

## COORDINATION OF LOCAL GOVERNMENT PROPERTY MANAGEMENT BASED ON AUTONOMY SYSTEM IN INDONESIA

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### ABSTRACT

*Local autonomy run by Law Number 23 Year 2104 on Local Government requires the close and harmonious relationship between local government levels through the coordination process. However the reality in terms of regional asset management aspects of coordination has not been realized. The study aimed to mapping the urgency of regional asset management coordination between Lampung and East Lampung regency is done in the corridors of doctrinal research as well as the use of the statute and conceptual approach. The findings of this study are: Urgency coordination Management of property area in Lampung and East Lampung district based on the twelve (12) of legislation related to asset management area it exposes aspects of authority and substantive aspects asset management area that can be used coordination base in the area of property management. The coordination is urgent to be done in terms of harmonization of laws product settings area, not on the technical management.*

Keywords: Coordination, Decentralization, Regional Property Management.

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### A. Introduction

The paradigm of good governance requires the existence of management in the field of asset management area that is capable of creating governance effectiveness and efficiency in performing tasks, functions, powers and responsibilities to the community. Local government property should be managed professionally within the framework of orderly government that can be justified by managerial and administrative and judicial.

Implementation of regional autonomy is governed by Act No. 23 of 2014 on Regional Government wants local governance creative in utilizing functionally all the wealth of the region in accordance with the principles of good governance. Development of property utilization areas should be conducted in a transparent, accountable and equitable.

Asset management area by the Provincial Government of Lampung and East Lampung regency government in the conception of state law (rechtsstaat) based on the Constitution of the Republic of Indonesia Year 1945 (UUDNRI 1945) clearly requires certainty and the rule of law. Legal certainty become the foundation of good governance by providing a great benefit for the welfare of the people by doing asset management area becomes an important asset for the region. By setting it on local regulations is expected to create legal certainty for the Provincial Government of Lampung and East Lampung regency government, the public and all stakeholders in relation to the asset management area.

Provincial Government of Lampung and East Lampung regency government many have and use goods obtained from various sources. The goods were either used by the authorities as well as to public service and to the welfare of society need to be managed with a strong legal basis. A local regulations regarding asset management area in the Provincial Government of Lampung and East Lampung district is constructed to provide a solid legal basis for the use of goods belonging to the area optimally. Local regulations have to be prepared, legally to provide legal certainty and legal benefit for the Government of Lampung and East Lampung regency government and citizens. The local government, the business world and society at large should get the benefit of local property managed by the Provincial Government of Lampung and East Lampung regency government.

Goods belonging to the area of Lampung and Lampung provincial government substantively East will have significance in governance if it can be optimized to meet the needs of the community. Hence that goods regionally owned property or a regional asset that should be managed properly in order to give meaning and benefits as much as possible, and not just as a wealth of great area but also must be managed efficiently and effectively in order to avoid waste and must be accounted for.

Implementation of asset management areas should be done by setting policies, programs and activities that are administratively necessary to provide favorable economic value for the government and society. Goods belonging administratively area must be well managed to provide for the greater prosperity of the community. Government-owned goods Lampung and East Lampung regency government needs to be managed using orderly approach and administrative management in accordance with Government Accounting Standards. Regional organizations operating in the management of goods belonging to the Government of Lampung and East Lampung regency government has the responsibility to manage in a transparent and berkepastian.

The property of the Government of Lampung Province and the Government of East Lampung district within the framework of the regional administration annually quantitatively and qualitatively are increasing both in the implementation of the

Government, Development and Society, especially with the enactment of Government Regulation No. 6 of 2006 on the Management of State/Regional as amended by Government Regulation No. 38 Year 2008 regarding Amendment to Government Regulation No. 6 of 2006 on the Management of State/Regional, which further regulated by the Minister Regulation No. 17 Year 2007 on Technical Guidelines for Regional Property Management. Government of East Lampung follow these provisions by issuing Regional Regulation No. 8 of 2013 on Regional Property Management.

But in its development now, the legislation governing the asset management area have been replaced by Government Regulation 27 of 2014 on Management of State/Regional (State Gazette of the Republic of Indonesia Year 2014 Number 92, Supplement to the State Gazette of the Republic of Indonesia Number 5533), which later further arranged with Minister Regulation No. 19 Year 2016 on Guidelines for Management of Regions. Until now, both the Provincial Government of Lampung and East Lampung regency government still basing their goods management arrangement at the old regulation rules. As a local government entity, East Lampung should refer to the legal product provincial government as an arm of the central government in shaping the rules of the asset management area. For that aspect of coordination in the management of such goods to be very important.

This paper intends to explain the legal framework on the need of coordination in the management of goods belonging to the province of Lampung and East Lampung district in the regional autonomy system prevailing in Indonesia, so the direction of legal policy coordination asset management areas can be run properly and in accordance with legislation The latest in the field of asset management.

## B. Method

This research was done with the corridor normative legal research (doctrinal research) that only uses secondary data. The research model law is a comprehensive and analytical study of the material primary law and secondary law. Approach the problem using the approach of law (statute approach) and the conceptual approach (conceptual approach).<sup>1</sup> Data was analyzed qualitatively by describing the data resulting from research into a systematic form of explanation in order to obtain a clear picture of the issues examined, the results of the data analysis is concluded deductively.

## C. Discussion

The existence of the regional administration is a consequence of the decentralization policy applied in a system of state government. Etymologically the term "decentralization" is derived from the Latin, *de* meaning loose and *centrum*, which means the center. Decentralization means letting go of the center. From the point of constitutional meaning of decentralization is devolution of power from central government to the regions that manage their own household.<sup>2</sup>

According to Bagir Manan, decentralization in the general sense is any form or action dispersive power or authority of an organization, office, or officials.<sup>3</sup> In regard to self-government, decentralization only covers the dispersal of power in the area of autonomy.<sup>4</sup> With Irawan Sujito explaining, Bagir Manan Indonesia stated that the experts follow a somewhat different way of compartmentalizing on decentralization, the territorial decentralization, decentralization of functional and administrative decentralization (deconcentration). Decentralized territorial and functional decentralization is what gave birth to the concept of local autonomy.<sup>5</sup>

Autonomy is essentially a political concept, which has always been associated or commensurate with the sense of freedom and independence. Something to be considered autonomous if he determines himself, making its own laws for the purpose of self-regulating, and run by the authority, power, and at its own initiative. Political content contained in these terms is that with freedom and independence, then an area considered autonomous if it has the authority (authority) or power (power) in governance, especially to determine the interests of the region as well as its own society.<sup>6</sup>

A broader view of the decentralization policy as proposed by Cheema and Rondinelli. Experience in various countries has shown real results and kindness obtained with the decentralization policy was followed, among others, can be broken down as follows: Reducing the accumulation of work at the seat of government; In the face of the most urgent problem that requires prompt action, the area need not wait for instructions from the central government again; Can reduce the bureaucracy in a bad sense because every decision can be immediately implemented; and In a decentralized

<sup>1</sup> Peter Mahmud, *Legal Research*, Prenada Kencana, Jakarta, 2005, pp xx.

<sup>2</sup> Victor M. Situmorang, *Local Government Administration Law*, Jakarta: Sinar Grafika, 1994, p. 38.

<sup>3</sup> Bagir Manan, *Dawn Toward Autonomy*, Publisher Center for Legal Studies (PSH) Faculty of Law UII, Yogyakarta, 2001, p. 10.

<sup>4</sup> The word autonomy is derived from the Greek "auto" means alone and "nomous" which means law or regulation. Relating to politics and government, the local autonomy means self-government or the condition of living under one's own laws. That is an area that has a legal self-sufficiency that is self-government that is regulated and managed by the own laws. Therefore, more emphasis autonomy aspirations than the condition. Sarundanjang, *Reverse Flow Power to the Regional Center*, Pustaka Sinar Harapan, Jakarta, 1999.

<sup>5</sup> Bagir Manan, *The Relationship Between Central and Local According to the principle of decentralization By 1945*, Dissertation, Faculty of Graduate Studies, University of Padjadjaran, Bandung, 1990, p. 22. In Yuswanto, *Position General Allocation Fund (DAU) In Relation Between Central and Local Autonomy Based on the principle*, Dissertation, Faculty of Graduate Studies, University of Padjadjaran, Bandung, 2006, p. 17.

<sup>6</sup> Culla, Adi Suryadi, "Overview of Regional Autonomy in Politics", in Indriyanto, *Papers: Autonomy and Regional Development*, 2001, p 3.

system, may be held differentiation and specialization that are useful for certain purposes. Particularly the territorial decentralization, can more easily adapt to the needs/special regional needs and circumstances.<sup>7</sup>

In the regional autonomy in any field takes a clear coordination between levels of government. According to G.R. Terry, coordination is a synchronous and regular effort to provide the exact amount and timing, and direct the implementation to produce a uniform and harmonious action on specific targets.<sup>8</sup>

E.F.L. Brech, stated that coordination is offset and moving the team to provide a suitable location with the work activities of each and keep the activities carried out with proper alignment between the members themselves.<sup>9</sup> Meanwhile, according to Mc. Farland coordination is a process in which a group of business leaders develop a pattern of regularly between subordinates and ensure unity of action in achieving a common goal. From some of the coordination that has been described previously, there are similarities essence essentially for the alignment and the harmonization of achieving certain goals.<sup>10</sup> Coordination is a relevant concept to be applied in governance in the region. Coordination of government as a form of cooperation in regional governance is an important aspect in order to achieve government objectives. The concept of coordination rule is applied in the general coordination of government organizations, the issue of cooperation between government officers and affinity with each other, including in the case of goods or asset management area.

Understanding Asset or Assets (with an s) which has been in Indonesiakan in general is a good (thing) or for something (anything) that has;

1. The economic value (economic value),
2. The commercial value (commercial value) or
3. The exchange rate (exchange value); owned by institutions, organizations, business entities and individuals (individuals).

Asset (Asset) is the goods, which are in a legal sense are called objects, which consist of immovable and moving objects, both tangible (tangible) and intangible (Intangible), which is included in the asset / wealth or possessions of an agency , organization, entity or individual people.<sup>11</sup>

According Doli Siregar, in his book Asset Management explains the notion of the assets based on the perspective of sustainable development, which is based on three principal aspects: natural resources, human resources, and infrastructure such as the following:

1. Natural resources are all natural resources that can be used and is required to meet human needs.
2. Human resources are all contained in the human potential as a mind, arts, skills, and so on that can be used to meet the needs for himself or others or society in general.
3. Infrastructure is something man-made that can be used as a means for human life and as a means to be able to utilize the natural resources and human resources with semaksimalnya, both for current and future sustainability.

The notion assets found in the Ministry of Home Affairs and Ministry of Finance has the same sense that all goods purchased or obtained at the expense of APBN/APBD or derived from other legitimate acquisition. Therefore, the assets we mean in this context are:

1. All items of inventory owned by the local government.
2. All goods resulting from the activities of the project budget /APBN /LOAN which has been handed over to the local government through the Department / Related Agencies
3. All items are legally controlled by local governments such as; nature reserves, heritage, attractions, minerals / quarrying C and so on, which can be a source of local revenue that is sustainable and that need to manage local governments in their use and maintenance.<sup>12</sup>

Based on Law No. 1 of 2004 on State Treasury is a Regional Property is all goods purchased or obtained at the expense of the budget or come from other legitimate acquisition. East Lampung district government as local government entities also have property to support local governance.

East Lampung district government established by Act No. 12 of 1999, was inaugurated on 27 April 1999 with the central Government in the District Sukadana. Local Government East Lampung district covers 10 subdistricts definitive, 13 districts Maid and 232 village, next to the in Government Regulation No. 46 of 1999, two (2) districts maid namely Sub Margatiga and Sekampung Udik status on the increase to the District Definitively, thus regency East Lampung increased two (2) districts into 12 subdistricts and 11 districts definitive attendants and 232 villages.<sup>13</sup>

As a form of legality asset management area based on Government Regulation No. 6 of 2006 on the Management of State / Regional as amended by Government Regulation No. 38 Year 2008 regarding Amendment to Government Regulation No. 6 of

<sup>7</sup> Cheema, Shabbir and Dennis Rondinelli, Decentralization and Development, Policy Implementation in Developing Countries, Beverly Hills, California, Sage Publications, 1984. In Syaekani HR, et al, 2002, pp 32-35.

<sup>8</sup> George R Terry, Principles of Management, Prints sixth, Earth Literacy, Jakarta. 2000.

<sup>9</sup> Malay Hasibuan, SP, Management, Basics, Understanding, and Problems, Earth Literacy, Jakarta, 2001, p 85.

<sup>10</sup> Soewarno Handyaningrat, Introduction to the Science of Administration and Management, Gunung Agung, Jakarta. 1985, p 89.

<sup>11</sup> Module 1 Technical Training Asset Management, Asset Management Basics / Regional Property, MOHA-LAN, Jakarta, 2007, p 3.

<sup>12</sup> Ibid, p 4

<sup>13</sup> [https://id.wikipedia.org/wiki/Kabupaten\\_Lampung\\_Timur](https://id.wikipedia.org/wiki/Kabupaten_Lampung_Timur), accessed March 11, 2017.

2006 on the Management of State / Regional, which further regulated by the Minister Regulation No. 17 Year 2007 on Technical Guidelines for Management of Regions.

But in development at this time, legislation governing the asset management area have been replaced by Government Regulation 27 Year 2014 concerning Management of State/Regional are further regulated by the Regulation of the Minister of Home Affairs Number 19 Year 2016 on Guidelines for Management of Area. The rule change must be addressed by the Government of East Lampung district to conduct an evaluation of the Regional Regulation No. 8 of 2013 on Regional Property Management, to establish new laws and adapt them to the local regulations in the areas of Lampung Province asset management area. The relationship is described as follows:

Figure 1. Patterns of Regional Property Management Coordination



Can be further elaborated that the philosophical consideration of the needs of such coordination is: that the property needs to be managed accountably area that can be used optimally in governance, development and service to the public in accordance with the spirit of regional autonomy. The sociological considerations about the need for coordination of the regional asset management is that the asset management area is part of the financial management / wealth of the area that should be done in an orderly, effective and efficient for the people of East Lampung regency.

While the juridical considerations necessary coordination asset management area is that to implement the provisions of Government Regulation 27 of 2014 on Management of State/Regional are further regulated by the Regulation of the Minister of Home Affairs Number 19 Year 2016 on Guidelines for Management of the Region, needs to be done changes in asset management and orderly administration of local asset management in accordance with the principles of good local governance.

In addition to being reality and philosophical aspects, sociological and juridical the coordination of Property Management Area should be well propped on the legal framework of the form of the legislation concerned to gain legitimacy and fulfilling aspects of synchronization and harmonization in the context of setting the legislation in the field of Property Management Area. The Regulation Legislation Related Legal Framework coordination needs Regional Property Management in East Lampung Regency of Lampung Province are presented on the following table.

Table 1. Regulation Legislation Related Needs of Regional Property Management Coordination

No	The Type Regulation Legislation Related
1	Article 18 paragraph (6) of the Constitution of the Republic of Indonesia Year 1945.
2	Law Number 17 Year 2003 on State Finance (State Gazette of the Republic of Indonesia Year 2003 Number 47, Supplement to the State Gazette of the Republic of Indonesia Number 4286).
3	Law Number 1 of 2004 on State Treasury (State Gazette of the Republic of Indonesia Year 2004 Number 5, Supplement to the State Gazette of the Republic of Indonesia Number 4355).
4	Law Number 12 Year 2011 on the Establishment of Legislation (State Gazette of the Republic of Indonesia Year 2011 Number 82, Supplement to the State Gazette of the Republic of Indonesia Number 5234).
5	Law No. 5 of 2014 on the Civil Apparatus (State Gazette of the Republic of Indonesia Year 2014 Number 6, State Gazette of the Republic of Indonesia Number 5494).
6	Law Number 23 Year 2014 regarding Regional Government (State Gazette of the Republic of Indonesia Year 2014 Number 244, Supplement to the State Gazette of the Republic of Indonesia Number 5587).

7	Government Regulation No. 2 of 2001 on Security and Transfer of Assets / Assets of State of the Central Government to Local Government in the Context of Regional Autonomy (State Gazette of the Republic of Indonesia Year 2001 Number 6, State Gazette of the Republic of Indonesia Number 4073).
8	Government Regulation No. 71 Year 2010 concerning the Government Accounting Standards (Official Gazette of the Republic of Indonesia Year 2010 Number 123, Supplement to the State Gazette of the Republic of Indonesia Number 5165).
9	Government Regulation 27 of 2014 on Management of State / Regional (State Gazette of the Republic of Indonesia Year 2014 Number 92, Supplement to the State Gazette of the Republic of Indonesia Number 5533).
10	Minister Regulation No. 5 of 1997 on Demands Demands Compensation for Treasury and Finance and Regional Goods.
11	Minister Regulation No. 80 Year 2015 concerning the Establishment of the Regional Legal Products.
12	Minister Regulation No. 19 Year 2016 on Guidelines for Management of Regions.

Source: Data Processed.

The table describes the authority and substantive aspects of asset management area that can be used as a basis in the coordination of regional property management and Lampung Regency of Lampung province east. In addition in the form of sectoral its legal regime, the above arrangement is also related to the legal regime of the regional administration.

Based on the philosophical aspects, aspects of reality and aspects of the legal framework of asset management area Lampung and East Lampung district can be seen the need to regulate the asset management area in the form of local regulations which of course would be the legal basis pengelaborasi regional policy in the field of asset management area which is expected to give birth to a responsive legal product.

Nonet and Selznick distinguishes three modalities or "statements" base associated with the law in society (law and society)<sup>14</sup>: (1) the law as a waiter power repressive, (2) the law as an institution in itself capable of taming the repression and to protect the integrity of himself, and (3) the law as a facilitator of various responses to social needs and aspirations.<sup>15</sup> This latter statement is more known by the legal term responsive.

Means responsive law showed a capacity to adapt is responsible, and thus the adaptation selective and haphazard. An institution that is responsive to strongly defend the things that are essential to its integrity while taking into account the existence of new forces in its environment. Responsive law reinforces the ways of openness and integrity can support each other even if there is a conflict between the two. Responsive institutions regard social pressures as a source of knowledge and opportunity to self-correct.<sup>16</sup> In the context of regional coordination in management of goods belonging to east Lampung district, responsive law is expected to manifest in the form of a legal product management area property are able to respond to local community needs.

#### D. Conclusion

##### 1. Conclusions

Urgency of coordination in the management of goods belonging to the area between Lampung and East Lampung Regency is set in the 12 (twelve) legislation related to asset management area it exposes aspects of authority and substantive aspects asset management area that can be used as the basis for coordinating management of goods belonging to the area. The legal framework, other than in the form of legal regimes that are sectoral, also related to the legal regime of the regional administration. Regional Property Management Coordination is very urgent because there has been a change in the rules of the center so that the necessary changes to adapt to the new rules in the field of asset management area. The coordination is urgent to be done in terms of harmonization of laws product settings area, not on the technical management.

##### 2. Suggestions

Provincial Government of Lampung need to immediately establish local regulations in the field of asset management area to be referred to by the Government of East Lampung district and underlie the process of coordination in the management of Regional Property, to conform with the new regulations in the field of asset management area. It is intended that the mechanism of regional asset management in sync and in harmony with the central policy so it does not impede the governance process in the system of regional autonomy.

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<sup>14</sup> Repressive law is the applicable law in the typology of power to apply the law for the sake of power. The law enforcement manipulated for the sake of power. FX. Adji Samekto, *Legal Relationships With Power: Seeing Reality Law in Perspective*, Journal of Laws Dynamics Vol. 13 No. January 1, 2013, p 97.

<sup>15</sup> Philippe Nonet and Philip Selznick, *Responsive Law, the translation of: Law and Society in Transition: Toward Responsive Law*, Harper & Row, 1978. Translated by Raisul Muttaqien, Nusamedia, Bandung, 2008, p 18.

<sup>16</sup> *Ibid*, p 87.

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