

JUDICIARY QUARTERLY EXPENDITURE REVIEW 2020

EXECUTIVE SUMMARY

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 VT193.1 million and a budget deficit of VT6.7 million at the end of the third quarter. The deficit was due to funds being advanced from future period and expended in the current period. The main expenditure items were permanent wages VT104 million, sitting allowances VT18.6 million, housing allowances VT14.4 million, office rental VT12 million and leave expenses VT7.8 million.

There was a total of twelve virements processed of a value of VT3.4 million.

The budget share of payroll to operation was 74 percent to 26 percent and the expenditure share of payroll to operation was 68 percent to 32 percent. Recruitments were delay than anticipated.

CORPORATE SERVICES

The Corporate Services had overspent its budget by VT8.5 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 VT5.1 million, office rental VT7.2 million, VAT VT1.7 million and acting allowances VT1 million.

The payroll budget had a surplus of VT915,560 and the operation had a deficit of VT9.4 million. The huge deficit of VT9.4 million 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 37 percent to 63 percent. More operation funds were expended in this period than anticipated.

This Section had already spent 45 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

The Court of Appeal had spent 127 percent of its budget of VT17.4 million in this period. Major expenditure was from sitting allowances VT17.6 million and it had a budget deficit of VT4.7 million. The Court had spent 3 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 69 percent of its annual budget and with that current rate of spending, it is most likely the budget will not be exhausted before the end of the year.

SUPREME COURT

The Supreme Court had spent 98 percent of its budget of VT85.9 million. Major expenditures was from permanent wages VT51.4 million, housing allowances VT6.5 million, office rental VT4.8 million, electricity utilities VT3.6 million, VAT VT1.8 million and translation communication VT1.1 million. There was a payroll surplus of VT4.9 million at the end of the period compared to a surplus of only VT2.3 million in 2019 in the same period.

The budget share of payroll to operation is 83 percent to 17 percent and the expenditure share of payroll to operation is 79 percent to 21 percent.

The Court had already spent 61 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

The Magistrate Court budget of VT43.2 million was underspend by 3 percent or by VT1.4 million. Major expenditures were from permanent wages VT30.8 million, housing allowances VT5.1 million, provident fund VT1.3 million and responsibility allowances VT1 million. The payroll expenditure had increased by 8 percent compared to 2019 in the same period.

The budget share of payroll to operation is 92 percent to 8 percent and the expenditure share of payroll to operation is 95 percent to 5 percent.

The Court had already spent 72 percent of its annual budget and with that current rate of spending, it is most likely that it spent within its annual budget by the end of the year.

ISLAND COURT

The Island Court had spent 95 percent of its budget of VT19.8 million and its major expenditures was from permanent wages VT11 million and housing allowances VT1.5 million. Expenditure is about the same compared to 2019 in the same period.

The budget share of payroll to operation is 74 percent to 26 percent and the expenditure share of payroll to operation is 74 percent to 26 percent. There was an overall budget surplus of VT1.1 million compared to a budget deficit of VT1.1 million in 2019 in the same period.

The Court had already spent 69 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

The land court had a budget of VT3.8 million and had spent only 55 percent of its budget therefore resulting in a budget surplus of VT1.7 million at the end of the third quarter. Major expenses were from sitting allowances VT634,500, subsistence allowances VT561,000 and local travel VT451,334.

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 40 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 SECTION

The Enforcement Section had a budget of VT5.9 million and at the end of the third quarter it had a surplus of VT583,391. Major expenditures was from permanent wages VT3.8 million and housing allowances VT579,537.

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 Section had already spent 65 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.

TRAINING SECTION

The Training Section had a budget of VT4.9 million and at the end of the third quarter, it had a surplus just VT99,753 compared to a surplus of VT38,552 in 2019 in the same period.

The budget share of payroll to operation is 73 percent to 27 percent and the expenditure share of payroll to operation is 77 percent to 23 percent.

This Section had already spent 72 percent of its annual budget and with that current rate of spending, it is most likely that it will spent within its annual budget by the end of the year.

REVENUE

The Judiciary's quarter three was only **80 percent** of its budget target which is VT14.3 million. **77 percent** of the revenue collection were recorded as Court Cost Recoveries. This unbudgeted revenue item includes other fines and stationary sales. Judiciary had already collected 60 percent of its annual target and with that current rate, it is most likely that total collection at the end of the year will fall below the revenue target.

POLICY IMPLICATION

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

Judiciary had spent 103 percent of its budget and had a total expenditure of VT200 million which is 5 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 at the end of the third quarter.

Judiciary had already spent 62 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: Q3 Expenditure Vs Q3 Budget

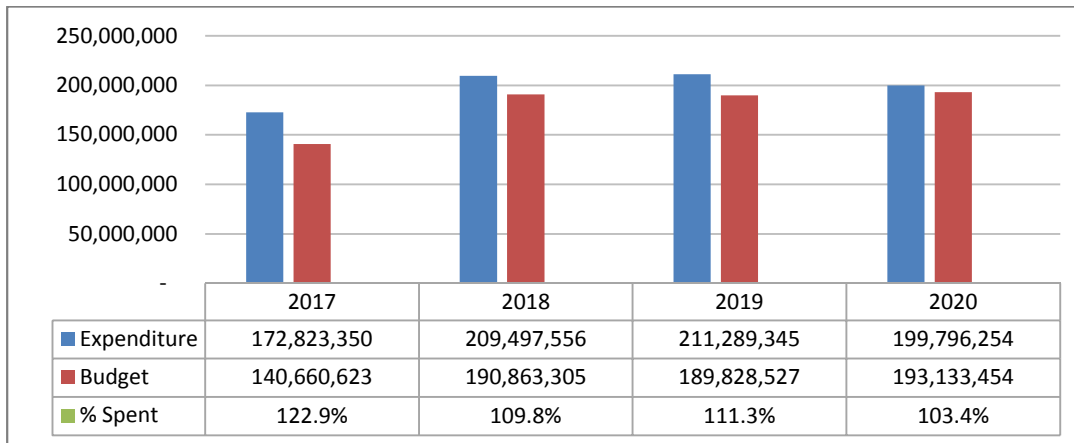


Figure 2: Q3 Payroll Budget to Operation Budget Ratio

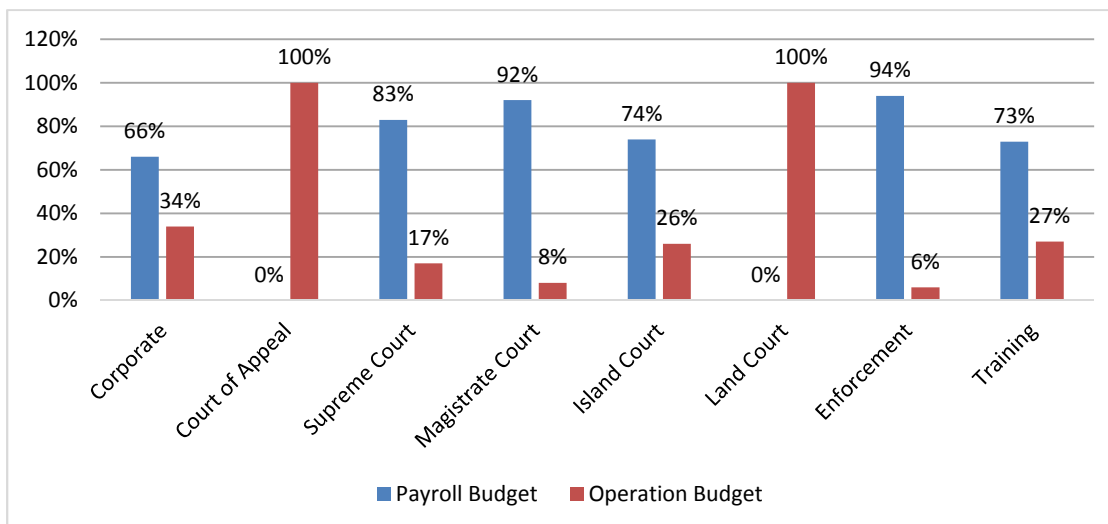
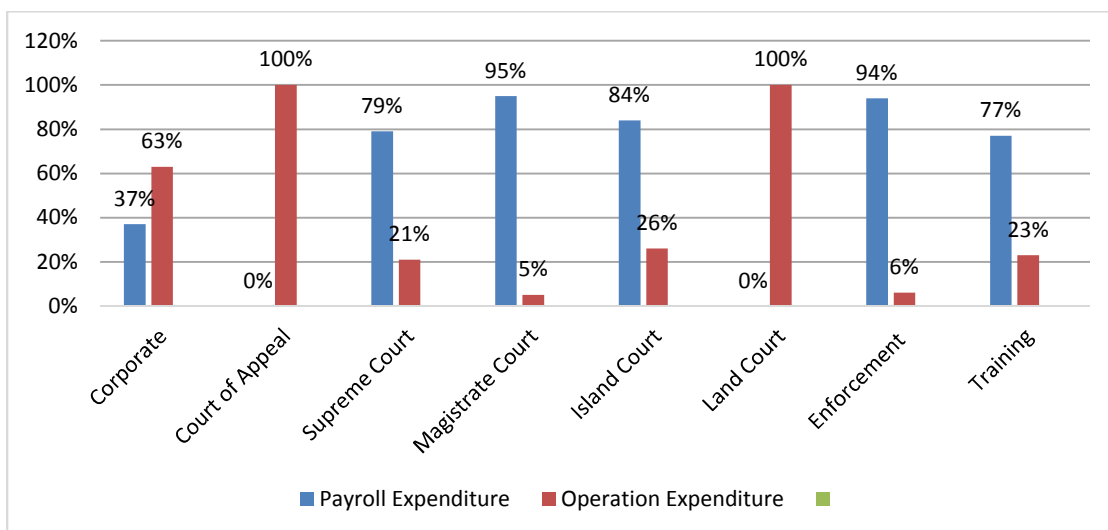


Figure 3: Q3 Payroll Expenditure to Operation Expenditure



TABLES

Table 1: Expenditure Summary

Code	Description	Actual	Commitment	Total	Budget to Date	Under/(Over) Budget	Warrant Released	Warrant Remaining	Annual Budget	Annual Remaining
1401	Human Resource	1,237,256	85,520	1,322,776	1,568,057	245,281	1,568,057	245,281	2,245,505	922,729
1402	Account / Finance	14,001,918	24,794	14,026,712	6,362,923	(7,663,789)	14,693,923	667,211	17,106,117	3,079,405
1403	Assets	3,202,467	301,132	3,503,599	2,316,501	(1,187,098)	3,504,071	472	7,488,691	3,985,092
1404	Information Technology	924,150	-	924,150	964,938	40,788	964,938	40,788	1,286,585	362,435
1405	Library / Archive	2,146,674	47,817	2,194,491	2,271,642	77,151	2,271,642	77,151	18,747,420	16,552,929
1406	Security	2,394	938	3,332	7,497	4,165	7,497	4,165	2,339,740	2,336,408
1407	Supreme Court Hall of Justice	20,000	-	20,000	37,548	17,548	37,548	17,548	50,070	30,070
1410	Court of Appeal Registry	22,065,515	48,840	22,114,355	17,439,161	(4,675,194)	23,435,373	1,321,018	32,007,178	9,892,823
1413	Island Court	-	-	-	-	-	-	-	-	-
1420	Chief Justice Office	11,431,966	167,840	11,599,806	12,730,894	1,131,088	12,730,894	1,131,088	19,148,039	7,548,233
1421	Principal Registry	19,743,963	369,760	20,113,723	14,724,866	(5,388,857)	20,193,746	80,023	29,484,048	9,370,325
1422	Port Vila Registry	33,698,831	1,659,000	35,357,831	41,733,713	6,375,882	41,733,713	6,375,882	63,097,952	27,740,121
1423	Luganville Registry	7,907,920	16,259	7,924,179	7,913,998	(10,181)	7,913,998	(10,181)	11,981,462	4,057,283
1424	Isangel Registry	6,664	-	6,664	7,497	833	7,497	833	10,000	3,336
1425	Sola Registry	6,664	-	6,664	7,497	833	7,497	833	10,000	3,336
1426	Ambore Registry	6,664	-	6,664	7,497	833	7,497	833	10,000	3,336
1427	Lakatoro Registry	6,664	-	6,664	7,497	833	7,497	833	10,000	3,336
1428	Regional Conferences	781,200	96,309	877,509	-	(877,509)	1,060,060	182,551	2,110,000	1,232,491
1429	Master's Office	8,310,718	2,084	8,312,802	8,767,755	454,953	8,767,755	454,953	12,476,434	4,163,632
1430	Chief Magistrate Office	5,930,220	21,916	5,952,136	6,116,833	164,697	6,116,833	164,697	8,318,203	2,366,067
1431	Port Vila MC Office Registry	19,627,731	-	19,627,731	19,164,023	(463,708)	19,164,023	(463,708)	26,023,136	6,395,405
1432	Lakatoro MC Registry	3,704,890	6,993	3,711,883	4,075,619	363,736	4,075,619	363,736	5,508,546	1,796,663
1433	Isangel MC Registry	3,649,407	4,167	3,653,574	4,221,867	568,293	4,221,867	568,293	5,513,824	1,860,250

1434	Luganville MC Registry	7,337,660	4,701	7,342,361	8,053,716	711,355	8,053,716	711,355	10,953,075	3,610,714
1435	Sola MC Registry	6,664	-	6,664	7,497	833	7,497	833	10,000	3,336
1436	Amobore MC Registry	1,538,804	34,201	1,573,005	1,582,560	9,555	1,582,560	9,555	2,110,000	536,995
1440	Senior Administrator Office	5,663,587	398,486	6,062,073	6,215,554	153,481	6,215,554	153,481	8,458,314	2,396,241
1441	Efate Island Court	2,265,441	-	2,265,441	2,302,059	36,618	2,302,059	36,618	3,149,120	883,679
1442	Santo, Malo Island Court	1,275,433	15,412	1,290,845	1,301,327	10,482	1,301,327	10,482	1,778,800	487,955
1443	Tanna Island Court	1,096,668	-	1,096,668	1,097,199	531	1,097,199	531	1,498,800	402,132
1444	Ambae Island Court	1,257,050	19,100	1,276,150	1,304,967	28,817	1,304,967	28,817	1,783,800	507,650
1445	Pentecost Island Court	817,951	5,000	822,951	1,298,408	475,457	1,298,408	475,457	1,774,763	951,812
1446	Malekula Island Court	1,202,816	7,756	1,210,572	1,271,451	60,879	1,271,451	60,879	1,739,085	528,513
1447	Tongoa Island Court	1,165,967	3,000	1,168,967	1,292,223	123,256	1,292,223	123,256	1,766,800	597,833
1448	Ambrym Island Court	1,269,958	2,400	1,272,358	1,279,884	7,526	1,279,884	7,526	1,748,800	476,442
1449	Epi Island Court	1,254,134	-	1,254,134	1,298,063	43,929	1,298,063	43,929	1,773,800	519,666
1450	Banks Torres Island Court	988,612	6,783	995,395	1,107,248	111,853	1,107,248	111,853	1,512,848	517,453
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	Tongoa Island Court	-	-	-	-	-	-	-	-	-
1467	Erromango Island Court	-	-	-	-	-	-	-	-	-
1468	Banks Torres Island Court	-	-	-	-	-	-	-	-	-
1469	Land Appeals	1,802,710	310,600	2,113,310	3,812,216	1,698,906	3,812,216	1,698,906	5,241,792	3,128,482
1480	Sheriff Office	5,222,490	74,708	5,297,198	5,880,589	583,391	5,880,589	583,391	8,202,936	2,905,738
1490	Judicial Development & Training	3,123,225	31,784	3,155,009	3,183,167	28,158	3,183,167	28,158	4,336,024	1,181,015
1491	Staff Training & Development	279,268	46,640	325,908	397,503	71,595	397,503	71,595	530,000	204,092
1492	Court Management System	-	-	-	-	-	-	-	800,000	800,000
14	Judiciary	195,982,314	3,813,940	199,796,254	193,133,454	-6,662,800	215,177,176	15,380,922	324,141,707	124,345,453

Table 2: 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 Court		Land Court			
	Expenditure	Budget	Expenditure	Budget	Expenditure	Budget	Expenditure	Budget	Expenditure	Budget	Expenditure	Budget	Expenditure	
Personnel Expenses														
Acting Allowances	1,046,502	-	41,400	-	433,320	-	581,457	-						
Responsibility Allowance	41,400	-					1,035,948	263,074						
Family Allowance	87,400	122,760			479,780	526,157	448,040	526,156	240,120	315,675			75,440	
Housing Allowances	558,837	876,933			6,493,340	3,683,083	5,073,296	3,332,307	1,508,636	1,753,873			579,537	
Other Allowances							60,000	-	30,000	-				
Home Island Passage Allowances	69,285	21,926			249,973	116,919	17,250	182,686	72,773	109,606			24,563	
Provident Fund	248,800	331,683			1,703,097	2,543,228	1,296,898	1,337,328	439,375	494,402			153,292	
Leave expense	889,494	-			5,474,038	-	506,944	-	631,758	-			300,000	
Permanent Wages	5,131,910	8,169,265			51,367,177	63,054,478	30,804,566	32,644,256	10,984,990	12,044,942			3,832,566	
Payroll expenses	-	(533,379)			-	1,180,207	-	1,608,000	-	-			-	
Personnel Expenses	8,073,628	8,989,188	41,400	-	66,200,725	71,104,072	39,824,399	39,893,807	13,907,652	14,718,498			4,965,398	
Operating Expenses														
Subsistence Allowances	115,000	33,750	266,000	360,000	967,000	1,155,015	224,000	487,530	264,715	146,259	561,000	-	19,258	
Food Allowances					2,530	-								
Sitting Allowances			17,565,000	13,134,600			50,000	-	367,500	-	634,500	-		
International Accommodation			50,875	-	-	103,122								
Local Accommodation	487	-	557,826	1,287,165	531,397	1,387,494	22,000	-	112,500	-	245,690	-		
Other Fees	35,120	37,503			6,320	-	65,000	-	2,957	-				
Vehicles Fuel	38,818	33,003	186,021	45,000	672,295	830,331	86,393	96,759	125,681	84,600	23,500	-	105,314	

Mail Carriage Freight	30,000	-	10,000	-			10,000	-						
Transport - Freight	37,454	11,250	6,000	-	477,442	185,994	206,256	59,580	184,267	48,564	5,000	-		
Local Medical Treatment	3,287	26,253					509	-	891	-				
Equipment Hire	26,087	-	454,000	-	13,043	-	1,000	-	29,391	-			-	
Facilities Hire	58,261	-	586,522	-	71,241	-	7,475	60,012	18,000	-	6,000	-		
Vehicles Hire	13,043	-	114,783	393,061					10,000	-				
Office Cleaning	201,875	54,801	2,460	-	362,014	292,500	60,812	37,530	136,355	67,617			46,409	
Advertising - Communications	18,261	67,500			106,956	-	8,696	-					8,696	
Translation Communications	617,587	750,000	-	126,000	1,058,901	-								
Postage - Communications	296	15,003	-	-	1,044	-	4,739	-						
Printing - Communications	275,764	246,879	250,223	72,000	317,763	225,000	67,082	172,503	203,243	-	10,000	-	2,317	
Stationery - Communications	99,916	135,000	151,380	72,000	54,667	170,253	48,459	111,762	271,098	68,733	-	-	10,435	
Telephone / Fax - Communications	133,152	165,258	492,249	18,000	417,242	1,013,724	58,445	37,503	124,292	111,888	1,850	-	14,849	
General - Materials									35,652	-				
Office - Materials	1,417	15,003	11,690	-					15,648	-			3,043	
Office Rental	7,244,348	-			4,755,550	-								
Other Rental	6,000	-			-	6,299,973	-	1,259,991						
Refunds	134,830	7,497	40,998	360,000	154,300	143,586	-	25,380						
Incidentals			775	-	70,251	-	814	-	1,160	37,503	47,950	-		
Official Entertainment	435,591	97,497	224,919	270,000	486,314	55,305	119,689	-	300,309	7,497	96,300	-	31,954	
Uniforms	34,782	-			23,013	-	8,176	-	10,723	-				
Buildings Repairs & Maintenance	933,407	33,750	26,087	-	76,857	-	62,965	-	401,097	449,856	-	-		
Equipment Repairs & Maintenance	59,427	37,503	6,765	-	18,404	-			110,823	150,003				
Maintenance Contrac					30,391	-								

Vehicles Repairs & Maintenance	844,912	1,507,491			149,906	-			6,443	-			-	
International Travel			439,878	1,099,601	429,390	154,971								
Local Travel	61,910	164,061	5,945	-	887,109	707,292	377,076	307,494	923,862	276,795	451,334	-	10,567	
Gas - Cooking Utilities					197,736	507,600								
Electricity Utilities	67,305	165,906	30,791	-	3,584,628	2,906,739	276,502	596,250	295,106	569,997			36,014	
Lighting Utilities	12,600	117,000	86,559	-	539	-			136,404	37,503				
Water Utilities	24,325	27,000			206,577	374,751	37,040	-	92,314	150,003				
Value Added Tax	1,726,405	99,000	453,039	201,734	1,778,661	82,368	195,210	72,261	430,319	76,023	30,186	-	40,771	
Buildings - Renovation	53,913	-			76,522	-								
Equipment - Additional General	-	299,997	52,170	-	-	-			-	-	-	-		
Equipment - Computer	456,975	336,735							131,723	-				
Equipment - Heavy Equipment					25,778	-								
Equipment - Photocopiers					-	-			19,126	-				
Furniture - Office Furniture	117,182	55,278			-	-	44,617	-	45,651	112,500	-	-	2,173	
Bank Charges	1,695	-					-	3,753	652	-				
Overhead expenses	-	-	-	-	-	(1,798,876)	-	-	-	2,654,544	-	3,812,216	-	
Operating Expenses	13,921,432	4,539,918	22,072,955	17,439,161	18,011,781	14,797,142	2,042,955	3,328,308	4,807,902	5,049,885	2,113,310	3,812,216	331,800	
Total Expenditure	21,995,060	13,529,106	22,114,355	17,439,161	84,212,506	85,901,214	41,867,354	43,222,115	18,715,554	19,768,383	2,113,310	3,812,216	5,297,198	

Table 3: Virements processed.

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
Total								3,406,876