





**Conference** paper

# **Juridical Study Allocation Village Fund**

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#### Abstract.

Specifically regarding villages, it is regulated in Law Number 6 of 2014 concerning Villages. Of the 34 provinces in the Republic of Indonesia, it is divided into respective districts/cities. Based on this description, the authors are interested in researching "**Juridical Study Village Fund Allocation**". Writing problems: 1) What is the impact of Village Fund Allocation in increasing development in the village?. 2) What are the legal consequences of accountability for Village Fund Allocation if there is no Village Government in that area? This writing uses a normative legal approach. The type of data used is secondary data, and analyzed using qualitative analysis. Conclusion: 1) That the impact of village fund allocation can increase development in the village. The basic thing that must be done by the village approach is to make medium/long term planning by focusing on one or two programs/activities that are capable of making a major contribution to society. 2). Whereas the legal consequence of accountability for Village Fund Allocation if there is no Village Fund Allocation if there is no Village administration in that area is the Regional Head of the lowest Regional Government in that area

Keywords: Allocation of Funds, Village Government

# 1. Introduction

#### 1.1. Background

The village is administratively the smallest form of government led by the village head from a direct election. The existence of villages is formally recognized in Law Number

32 of 2004, concerning Regional Government. Furthermore, Law Number 32 of 2004 concerning Regional Government was declared null and void with the issuance of Law Number 23 of 2014 concerning Regional Government.

Specifically regarding the Village, arranged In Law Number 6 Year 2014 regarding Village, according to the provisions of Article 1 Point 1 states that the Village is a Village and Adat Village or so-called other names, hereinafter referred to as villages, is a legal community unity which has territorial boundaries to administer and administer government affairs, the interests of local communities based on community initiatives, rights

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of origin and / or traditional rights recognized and respected within the governance system The

1 Dosen Tetap Fakultas Hukum Universitas Bung Hatta

Unitary State of the Republic of Indonesia. given the definition as a legal community unity that has boundaries of the territory authorized to regulate and manage the interests of local communities recognized in the governance system of the Republic of Indonesia.

The village is a government organization that politically has certain authority to manage and manage its citizens or groups. With the position of the village has an important role in supporting the success of national government widely, even the village is the front guard in reaching the success of all affairs and programs of the government.

The village as a unit of government organization that deals directly with the community with all background interests and needs has a very strategic role, especially in the implementation of duties in the field of public services. Thus the decentralization of the larger authorities, accompanied by adequate funding and assistance of infrastructure, is necessary to strengthen village autonomy towards village self-reliance. In Government Regulation No. 72/2005, it has also arranged funding sources for villages in order to provide services to the community, among others from sources of Original Income Village, the obligation for the Government from central to district / city to provide funds transfer for the village, grant or donations. Village Fund Allocation (ADD).

In Article 1 number 8 of the Regulation of the Minister of Home Affairs of the Republic of Indonesia Number 1 of 2017 concerning Village Management, states that a village is a village and a village adat or what is referred to by another name, hereinafter referred to as Village, is a legal community unit that has territorial boundaries that are authorized to regulate and manage government affairs, community interests based on community initiatives, origin rights, and/or traditional rights that are recognized and respected in the legal system. the government of the Unitary State of the Republic of Indonesia.

The allocation of village funds is one of the forms of financial inter-governmental relationship between the district government and the village government. To be able to formulate the appropriate financial relationship it is necessary to understand the authority of the village government.

One form of government fund transfers is the allocation of village funds (ADD) which has been set at 10% of the central and regional government balance funds received by each district / city government. The formal provisions governing ADD more clearly as the implementation of the Government Regulation are contained in Permendagri 37/2007 in Chapter IX. The Permendagri has been adequately explained from the ADD objectives,



theprocedures for calculating the budget per village, the distribution mechanism, the use of funds up to its accountability.

In the development of the village as stipulated in the provisions of Law Number 6

Year 2014 About this Village if it requires a large amount of funds should be multi-year budgeted and it must be supported strong commitment in the implementation because it is also possible that the program / activity is just over from 1 period of leadership of Village Head. It will be more optimal if than the existing budget each year is only distributed equally per RT / RW whose value may be sufficient to repair the village road or create a ditch. If the village apparatus, principally the Village Head is able to convince and educate the community how microhydro development has enormous benefits, ranging from fulfilling the basic needs of household electricity to the benefits to drive the local economy, automatically the level of awareness and participation of the community will be greater to succeed the program the. This is actually the Government's anticipated goal by requiring the District / City Government to provide an ADD budget for each village.

When the village head establishes a program, the village apparatus and the other ranks help as it becomes the duty of the villagers to participate in village activities or village heads. Budget management that is the budget is a special budget of community empowerment program that is ADD Village Fund Allocation. 70% of ADD funds for community empowerment program and 30% for village government apparatus. In accordance with the Regulation of the Minister of Home Affairs Number 37 of 2007 on Guidelines for Village Financial Management, Article 20 Paragraph (2) letters a and b mentions the formula used in the classification of the Allocation of Village Funds namely Asas Merata and Asil Fair. The dynamics of village fund allocation is due to the 2015

Budget Fund Allocation Determination, so that many villages have received village fund allocations. From 34 provinces in the Republic of Indonesia, divided into each district / city.2 Based on these descriptions, the authors are interested in researching **"Allocation Village Fund"**.

2 http://www.djpk.kemenkeu.go.id/attachments/article/470/Rincian%20Dana%20Desa% 20per%20Kabupaten%20Kota%202015.pdf

### **1.2. Problem Formulation**

From the description on the background of the above problems, there are some things that become the problem of writing, among others:



1. What is the impact of Village Fund Allocation in increasing development in the village?

2. What are the legal consequences of accountability for Village Fund Allocation if there is no Village Government in that area?

### **1.3.** Purpose of Writing

From the description on the background of the above problems, there are some things that the purpose of writing, among others:

1. To analyze the impact of Village Fund Allocation in increasing development in the village?

2. To analyze the legal consequences of accountability for Village Fund Allocation if there is no Village Government in that area?

### 1.4. Benefits of Writing

The benefits expected from the results of this writing, among others:

1. Practical Benefits

This writing is expected to be useful to provide input and information in dealing with issues related to the allocation of village funds. At the same time this writing is expected to benefit the village community, especially the Regional Government, Village Government and Village Apparatus in the Allocation of Village Funds.

2. Theoretical benefits

There are several theoretical benefits of the results of this writing, among others:

1) It is hoped that this writing can be used as reference or reference as well as scientific development in the field of Constitutional Law, especially the Law of Regional Government.

2) The results of this writing is expected to be a contribution of scientific thinking relating to the requirements and classification of Village Fund Allocation.

#### 1.5. Writing Method

#### 1. Problem Approach



Writing is needed in an effort to determine the direction and manner in which the problems that have been formulated can be described and the picture as informed. This writing uses a normative legal approach.

#### 2. Types and Data Sources

Seeing the problem approach that has been determined above, namely the normative juridical approach, this affects the type of data needed. As stated by Peter Mahmud, legal research is normative research but not only researching positivist law3.

Likewise according to Shidarta, normative legal research tends to talk about norms in a broad sense, while research on juridical norms talks about norms in a narrow sense, namely norms in statutory regulations4.

The type of data used includes secondary data. Secondary data is data that is already available that can be obtained through the literature, this secondary data is used to carry out discussions in the form of legal materials. Legal materials as intended include:

#### a) Primary Legal Material

Primary legal materials in the form of a set of legislation and Government Regulations are used as a juridical foundation in an effort to solve problems and closely related to the title Writing. The primary legal materials as intended are among others:

1. Law Number 23 Year 2014 regarding Regional Government

2. Law Number 6 Year 2014 About the Village,

3. Government Regulation No. 43 of 2014 on the Implementation Guidelines for Village Law.

3. Government Regulation Number 60 Year 2014 Village Funds sourced from APBN.

4. Regulation of the Minister of Home Affairs of the Republic of Indonesia

Number 1 of 2017 concerning Village Management b) Secondary Legal Material

3 Peter Mahmud 2005, Penelitian Hukum, Prenadamedia Group, Jakarta, hlm. 42-56.

This legal substance essentially provides theoretical explanation of the formulation of the rule formulation as the legal basis and or explains theoretically the primary legal material, such as the opinions of experts contained in the literature, journals and the results of writing used and the necessary documents.

#### 3. Data Collection Techniques

Against Secondary Data, the technique of collecting secondary data in the form of legal materials is done by conducting library and journal study. The necessary legal material as intended in advance is carried out inventory and subsequently recorded in the pre-provided book.



#### 4. Processing and Data Analysis

a. Data processing

After the data obtained then done the data processing by doing the editing or sorting of the data really needed and unnecessary data. The data obtained is also checked again or researched whether in accordance with reality and can be justified truth. Truth data is needed because the author review about the actual situation in the field, therefore required a concrete and valid data.

b. Data analysis

Data that has been processed as intended above, then analyzed by using qualitative analysis, this is because the data have been obtained basically only in the form of description of sentences, the formulation of the provisions, the opinions of experts. From the results of the analysis, descriptive analytical data that describe the results of the actual writing or in accordance with facts that can be justified scientific truth.

## **1.6. Theoretical Framework**

### 1. Social Welfare Theory

The life coveted by all human beings in this world is prosperity. Both those who live in the city as well as those in the village, all crave a prosperous life. Prosperity is born and inner. However, in its journey, life lived by man is not always in prosperous condition. The tide of life makes people always try to find ways to stay prosperous.

Social welfare can be interpreted as a prosperous condition of a society, social welfare generally includes health, economic conditions, happiness and quality of life of the people.2. **Definition of Village Fund Allocation** 

The Village Fund Allocation commonly referred to as ADD is the Village Specific Allocation allocated by the Government through the Regional Government (Kabupaten). The main objective is to accelerate the development of village level both physical development (means of pre-facilities) as well as human resources.

The allocation of Village Funds, hereinafter referred to as ADD, is a fund sourced from APBD allocated for the purpose of equitable distribution of financial capacity among villages to fund village needs in the framework of governance and implementation of development and community services.5

In the provisions of Article 72 Paragraph (1) letter d. Law Number 6 of 2014 concerning Villages states that: Village fund allocations are part of the balancing funds received by the District/City.

#### 3. Village

The foundations of thinking in the Village Administration are diversity, participation, indigenous autonomy, democratization and community empowerment. Villages are not subordinate sub-districts, because subdistricts are part of the district or city apparatus, and the village is not part of the regional war. Unlike the kelurahans, villages have the right to regulate wider areas. The term of inauguration is called jugakampung or cantilan. While the village which consists only of shelter alone without any agricultural land that usually consists of a set of landscaped yard that is given a fence around the middle of the yard there is a house along with sometimes cattle, granary and others and there is a village road connecting the ban from the tip one to another village term called Karang Kopek.

# **2. Discussion**

A. Impact Allocation of village funds to increase development in the village apparatus is to make medium/long term planning by focusing on one or two programs / activities that are able to contribute greatly to the main community of the middle-down group, implement other programs / activities that are short-term. Therefore, people need to be convinced of the importance, success rate, and great value added for the

5 Definisi Alokasi Dana Desa, (Sumber : www. Pusat Panduan. com/) diakses tanggal 7 Mei 2012community for the focused programs / activities. In addition, the planning needs to pay attention to financing needs. If it requires large funds should be multiyear budgeted and it must be supported strong commitment in the implementation because it is possible also that the program / activity has just finished more than 1 period of leadership of the Village Head. So as not to cause a halt to the continuation of the program being run. Furthermore, the government budget given to the villages is entirely linked to development facilities and village empowerment as one of the institutions that contribute in the format of governance. The funds should be used and allocated as they are in accordance with applicable law and regulations established by the Indonesian government. So that with ADD is able to improve village development, community participation in empower and implement the aid for the future.

Classification The allocation of village funds under Law No. 6 of 2014 on Villages is 30% (thirty percent) for village government apparatus and government expenditures, 70% (seventy percent) for community empowerment costs. For Community Empowerment Shopping used for:





a. The cost of repairing public facilities on a small scale.

b. Equity participation of the community through BUMDesa. c. Cost for procurement of food security.

d. Environmental and residential improvements. e. Appropriate technology.

f. Improved health and education. g. Socio-cultural development.

h. And so it is considered important.

Furthermore, Article 72 Paragraph (4) of Law Number 6 of 2014 concerning Villages states that: Village fund allocation as referred to in Paragraph (1) letter d is at least 10% (ten percent) of the balancing funds received by the District/City in the Budget Regional Revenue and Expenditure after deducting the Special Allocation Fund.

B. The legal consequences of accountability for Village Fund Allocation if there is no village government in that area is the regional head of the lowest regional government in the area, and the government should. The Regional Head from the lowest Government where there is the Village Government is indeed not listed as therecipient of the village fund allocation. For example, West Sumatra Province is a Minangkabau Customary Country, where historically the village administration came from Nagari which were then divided into villages, but currently Nagari are aligned with villages which nationally harm Minangkabau Custom because the lowest governance system uses Nagari Government, namely 1,035 in September 2022

Nagari. However, in implementing Village Fund Allocations, ADD accountability is integrated with village budget accountability, so that the form of accountability is village budget accountability.

# 3. Cover

#### 3.1. Conclusion

Based on the discussion can be summed up as follows:

1. That the Impact of Allocation of village funds can increase development in the village. The basic thing that must be done by the village apparatus is to make medium/long term planning by focusing on one or two programs/activities that are capable of making a major contribution to society. Classification of village fund allocations based on the Village Fund Allocation Budget in principle should be in accordance with the Equal and Fair Principles for every community within the village government. Distribution of Village Fund Allocations to Village administration 30% for the Interests of Village Apparatuses and 70% for Community Empowerment in Village governance.



2. Whereas the legal consequence of accountability for Village Fund Allocation if there is no Village administration in that area is the regional head of the lowest Regional Government in the area, and the Government should carry out a juridical review and historical review of the Village Fund Allocation policy.

# **3.2. Suggestions**

1. Funds used for Village Government must be selected according to the needs of the Village Administration concerned, and also calculated based on the Regional Own Revenue of each Region.

 The Allocation of Village Funds must be able to increase village development, community participation in the utilization and implementation of Village fund assistance.

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