
DUTIES AND AUTHORITY OF THE REGIONAL REPRESENTATIVE COUNCIL IN PREPARING REGIONAL REVENUE AND EXPENDITURE BUDGET

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ABSTRACT

This study aims to find out and analyze the legal rules regarding the preparation of the APBD in Indonesian laws and regulations, the preparation of the state financial budget according to an Islamic perspective and the function of the DPRD's budget in regional development. The approach method used in this research is normative juridical method. This research is a type of descriptive research. The form and type of data used are primary legal materials in the form of laws, documents, journals and books as well as secondary legal materials, namely DPRD documents obtained regarding the preparation of the APBD. In this study, data were collected using the literature study method. Once collected, the data will be processed and discussed using qualitative normative methods. The preparation of the Regional Revenue and Expenditure Budget (APBD) is regulated in Law Number 23 of 2014 concerning Regional Government. The preparation of the state financial budget according to Islamic law is based on the principles of Islamic economics which includes concepts such as maqasid al-shariah and muamalah. DPRD has an important role in the regional development budget. The DPRD functions as a supervisor for the implementation of regional development as well as the discussion and approval of the APBD.

Keywords: APBD, DPRD, laws, Islam

INTRODUCTION

Regional autonomy is where a region has its own authority to regulate and manage its regional interests. There are various factors that can influence the implementation of regional autonomy, including how much capacity the implementer of autonomy has, what their financial condition is, the availability of tools and materials and their ability to organize. Regional autonomy only concerns certain areas, there are several areas that are not included in regional autonomy, namely foreign policy, security, defense, monetary, fiscal, justice and religion. The fields mentioned previously are the authority of the government. Implementing regional autonomy must be based on the principles of democracy, justice, equality and diversity (Suharjono, 2017). Meanwhile, referring in Law Number 9 of 2015 concerning Second Amendment to Law Number 23 of 2014 concerning Regional Government, explains the definition of centralization as "the transfer of governmental authority by the government to autonomous regions to regulate and manage government affairs in the system of the Unitary State of the Republic of Indonesia". Then deconcentration is "the delegation of governmental authority by the Government to the Governor as the government representative and/or to vertical agencies in certain regions".

The implementation of regional autonomy is carried out after the delegation of authority and in an effort to realize an autonomous government system and in line with the provisions written in Law Number 32 of 2004 concerning Regional Government, then the authority obtained must be well understood so that the implementation process does not have detrimental impacts. One tool that can be used to achieve goals in a state is decentralization. The aim of this state is to provide better public services and realize a public decision-making process with a democratic system that is effective and efficient. The implementation of regional autonomy must be understood as an opportunity for regions to develop with the leeway provided by the Government through a decentralization system which results in the authority to draw up regional regulations.

The authority of the Regional People's Representative Council (DPRD) in preparing the Regional Revenue and Expenditure Budget (APBD) cannot be separated from the legal aspects of state administration. Law Number 32 of 2004 concerning Regional Government presents regulations regarding the duties and authorities of the DPRD. In Article 1 paragraph (2) Law Number 32 of 2004 concerning Regional Government, namely "the administration of government affairs by the regional government and DPRD is based on the principle of autonomy and assistance duties with the principle of the widest possible autonomy within the system and principles of the Unitary State of the Republic of Indonesia as intended in the 1945 Constitution of the Republic of Indonesia (UUD NRI 1945)". Article 1 Paragraph (4) Law Number 32 of 2004 concerning Regional Government explains that the DPRD has the duty and responsibility to create efficiency, effectiveness, productivity and accountability in the regional government management process through the implementation of the DPRD's rights, obligations, duties, authority and functions in line with applicable laws and regulations. The budget function in the DPRD has a crucial role in financing all activities planned by the government and creating community welfare, namely to advance the people's economy.

Meanwhile, in Islamic law, DPRD can be interpreted as *ahl-al-hall wa-aqd*, meaning people who have the authority to make decisions and regulations on behalf of the people or citizens. This understanding is supported by a statement from Abdul Hamid al-Ansari who stated that "The Shura Assembly which gathers *ahl al-Shura* is a means used by the people or their people's representatives to discuss social problems and the benefit of the people." Therefore, basically those who have the right to determine fate and who will be made head of a state are the people themselves, with the general benefit that the people want. (Suwardi, 2018). This refers to the Al-Qur'an, specifically in Surah An-Nisaa, verse 59, which reads:

يَا أَيُّهَا الَّذِينَ آمَنُوا أَطِيعُوا اللَّهَ وَأَطِيعُوا الرَّسُولَ وَأُولِي الْأَمْرِ مِنْكُمْ فَإِن
 نَزَعْتُمْ فِي شَيْءٍ فَرُدُّوهُ إِلَى اللَّهِ وَالرَّسُولِ إِن كُنتُمْ تُؤْمِنُونَ بِاللَّهِ وَالْيَوْمِ الْآخِرِ
 ذَلِكَ خَيْرٌ وَأَحْسَنُ تَأْوِيلًا

Meaning: "O you who believe, obey Allah and obey (His) Messenger, and the *ulil amri* among you. Then, if you have different opinions about something, then return it to Allah (the Koran) and the Messenger (*sunnah*), if you truly believe in Allah and the Last Day. That is more important (for you) and the consequences are better."

One of the functions of the DPRD is the budget function, where the preparation and determination of the APBD is carried out by the DPRD and also the regional head. Law Number 32 of 2004 concerning Regional Government Article 101 paragraph (1) letter (b) explains that in the process of discussing and approving the provincial regional government's draft APBD proposed by the governor, the DPRD must participate in every step of the APBD formation process by upholding fiduciary duties. The description of the APBD is explained in Article 1 Paragraph (1) Minister of Home Affairs Regulation (Permendagri) Number 27 of 2021 concerning Guidelines for Preparing Regional Revenue and Expenditure Budgets for Fiscal Year 2022.

APBD is a regional annual financial plan specified in regional regulations. Accountability for the Implementation of the Regional Revenue and Expenditure Budget for Fiscal Year 2019 in the form of a Financial Report consisting of, Budget Realization Report (LRA), Report on Changes in Excess Budget Balance (SAL), Operational Report (LO), Report of Changes in Equity (LPE), Balance Sheet, Cash Flow Report (LAK), and Notes to Financial Reports (CaLK). The DPRD will prepare and determine plans for the use of regional finances in the form of APBD together with regional heads which will be realized in the form of regional regulations every year. Regional autonomy has various objectives, including improving services to the community, developing democratic life, national justice, equalizing regional areas, maintaining harmonious relations between the center and regions and between regions within the

framework of the integrity of the Republic of Indonesia, encouraging community empowerment, fostering initiative and creativity, improving community participation, as well as developing the role and function of regional government and DPRD, in an effort to achieve these goals, the government issued the Regional Government Law and enriched it with the theory of good governance as a guideline for regional government administration.

The emergence of the spirit of the Regional Government Law and the spirit of good governance will ultimately lead to a relationship pattern consisting of three principles, namely equality, transparency and mutual benefit.(Radidc & Kuswandi, 2021). The application of the three principles above can be practiced at two levels of APBD preparation. The first level is at the upstream level of policy. In this first stage, these three principles are implemented to guide the planning process involving local government, the private sector and the community. Furthermore, at the second level, namely objectives, these three principles are used as a way for the assessment process of the implementation of the APBD from year to year which is summarized in the regent's Accountability Report (LKPJ), mainly to provide observations on how far the benefits can be felt by the community and how big its impact in efforts to resolve problems in development. In this regard, evaluation can begin by looking at the stability of public opinion regarding regional government programs, both in terms of numbers and in terms of the names of proposed programs which will ultimately be included in the agenda setting.

The definition of the budget itself is a plan that is arranged systematically which includes all company activities expressed in monetary units in force within a certain period of time in the future.(Arikunto, 2010). Until 2013, many regional governments experienced delays in determining the APBD, for example in 2021, only 161 districts/cities, namely 32% of regional governments, were able to determine the APBD on time. Previously, in 2012, out of 503 district/city governments, only 257 districts/cities, namely 51%, were able to meet the deadline for determining the APBD, while the remaining 246 districts/cities or 60% of district/city governments were able to complete the APBD documents. can be determined on time. Meanwhile, as many as 202 districts/cities or another 40% were unable to meet the APBD determination time. This shows that the government's expectations in receiving the preparation of the APBD in a timely manner have not been fulfilled. Delays in preparing the APBD can have an impact on economic movements in regional governments which will experience obstacles, because the APBD is an important stimulus for economic growth in the region.(Savitri, 2019).

In this research in the form of a thesis, the author wants to carry out research on the preparation of the APBD carried out by the DPRD. Based on the background description above, the title can be formulated, namely, "Tasks and Authorities of the Regional People's Representative Council in Preparing Regional Revenue and Expenditure Budgets."

RESEARCH METHODS

The approach method used in this research is the normative juridical method. This research is a type of descriptive research, where this research will explain the data in as much detail as possible from a situation. The form and type of data used is primary legal material and secondary legal material. The primary legal material in this research consists of Law Number 9 of 2015 concerning Second Amendment to Law Number 23 of 2014 concerning Regional Government And Minister of Home Affairs Regulation (Permendagri) Number 27 of 2021 concerning Guidelines for Preparing Regional Revenue and Expenditure Budgets for Fiscal Year 2022. Apart from that, there are also official documents, legal journals, legal books, research in the form of reports, other scientific works that are related to the topic being researched, as well as opinions or press media news related to this research. The secondary legal material in this research is DPRD documents obtained regarding the preparation of the APBD. The data required for research purposes was collected using the literature study method. The data that has been collected will then be processed, after that the data will be discussed using qualitative normative methods, data obtained from

a study of the DPRD's duties and authority in preparing the APBD, will then be combined with statutory regulations, library materials that are related to the focus problem.

RESULTS AND DISCUSSION

Legal Rules Regarding the Preparation of APBD in Indonesian Legislation

One of the basic principles of regional autonomy is stated in Law Number 32 of 2004 concerning Regional Government explains that the implementation of regional autonomy is in the context of increasing the role and function of regional legislative bodies. In Law Number 32 of 2004 concerning Regional Government it has been stated that the DPRD's position is the same as that of the regional government and is not part of the regional government as applied in the previous law. Based on Article 1 paragraph (4) Law Number 32 of 2004 concerning Regional Government which states that the DPRD is a regional people's representative institution as an element of regional government administration. Furthermore, Article 41 of the Regional Government Law states that the DPRD has legislative, budget and supervisory functions. As a regional people's representative institution, the DPRD in addition to the regional government, has a very large role in coloring the running of the autonomous regional government. Furthermore, it is regulated in Article 18 letters (d) and 19 letters (d) Law Number 32 of 2004 concerning Regional Government regulates the authority of the DPRD in carrying out statutory functions. Another function of the DPRD is to determine financial management policies. In Law Number 32 of 2004 concerning Regional Government Budget rights have been regulated as one of the DPRD's rights. Budget rights give the DPRD the authority to participate in determining or formulating regional policies in preparing the Regional Revenue and Expenditure Budget (APBD). In Republic of Indonesia Government Regulation Number 12 of 2018 concerning Government Regulations (PP) concerning Guidelines for Preparing Rules for Provincial, Regency and City Regional People's Representative Councils, explained that provincial and district and city DPRD's have functions, including the function of forming Regional Regulations (Perda), budget functions, and supervisory functions. In Article 15 of the Government Regulation, it is explained that the function of the DPRD budget is realized in the form of discussions for joint approval of draft regional regulations regarding the APBD which are submitted in the form by the regions. The APBD is prepared for short-term planning and will also describe medium-term planning as a long-term planning process to be achieved. Short-term planning is an activity carried out by the regional government within a period of one year, hereinafter referred to as the Regional Government Work Plan (RKPD).). In preparing and planning the APBD, there is an organized schedule. Guidelines for preparing the APBD are regulated in Minister of Home Affairs Regulation (Permendagri) Number 27 of 2021 concerning Guidelines for Preparing Regional Revenue and Expenditure Budgets for Fiscal Year 2022. When preparing the APBD, regional income needs to be taken into account, the following is a table based on regional income structure Government Regulation Number 12 of 2019 concerning Regional Financial Management and Minister of Home Affairs Regulation Number 13 of 2006 concerning Guidelines for Regional Financial Management.

Preparation of the State Financial Budget According to an Islamic Perspective

Islam provides rules regarding various aspects of life, starting from *ubudiah*, *munakahah*, *mu'amalah*, *jinayah* and *siyasah*. The broader scope of state administration is often neglected in religion. Even though Islam has provided rules regarding this relationship. On the one hand, the government is obliged to obey and on the other hand, the government must carry out its responsibilities based on the interests of the people. Mentioned in QS. An-Nisa: 58 which means:

"Indeed, Allah commands you to convey the message to those who are entitled to receive it, and (orders you) when you determine a law between people, so that you determine it fairly. Indeed, Allah will give you the best teaching. Indeed, Allah is All-Hearing, All-Seeing."

This verse is directed at leaders so that they always carry out their trust in anyone who has the right, and if they impose a punishment on a fellow human being then the punishment must be fair. In an Islamic

perspective, there is a special institution or body that carries out financial management, namely baitulmal whose scope is siyasah maliyah. Siyasah Maliyah is part of the Tasyri'iyah institution or legislative institution, while the executive institution is called tanfidziyah. In siyasah fiqh, the concept of representation is known as ahl al-halli wa al-'aqd. Ahl al-halli wa al-'aqd is defined as "those who have the authority to loosen and bind." The budgetary rights of Ahl al-Halli wa al-'Aqd are carried out in deliberations in the form of institutions. Basically, the way in which deliberations are carried out is not standardly regulated in Islam. However, Islam demands the best system for the benefit of the people. Ahl al-Halli wa al-'Aqd as a legislative body, in relation to budget management, functions as a shura institution that represents the aspirations and will of the people. Apart from that, the community through its representatives, namely Ahl al-Halli wa al-'Aqd, can regulate ways to take advantage of assets that lead to shared prosperity, this is based on QS. al-Hasr: 7. Model/type of budget (income) in Islamic state administration comes from several sources of income including zakat, ghanimah, fa'l, jizyah and kharaj (Ibrahim, 2008). The procedures for distributing state assets that must be prioritized are those that occupy the priority rank (al-ahamm), namely for the interests (maslahah) of Muslims in general.

Function of the DPRD Budget in Regional Development

The government basically carries out three main functions, namely distribution, stabilization and allocation functions. In general, the distribution function and stabilization function are more effective and efficient when carried out by the central government, while the allocation function is carried out by regional governments which better understand the needs and conditions of the surrounding community. In the process of implementing regional autonomy, financial management is one of the crucial things, especially in assessing the performance of financial management which is linked to improving people's welfare. The planning aspect must be regulated in a directed manner so that all stages of APBD formation can show the background of decision making on general policy provisions, priority scale and allocation and distribution of resources that involve community participation. In preparing the APBD, local governments must carry out planning and budgeting steps. When preparing the APBD, the development plan that has been announced must be used as the basis. Regional development plans prepared by each region are an integral part of the national development planning system, as regulated in Law Number 17 of 2007 concerning National Long Term Development Plan 2005-2025.

CONCLUSION

The preparation of the Regional Revenue and Expenditure Budget (APBD) is regulated in Law no. 23 of 2014 concerning Regional Government. The public has the right to receive information about the APBD and have the opportunity to provide input in budget preparation. In addition, in preparing the APBD, regional governments must prepare a General Budget Policy (KUA) and Temporary Budget Ceiling Priorities (PPAS) as the basis for determining budget priorities. The preparation of the state financial budget according to Islamic law is based on Islamic economic principles which include concepts such as maqasid al-shariah (shariah objectives) and muamalah (economic relations). DPRD has an important role in regional development budgets. The DPRD functions as a supervisor of the implementation of regional development as well as discussion and approval of the APBD.

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