budget share of payroll to operation is 94 percent to 6 percent and the expenditure share of payroll to operation is 94 percent to 6 percent.

The Enforcement and Training had already spent 44 percent of its annual budget and with that current rate of spending, it is most likely that it will not use up its annual budget by the end of the year.

## REVENUE

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The biggest share of revenue collected from Judiciary is related to court fines imposed by this Constitutional Body. The Supreme Court usually records the highest share of Court Fines as revenue, followed by the Magistrate Courts and then the Island Courts. Usually, fines must be settled before a service is provided by Judiciary. The Judiciary's quarter two was only 96.6 **percent** of its budget target. **78.9 percent** of the revenue collection were recorded as Court Cost Recoveries. This unbudgeted revenue item includes administrative fees like Court fees-civil cases, Island/Magistrate/Supreme Court fees and Land Appeal fees.

Table 1 :Brief Summary – Quarter 2 Revenue Budget vs Actuals

	<b>Revised Annual Revenue Budget</b>	<b>Q2 Budget</b>	<b>Q2 Actuals</b>	<b>Variance</b>
Judiciary	20,008,707	9,351,850	9,033,050	(318,800)

## POLICY IMPLICATION

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Judiciary is either not recruiting or delaying recruitment as it had planned therefore there are a lot of movements of funds from the payroll in the form of virements. Payroll surplus is also accumulating if there is continuous delay of recruitment which will contribute to the overall budget surplus at the end of the year.

## CONCLUSION

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Judiciary had spent 106 percent of its half year budget and had a total expenditure of VT145.1 million which is 6 percent less than 2019 total expenditure in the same period. Covid-19 had affected the agency's work plan and activities thus contributed to the reduced expenditure in the first half of the year.

Judiciary had already spent 45 percent of its annual budget and with the current rate of spending it will most likely to have a budget surplus at the end of the year.

## APPENDIX

### GRAPHS

Figure 1: Half Year Expenditure Vs Q1 Budget

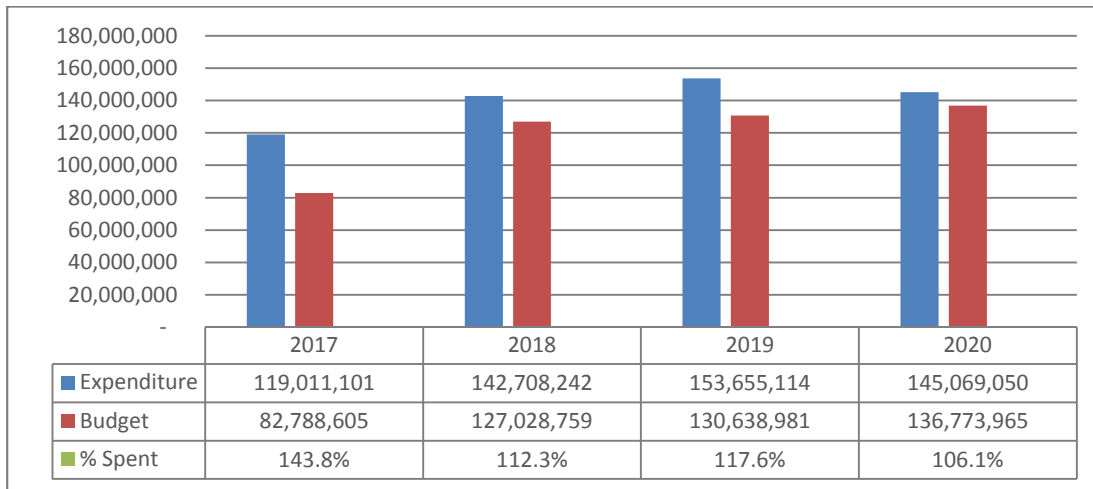


Figure 2: Half Year Payroll Budget to Operation Budget Ratio

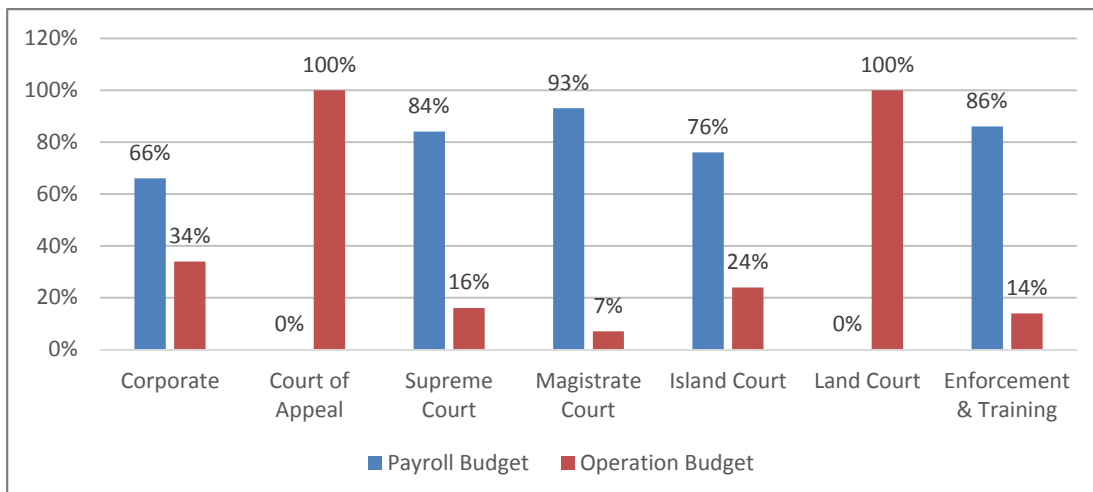
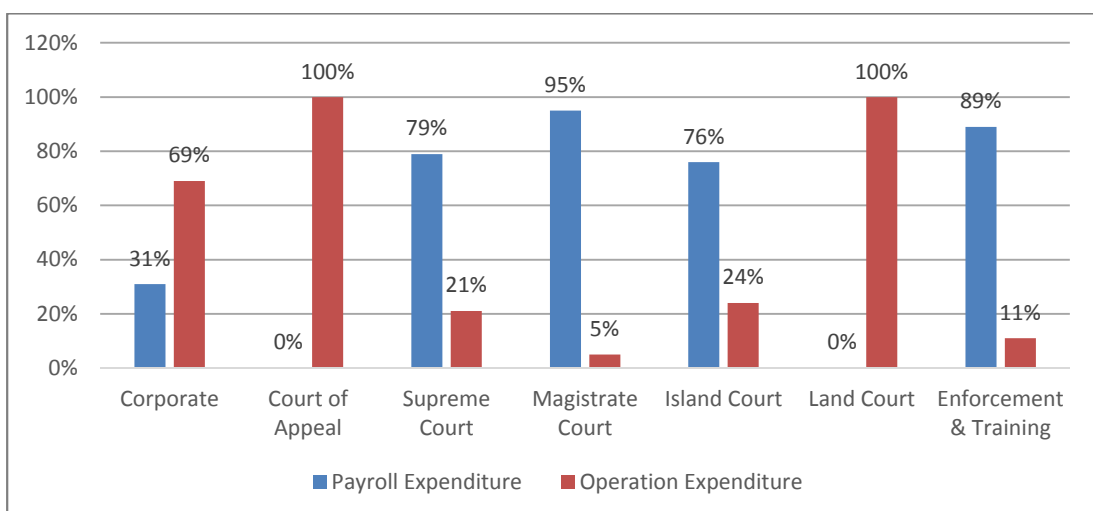


Figure 3: Half Year Payroll Expenditure to Operation Expenditure



## TABLES

Table 2: Expenditure Summary

						Under/(Over)	Warrant	Warrant	Annual	Annual Budget
Code	Description	Actual	Commitment	Total	Budget to Date	Budget	Released	Remaining	Budget	Remaining
<b>14</b>	<b>Judiciary</b>									
1401	Human Resource	726,634	78,146	804,780	983,465	178,685	890,606	85,826	2,245,505	1,440,725
1402	Account / Finance	11,957,933	46,269	12,004,202	4,262,491	(7,741,711)	12,281,727	277,525	17,106,117	5,101,915
1403	Assets	1,590,472	98,465	1,688,937	1,544,334	(144,603)	2,276,414	587,477	7,488,691	5,799,754
1404	Information Technology	916,846	-	916,846	643,292	(273,554)	917,174	328	1,286,585	369,739
1405	Library / Archive	1,462,768	41,130	1,503,898	1,545,063	41,165	1,448,499	(55,399)	18,747,420	17,243,522
1406	Security	2,394	938	3,332	4,998	1,666	4,998	1,666	2,339,740	2,336,408
1407	Supreme Court Hall of Justice	-	-	-	25,032	25,032	25,032	25,032	50,070	50,070
<b>CIAA</b>	<b>Corporate Services</b>	<b>16,657,047</b>	<b>264,948</b>	<b>16,921,995</b>	<b>9,008,675</b>	<b>(7,913,320)</b>	<b>17,844,450</b>	<b>922,455</b>	<b>49,264,128</b>	<b>32,342,133</b>
1410	Court of Appeal Registry	15,130,228	5,998,073	21,128,301	17,439,161	(3,689,140)	23,416,813	2,288,512	32,007,178	10,878,877
<b>CIAB</b>	<b>Court of Appeal</b>	<b>15,130,228</b>	<b>5,998,073</b>	<b>21,128,301</b>	<b>17,439,161</b>	<b>(3,689,140)</b>	<b>23,416,813</b>	<b>2,288,512</b>	<b>32,007,178</b>	<b>10,878,877</b>
1420	Chief Justice Office	8,032,258	83,795	8,116,053	8,509,576	393,523	7,896,023	(220,030)	19,148,039	11,031,986
1421	Principal Registry	15,250,687	259,250	15,509,937	10,009,004	(5,500,933)	14,900,609	(609,328)	29,484,048	13,974,111
1422	Port Vila Registry	25,488,769	183,500	25,672,269	28,052,318	2,380,049	26,329,130	656,861	63,097,952	37,425,683
1423	Luganville Registry	5,437,309	18,759	5,456,068	5,394,775	(61,293)	5,038,452	(417,616)	11,981,462	6,525,394
1424	Isangel Registry	4,582	-	4,582	4,998	416	4,998	416	10,000	5,418
1425	Sola Registry	2,499	-	2,499	4,998	2,499	4,998	2,499	10,000	7,501
1426	Ambore Registry	3,229	-	3,229	4,998	1,769	4,998	1,769	10,000	6,771
1427	Lakatoro Registry	2,383	-	2,383	4,998	2,615	4,998	2,615	10,000	7,617
1428	Regional Conferences	-	-	-	-	-	-	-	2,110,000	2,110,000
1429	Master's Office	5,383,056	3,126	5,386,182	6,302,337	916,155	5,892,476	506,294	12,476,434	7,090,252
<b>CIAC</b>	<b>Supreme Court</b>	<b>59,604,772</b>	<b>548,430</b>	<b>60,153,202</b>	<b>58,288,002</b>	<b>(1,865,200)</b>	<b>60,076,682</b>	<b>(76,520)</b>	<b>138,337,935</b>	<b>78,184,733</b>

1430	Chief Magistrate Office	4,112,488	27,500	4,139,988	4,159,099	19,111	3,915,470	(224,518)	8,318,203	4,178,215
1431	Port Vila MC Office Registry	13,054,473	3,350	13,057,823	13,281,572	223,749	12,304,914	(752,909)	26,023,136	12,965,313
1432	Lakatoro MC Registry	2,521,632	6,993	2,528,625	2,844,275	315,650	2,642,693	114,068	5,508,546	2,979,921
1433	Isangel MC Registry	2,498,478	-	2,498,478	3,110,910	612,432	2,929,917	431,439	5,513,824	3,015,346
1434	Luganville MC Registry	4,978,365	-	4,978,365	5,566,539	588,174	5,154,360	175,995	10,953,075	5,974,710
1435	Sola MC Registry	4,165	-	4,165	4,998	833	4,998	833	10,000	5,835
1436	Amobore MC Registry	968,689	62,070	1,030,759	1,055,040	24,281	1,055,040	24,281	2,110,000	1,079,241
<b>CIAD</b>	<b>Magistrate Courts</b>	<b>28,138,290</b>	<b>99,913</b>	<b>28,238,203</b>	<b>30,022,433</b>	<b>1,784,230</b>	<b>28,007,392</b>	<b>(230,811)</b>	<b>58,436,784</b>	<b>30,198,581</b>
1440	Senior Administrator Office	3,867,404	71,996	3,939,400	4,063,270	123,870	3,972,751	33,351	8,458,314	4,518,914
1441	Efate Island Court	1,550,693	-	1,550,693	1,574,565	23,872	1,454,990	(95,703)	3,149,120	1,598,427
1442	Santo, Malo Island Court	876,409	-	876,409	889,394	12,985	823,867	(52,542)	1,778,800	902,391
1443	Tanna Island Court	750,872	-	750,872	749,400	(1,472)	695,601	(55,271)	1,498,800	747,928
1444	Ambae Island Court	861,126	9,100	870,226	891,885	21,659	826,166	(44,060)	1,783,800	913,574
1445	Pentecost Island Court	798,601	-	798,601	887,384	88,783	822,049	23,448	1,774,763	976,162
1446	Malekula Island Court	827,697	7,756	835,453	869,541	34,088	803,822	(31,631)	1,739,085	903,632
1447	Tongoa Island Court	808,200	-	808,200	883,389	75,189	817,670	9,470	1,766,800	958,600
1448	Ambrym Island Court	862,158	8,635	870,793	874,395	3,602	810,980	(59,813)	1,748,800	878,007
1449	Epi Island Court	861,701	15,543	877,244	886,898	9,654	822,331	(54,913)	1,773,800	896,556
1450	Banks Torres Island Court	641,792	-	641,792	756,419	114,627	701,660	59,868	1,512,848	871,056
<b>CIAE</b>	<b>Island Courts</b>	<b>12,706,653</b>	<b>113,030</b>	<b>12,819,683</b>	<b>13,326,540</b>	<b>506,857</b>	<b>12,551,887</b>	<b>(267,796)</b>	<b>26,984,930</b>	<b>14,165,247</b>
1460	Efate Island Court	-	-	-	-	-	-	-	-	-
1461	Santo Malo Island Court	-	-	-	-	-	-	-	-	-
1462	Tanna Island Court	-	-	-	-	-	-	-	-	-
1463	Ambae Island Court	-	-	-	-	-	-	-	-	-
1464	Pentecost Island Court	-	-	-	-	-	-	-	-	-
1465	Malekula Island Court	-	-	-	-	-	-	-	-	-

1466	Tonga Island Court	-	-	-	-	-	-	-	-	-
1467	Erromango Island Court	-	-	-	-	-	-	-	-	-
1468	Banks Torres Island Court	-	-	-	-	-	-	-	-	-
1469	Land Appeals	59,100	-	59,100	2,382,635	2,323,535	2,382,635	2,323,535	5,241,792	5,182,692
<b>CIAF</b>	<b>Land Courts</b>	<b>59,100</b>	<b>-</b>	<b>59,100</b>	<b>2,382,635</b>	<b>2,323,535</b>	<b>2,382,635</b>	<b>2,323,535</b>	<b>5,241,792</b>	<b>5,182,692</b>
1480	Sheriff Office	3,418,240	49,000	3,467,240	3,873,496	406,256	3,558,239	90,999	8,202,936	4,735,696
<b>CIAG</b>	<b>Enforcement</b>	<b>3,418,240</b>	<b>49,000</b>	<b>3,467,240</b>	<b>3,873,496</b>	<b>406,256</b>	<b>3,558,239</b>	<b>90,999</b>	<b>8,202,936</b>	<b>4,735,696</b>
1490	Judicial Development & Training	2,066,909	32,249	2,099,158	2,168,021	68,863	2,030,292	(68,866)	4,336,024	2,236,866
1491	Staff Training & Development	176,668	5,500	182,168	265,002	82,834	265,002	82,834	530,000	347,832
<b>CIAH</b>	<b>Judicial Development &amp; Training</b>	<b>2,243,577</b>	<b>37,749</b>	<b>2,281,326</b>	<b>2,433,023</b>	<b>82,834</b>	<b>2,295,294</b>	<b>13,968</b>	<b>4,866,024</b>	<b>2,584,698</b>
1492	Court Management System	-	-	-	-	-	-	-	800,000	800,000
<b>CIAI</b>	<b>Court Management</b>	<b>-</b>	<b>-</b>						<b>800,000</b>	<b>800,000</b>
<b>14</b>	<b>Judiciary</b>	<b>137,957,907</b>	<b>7,111,143</b>	<b>145,069,050</b>	<b>136,773,965</b>	<b>- 8,363,948</b>	<b>150,133,392</b>	<b>5,064,342</b>	<b>324,141,707</b>	<b>179,072,657</b>

Table 3: Budget and Expenditure by chart of accounts: Figures in red font are expenses against no allocated budget, highlighted yellow figures are overspent chart of accounts.

Description	Corporate		Court of Appeal		Supreme Court		Magistrate Court		Island /Land Court		Enforcement		Dev. & Training	
	Expenditure	Budget	Expenditure	Budget	Expenditure	Budget	Expenditure	Budget	Expenditure	Budget	Expenditure	Budget	Expenditure	Budget
<b>Personnel Expenses</b>														
Acting Allowances	639,529	-					397,839	-						
Responsibility Allowance	25,300	-	41,400	-	311,880	-	378,161	179,998						
Family Allowance	59,800	83,994			330,740	360,002	304,520	360,001	168,360	215,988	47,840	60,001	23,920	23,998
Housing Allowances	338,061	600,006			4,508,174	2,520,004	3,445,058	2,280,000	1,067,084	1,200,016	358,761	600,002	119,587	120,002
Other Allowances							60,000	-	30,000	-				
Home Island Passage Allowances	-	15,002			249,973	79,998	17,250	124,996	72,773	74,995	24,563	-	89,250	15,002
Provident Fund	158,615	226,941			1,183,373	1,740,104	874,126	915,015	300,625	338,276	104,884	134,551	62,491	63,674
Leave expense	689,494	-			5,396,802	-	306,944	-	631,758	-	100,000	-		
Permanent Wages	3,300,423	5,589,499			35,614,310	43,142,551	21,076,809	22,335,551	7,516,042	8,241,281	2,622,282	3,303,798	1,562,431	1,567,801
Payroll expenses	-	(533,379)			-	1,180,207	-	1,608,000	-	-	-	(455,952)	-	-
<b>Personnel Expenses</b>	<b>5,211,222</b>	<b>5,982,063</b>	<b>41,400</b>	<b>-</b>	<b>47,595,252</b>	<b>49,022,866</b>	<b>26,860,707</b>	<b>27,803,561</b>	<b>9,786,642</b>	<b>10,070,556</b>	<b>3,258,330</b>	<b>3,642,400</b>	<b>1,857,679</b>	<b>1,790,477</b>
<b>Operating Expenses</b>														
Subsistence Allowances	110,000	22,500	206,000	360,000	387,000	770,010	109,000	325,020	214,715	97,506	19,258	25,002	70,742	217,542
Food Allowances					2,530	-								
Sitting Allowances			17,565,000	13,134,600					195,000	-				
International Accommodation			72,454	-	-	68,748								
Local Accommodation			489,130	1,287,165	196,439	924,996			55,000	-				
Other Fees	29,620	25,002			5,620	-	65,000	-						
Vehicles Fuel	37,948	22,002	139,673	45,000	397,609	553,554	66,959	64,506	74,696	56,400	63,910	75,000	17,404	15,000
Mail Carriage Freight	30,000	-	10,000	-			10,000	-						



Transport - Freight	4,093	7,500			402,516	123,996	143,191	39,720	166,482	32,376			19,170	-
Local Medical Treatment	2,609	17,502					509	-	891	-				
Equipment Hire	26,087	-							27,391	-	-	100,002		
Facilities Hire	58,261	-	586,522	-	63,241	-	-	40,008	5,000	-			11,304	75,000
Vehicles Hire	13,043	-	114,783	393,061					10,000	-				
Office Cleaning	123,501	36,534			250,388	195,000	49,902	25,020	106,595	45,078	24,739	-	16,935	-
Advertising - Communications	18,261	45,000			71,304	-	8,696	-			8,696	-		
Translation Communications	617,587	500,000	-	126,000	594,902	-								
Postage - Communications	296	10,002			1,044	-	3,000	-						
Printing - Communications	147,376	164,586	68,999	72,000	227,190	150,000	42,143	115,002	122,916	-	2,317	-	26,782	-
Stationery - Communications	79,850	90,000	104,045	72,000	16,559	113,502	3,298	74,508	100,123	45,822			18,435	15,000
Telephone / Fax - Communications	100,011	110,172	471,548	18,000	259,405	675,816	35,706	25,002	70,718	74,592	6,153	-	4,783	-
General - Materials									35,652	-	3,043	-		
Office - Materials	-	10,002												
Office Rental	7,244,348	-			4,755,550	-								
Other Rental	6,000	-			-	4,199,982	-	839,994						
Refunds	470	4,998	55,935	360,000	154,300	95,724	-	16,920					11,670	-
Incidentals			5,000	-	50,346	-	414	-	870	25,002				
Official Entertainment	349,205	64,998	253,889	270,000	376,695	36,870	63,199	-	206,500	4,998	17,867	10,002	137,871	99,996
Buildings Repairs & Maintenance	356,165	22,500			72,435	-	61,965	-	266,010	299,904			-	-
Equipment Repairs & Maintenance	35,558	25,002	6,765	-	652	-			609	100,002			-	-
Maintenance Contrac					30,391	-								
Vehicles Repairs & Maintenance	351,753	1,004,994			135,136	-			3,182	-	-	-		
International Travel			439,878	1,099,601	429,790	103,314							-	-
Local Travel	55,619	109,374			210,463	471,528	219,456	204,996	614,336	184,530	-	16,092	30,888	200,004

Gas - Cooking Utilities					137,841	338,400								
Electricity Utilities	67,305	110,604	30,791	-	1,873,466	1,937,826	276,502	397,500	189,503	379,998	36,014	-	22,915	-
Lighting Utilities	9,074	78,000	85,709	-	539	-			67,826	25,002				
Water Utilities	24,195	18,000			107,094	249,834	21,381	-	92,314	100,002				
Value Added Tax	1,481,310	66,000	328,610	201,734	1,321,727	54,912	152,558	48,174	268,660	50,682	24,740	4,998	34,574	20,004
Buildings - Renovation	53,913	-												
Equipment - Additional General	-	199,998	52,170	-	-	-			-	-				
Equipment - Computer	213,086	224,490							131,723	-				
Equipment - Heavy Equipment					25,778	-								
Equipment - Photocopiers					-	-			19,126	-				
Furniture - Office Furniture	62,534	36,852			-	-	44,617	-	45,651	75,000	2,173	-	-	-
Bank Charges	1,695	-					-	2,502	652	-			174	-
Overhead expenses	-	-	-	-	-	(1,798,876)	-	-	-	4,041,725	-	-	-	-
<b>Operating Expenses</b>	<b>11,710,773</b>	<b>3,026,612</b>	<b>21,086,901</b>	<b>17,439,161</b>	<b>12,557,950</b>	<b>9,265,136</b>	<b>1,377,496</b>	<b>2,218,872</b>	<b>3,033,041</b>	<b>5,638,619</b>	<b>208,910</b>	<b>231,096</b>	<b>423,647</b>	<b>642,546</b>
<b>Total Expenditure</b>	<b>16,921,995</b>	<b>9,008,675</b>	<b>21,128,301</b>	<b>17,439,161</b>	<b>60,153,202</b>	<b>58,288,002</b>	<b>28,238,203</b>	<b>30,022,433</b>	<b>12,819,683</b>	<b>15,709,175</b>	<b>3,467,240</b>	<b>3,873,496</b>	<b>2,281,326</b>	<b>2,433,023</b>

Table 3: Virements processed in the first half of the year.

Vired Out				Vired in				
Fund	Department	Activity	Account	Fund	Department	Activity	Account	Amount
2	1480	CIAG	PAYR	2	1433	CIAD	PAYR	183,721
2	1429	CIAC	PAYR	2	1433	CIAD	PAYR	72,048
2	1480	CIAG	PAYR	2	1433	CIAD	PAYR	272,231
2	1402	CIAA	PAYR	2	1433	CIAD	PAYR	81,423
2	1401	CIAA	PAYR	2	1433	CIAD	PAYR	98,577
2	1401	CIAA	PAYR	2	1434	CIAD	PAYR	180,000
2	1405	CIAA	PAYR	2	1432	CIAD	PAYR	4,661
2	1420	CIAC	PAYR	2	1432	CIAD	PAYR	6,621
2	1402	CIAA	PAYR	2	1432	CIAD	PAYR	168,718
2	1420	CIAC	PAYR	2	1431	CIAD	PAYR	540,000
2	1422	CIAC	OVER	2	1429	CIAC	PAYR	1,033,682
2	1422	CIAC	OVER	2	1422	CIAC	PAYR	765,194
<b>TOTAL</b>								<b>3,406,876</b>