

Service Management of the Direct Cash Assistance Program in Lasoani Urban Village, Palu City, Central Sulawesi Province

Rudin M.^{1*}, Maria Lea Frensy Bakarbesy²

rudin.ternate@gmail.com

¹Postgraduate, Abdul Azis Lamadjid University

²Sekolah Tinggi Ilmu Administrasi Pembangunan

Palu

Article Info

Received: 2022-08-12

Revised: 2024-02-21

Accepted: 2024-03-11

Keywords:

Management; Direct Cash
Assistance; Social Policy;
Welfare

Abstract

This research aims to evaluate the service management of the Direct Cash Transfer Program in Lasoani Village, Palu City, using a normative juridical approach. This Program refers to Article 34 paragraph (1) of the 1945 Constitution, Law No. 11/2009 on Social Welfare, and Law No. 13/2011 on Handling the Poor. The research used descriptive qualitative methods through interviews, observation, and documentation. The results show that a strong legal foundation and systematic planning support the success of this Program. However, obstacles such as budget and administrative delays are still a challenge in implementation. This research confirms the importance of regulatory harmonisation, transparency, and strengthening the capacity of implementers to improve the effectiveness of the Program. Thus, BLT can contribute more to poverty alleviation and social welfare.

1. Introduction

The management of Direct Cash Assistance (BLT) in Indonesia is governed by a legal framework involving several laws, including Law No. 11 of 2009 which provides the legal basis for social assistance Programs, including BLT, to improve welfare and reduce poverty (Idrus, 2022). Although the main objective of the Program was to ease the burden on the poor, its implementation in the field showed a number of challenges, such as bureaucratic inefficiencies, budget delays, and a lack of coordination between institutions that hindered the effective distribution of BLT (Mannan et al., 2024). In addition, conflicts between national and local regulations often create confusion, leading to inconsistent implementation of BLT policies (Mannan et al., 2024). Therefore, better harmonisation of laws is needed so

that BLT can be effectively integrated into a broader social welfare strategy (Priyanta & Zulkarnain, 2023).

Another challenge is the lack of a clear accountability mechanism, which could lead to mismanagement and potential corruption in BLT distribution (Permadi, 2024). From a theoretical perspective, the application of legal policy theory and welfare state theory can provide insight into the effectiveness of BLT in promoting social justice and its role in improving community welfare (Priyanta & Zulkarnain, 2023). Although BLT did not directly increase the purchasing power of the poor, this Program provided great benefits in fulfilling their needs, especially for people with low welfare levels.

Poverty is a major problem faced by developing countries, including Indonesia, which is reflected in the economic inability of people to fulfil their basic needs (Situmorang et al., 2024). According to BPS data (2019), although the poverty rate in Indonesia experienced an overall decline in the 2006-2019 period, there were significant fluctuations in certain periods, such as in September 2013 and March 2015, which were triggered by increases in the prices of basic goods due to the fuel price hike. The BLT Program was designed to replace the increase in the cost of living caused by inflation, both directly and indirectly as a result of the fuel price increase, with the aim of helping the poor meet their basic needs. This Program demonstrates the government's success in reducing poverty, although implementation challenges still need to be overcome to improve its effectiveness in eradicating poverty in Indonesia.

This research has originality because it examines the management of BLT services through a normative juridical approach at the local level, with a focus on the implementation of regulations such as Law No. 11/2009, Law No. 13/2011, and Palu City Regional Regulation No. 9/2014. This provides a new perspective in integrating welfare state theory with social assistance management practices at the local level. This research contributes by providing a law and policy-based analysis of the implementation of BLT, particularly in the Lasoani Village area. In addition to enriching the literature on social Program service management, this research is also an important reference for local governments in designing more transparent and accountable social policies.

2. Research Method

The research method used in this research is legal research with a normative juridical approach, which aims to examine the implementation and service management of the Direct Cash Assistance Program (BLT) in Lasoani Village,

Palu City. This research is descriptive qualitative, because it aims to describe the phenomena that occur related to the implementation of the Program without making changes or manipulations to the variables studied. The approach used focuses more on understanding and interpreting the laws and policies governing the BLT program, by analysing relevant laws and regulations.

Data was collected through observation, interview, and documentation techniques. Observations were made to observe the implementation of the Program directly in the field, while interviews were conducted with qualified informants according to certain criteria, such as village officials who handled the Program and BLT beneficiaries. Documentation was used to collect written data that supported the understanding of the policy and Program implementation.

The data analysis technique used in this research follows the stages proposed by Miles, namely data collection, data reduction, data presentation, and verification. In this process, the collected data will be grouped and analysed systematically to obtain valid and accountable conclusions.

In addition, this research also uses a statutory approach, by referring to the 1945 Constitution and various laws and regulations related to social welfare and integrated data management. Some of the relevant regulations include Law No. 11/2009 on Social Welfare, Law No. 13/2011 on Handling the Poor, as well as government and ministerial regulations governing electronic transaction systems and social welfare data management. With this approach, it is expected to know the extent to which the implementation of the policy is in accordance with existing legal norms and how this Program is managed in the context of Indonesian law.

3. Results and Discussion

Legal policy theory emphasises how the state designs and implements policies to achieve certain goals, especially those related to the social welfare of society (Diatnika & Mahendrayana, 2022). In the context of the BLT Program, legal policy theory can be seen in the process of how local governments formulate social policies to address poverty issues and ensure the welfare of their citizens. The policy taken by the Lasoani Village government is part of a larger state policy to fulfil the basic rights of the community, which is regulated in the 1945 Constitution Article 34, which mandates the state to provide social security for citizens in need. This social policy in the form of BLT reflects the state's response to social challenges, such

as poverty and social inequality, by providing direct assistance that aims to ease the burden on the poor.

This legal policy theory also suggests that every policy should be designed with the interests of the people in mind, with a transparent and accountable management system. In this case, the BLT program policy must be supported by clear and measurable regulations, which include regional regulations such as Palu City Regional Regulation No. 9/2014 on Budget Allocation for Direct Cash Assistance. The clarity of this regulation is a fundamental reference in the planning and implementation of the Program so that the assistance is right on target and in accordance with applicable regulations.

The planning of the BLT Program in Lasoani Village, Palu City, which includes the legal basis of Palu City Regional Regulation No. 9/2014 and the planning mechanism through data collection of residents entitled to receive assistance, is closely related to legal policy theory. According to legal policy theory, every policy must be designed based on the principles of the applicable law and be structured to accommodate certain objectives, in this case to achieve the social welfare of the community. In an interview with Ibu Lili Herawati, SE, Secretary of the Village Head, it was explained that good planning includes a clear standard operating procedure (SOP), which is a reference for policy implementation. This is in line with Widodo's (2007) opinion, which states that policies need to have clear standards and targets so that their implementation can be effective and in accordance with the desired goals.

In welfare state theory, the state is considered responsible for providing basic needs for its citizens, especially those who are less well-off. A welfare state not only provides financial assistance but also creates policies to improve the quality of life and welfare of the community. The BLT program in Lasoani Village can be seen as a tangible form of the welfare state theory, where the state provides social protection with the aim of reducing social inequality and providing greater opportunities for marginalised communities.

The social welfare prioritised in the BLT Program is part of the state's efforts to fulfil the basic rights of citizens as stated in the 1945 Constitution. The state is responsible for ensuring that social Programs such as BLT are not only well-planned, but also effectively implemented, provide real benefits to people in need, and can be accounted for to the public. In this theory, strict supervision and transparency in data management and aid allocation are essential so that the Program can run in accordance with the principles of the welfare state.

The management of Direct Cash Assistance (BLT) in Lasoani Village, Palu

City, Central Sulawesi Province, faced a number of inhibiting factors that affected the effectiveness of its implementation. One of these is the aspect of budget availability. Without a sufficient budget, the BLT Program could not run smoothly, hampering the distribution of assistance that should have been on time and on target. In addition, budget delays were also a major obstacle in the aid distribution process. When the budget is late, BLT distribution is hampered and beneficiaries can experience financial hardship for longer than they should.

Another factor that plays an important role is the standardised criteria for BLT recipient candidates. Unclear or inconsistent criteria can cause injustice in determining who is entitled to receive assistance. This can cause dissatisfaction among the community and worsen the distribution of assistance. Finally, the administrative factor is also an obstacle. Complicated, slow or inefficient administrative processes can disrupt the smooth distribution of assistance and even risk leading to misuse of funds.

However, there are also supporting factors that strengthen BLT management in Lasoani Village. A clear legal foundation is a major factor in supporting BLT management. Based on Law No. 11/2009 on Social Welfare and Law No. 13/2011 on Handling the Poor, the government is required to provide social assistance that is well-targeted. These regulations provide a strong legal basis for the implementation of the BLT Program, making it more structured and accountable. A clear funding stream also supports the smooth running of the Program, where aid funds can be disbursed with transparency and good supervision, in accordance with existing regulations.

Article 34 paragraph 1 of the 1945 Constitution reads that the poor and abandoned children are cared for by the state. Referring to Article 34 paragraph 1, in short, the Constitution regulates the responsibility of the state in caring for the poor in order to fulfil basic needs that are appropriate for humanity. The responsibility of the state in Article 34 paragraph 1 of the 1945 Constitution is further regulated in Law No. 13/2011 on the Handling of the Poor (Law 13/2011).

In the context of the implementation of Direct Cash Assistance (BLT) and the handling of the poor, the provisions contained in Article 34 paragraph 1 of the 1945 Constitution and Article 4 of Law 13/2011 provide a very relevant basis. Article 34 paragraph 1 of the 1945 Constitution regulates the state's responsibility to care for the poor by ensuring that they receive adequate food, clothing, housing, as well as proper health and education services. In this case, BLT is one of the important instruments in achieving this goal, by providing direct financial assistance to poor families in need. This supports

the fulfilment of basic needs stipulated in Article 34, including food and housing, which are part of the state's obligation to ensure community welfare.

Then, Article 4 of Law 13/2011 regulates the obligation of the poor to protect themselves and their families from actions that can damage health and social life, and to increase social resilience in the community. In this case, BLT also plays a role in easing the economic burden on poor families, so that they can focus on fulfilling their living and health needs without having to worry about their survival in difficult economic conditions. With the existence of social assistance such as BLT, it is hoped that they can maintain more stable social and economic conditions, in accordance with the obligations stipulated in the law.

The form of handling the poor that is regulated in Article 7 and Article 18 of Law 13/2011 includes the provision of assistance with food, clothing, housing, health, education, as well as access to employment and business. BLT directly supports this form of handling by providing direct cash assistance to poor families, which can be used to fulfil their basic needs, such as food, health, and education. In addition, through the BLT Program, the government can also touch on aspects of social protection that are structured and more targeted, so that the distribution of assistance can be better targeted.

Furthermore, in terms of community empowerment and capacity building for the poor, BLT can be the first step in encouraging poor families to become more independent. For example, with this assistance, they can access skills training or open small businesses that can improve their standard of living. Effective BLT distribution also creates opportunities for the poor to participate in poverty reduction efforts, which is one of their obligations, as stipulated in Article 4 of Law 13/2011.

Overall, the regulations in the 1945 Constitution and Law 13/2011 provide a strong legal basis for social assistance Programs, including BLT, in handling the poor. BLT not only functions as a short-term poverty reduction tool, but also as part of the government's efforts to empower the poor and ensure they can access the various social services needed to improve their quality of life.

The loyalty of employees who are committed to community welfare plays a central role in ensuring that the BLT Program can be implemented properly. Highly committed employees will endeavour to expedite the administration and distribution of the assistance, as well as ensuring that the assistance reaches those who really need it. This is in accordance with the principles of transparent and accountable state financial management. In addition, valid

and accurate data management supports the selection process of beneficiaries. With the right data, aid distribution can be more effective and reduce the potential for fraud. Valid data also supports transparency in Program implementation, which is in line with the objectives of responsible social fund management.

Based on the Minister of Villages Regulation No. 6/2020, which amends the Minister of Villages Regulation No. 11/2019, it emphasises the importance of using village funds for Direct Cash Assistance (BLT) Programs, especially in emergency situations such as the COVID-19 pandemic. This regulation regulates the dual role of village funds, which are not only used for infrastructure development but also to support the social welfare of the community. Articles 8 and 8A of the regulation provide guidelines on the BLT disbursement procedure, setting out the criteria for eligible recipients, as well as administrative procedures to ensure the funds reach the people in need. The appendix of the regulation further details the beneficiary verification stage and distribution mechanism that must be carried out carefully and accurately. The BLT Program, as part of the use of village funds, is critical to maintaining the social and economic resilience of rural communities amidst economic difficulties (Qomariyah & Choiriyah, 2024; Zarkasi, 2018).

Effective village fund management requires transparency and accountability. Clear standard operating procedures (SOPs) are one of the important elements to ensure the proper management of village funds (Qomariyah & Choiriyah, 2024). In this case, the BLT beneficiary eligibility mechanism is tightly regulated to minimise conflict and ensure that the assistance reaches the rightful beneficiaries. Research shows that advanced technologies such as artificial neural networks can improve the accuracy of determining beneficiary eligibility (Midyanti et al., 2023). However, despite its great potential, the implementation of the BLT Program also faces various challenges, including complex administrative issues and the need for strong village leadership to effectively run the Program (Karima et al., 2023). The success of the Program depends on the ability of village governments to adapt policies to local conditions and ensure a robust and efficient administrative framework (Chehafudin et al., 2022). Overall, this regulation optimises the utilisation of village funds for social welfare, but its effectiveness is heavily influenced by regional fiscal capacity as well as governance structures at the local level, which can vary between regions.

On the other hand, Minister of Finance Regulation No. 50/PMK.07/2020 on the second amendment to Minister of Finance Regulation No.

205/PMK.07/2019 on the management of village funds, focuses on managing village funds more efficiently and transparently. Article 32A regulates in detail the mechanism for managing funds used for BLT, emphasising the village's obligation to report on the use of these funds in a clear and timely manner. This aims to prevent the misuse of village funds and ensure that the allocated funds are actually used for the needs of the community in need. In addition, this regulation also prioritises the use of village funds for social programs such as the BLT, which is particularly relevant in the context of handling the economic impact of the pandemic. Transparency in the use of village funds, which is regulated in this regulation, is important to maintain accountability and public trust in the village government and its implementation.

The Minister of Villages Instruction No. 1/2020 provides further guidance to accelerate the distribution of BLT Dana Desa, especially in the face of emergency situations such as the COVID-19 pandemic. The Instruction outlines steps to be taken to ensure that the data verification process for beneficiaries is carried out quickly and accurately, so that assistance can be immediately channelled to those who really need it. It also emphasises the importance of good coordination between village governments, local governments, and other relevant officials in accelerating the disbursement and distribution of aid. In addition, this instruction emphasises the principles of transparency and accountability in the management of social funds, which allows for closer monitoring of the use of village funds. With this instruction, it is hoped that the distribution of BLT can run quickly, be right on target, and reduce the risk of misappropriation or administrative errors that could harm the community.

The planning of the BLT program in Lasoani Village, as revealed in interviews with informants, reflects an effort to design a systematic and well-organised program. An interview with Mrs Lili Herawati, SE, showed that the legal basis for this Program was Palu City Regional Regulation No. 9/2014 on Budget Allocation for the Implementation of Direct Cash Assistance, which became the guideline in carrying out data collection and distribution of assistance. This clear planning mechanism is very important because it relates to the data of beneficiaries who must be right on target. As explained by Widodo (2007), a good policy must have clear procedural operational standards (SOPs) to ensure that all parties involved understand their roles and responsibilities and have a clear reference in carrying out their duties.

Organisation in Program implementation is also crucial, as the success of a

Program depends on the effectiveness of organisation at the village level. An interview with Ibu Evana, S.Sos, as the Head of the Community Empowerment and Welfare Section of Lasoani Village, illustrates the importance of proper organisation, especially in efficient staffing management. Good organisation will ensure that the human resources involved in the Program can work optimally to achieve the set objectives. Thoha (2010) explains that employee development in an organisation is very important to ensure that employees have the qualifications and skills needed to carry out tasks effectively. In the context of the BLT Program, this means that village employees need to receive regular training and debriefing so that they can carry out their duties well, and be able to overcome obstacles that may arise in the process of Program implementation.

At the implementation stage, the BLT Program in Lasoani Village has run in accordance with the established procedures. An interview with Mr Aswad, one of the BLT recipients, showed that this Program had become a routine activity that was carried out periodically. Islamy (2007) argues that government institutions need to play a persuasive role in encouraging employees to comply with and implement government policies. In this case, regular employee training is an important part of ensuring that they have the knowledge and skills to run the Program well, in accordance with the standards that have been set.

Overall, the service management of the BLT Program in Lasoani Village Kota Palu reflects the implementation of social policy based on the principles of a welfare state. Careful planning, efficient organisation, and implementation in accordance with strict SOPs will ensure that the assistance provided can be right on target and improve the social welfare of the community. In this case, legal policy theory, welfare state theory, and legal implementation theory support each other to create an effective system to reduce poverty and improve the quality of life of citizens in need. The implementation of appropriate laws and regulations and strict supervision are key to maintaining the sustainability and effectiveness of this Program.

4. Conclusion

The service management of the Direct Cash Assistance (BLT) Program in Lasoani Village, Palu City, has helped to ease the burden on the poor by referring to the principles of a welfare state. The success of this Program was supported by a strong legal foundation and systematic planning. However, several obstacles such as budget delays, unclear recipient criteria, and administrative constraints remain the main challenges that affect the

effectiveness of implementation. To ensure the sustainability of the Program, efforts are needed to strengthen regulations, stricter supervision, and transparency in data management and aid distribution.

This research recommends increasing transparency and accountability in the management of BLT, as stipulated in Minister of Villages PDTT Regulation No 6/2020 and Minister of Finance Regulation No 50/PMK.07/2020, which emphasise the importance of transparency in the use of village funds for BLT. Optimising advanced technology can help speed up data verification of beneficiaries, while simplifying administration will speed up the distribution process. Regular training of village staff on standard operating procedures (SOPs) is also needed to ensure distribution runs smoothly. Harmonisation of regulations between the central and regional governments, such as referring to Palu City Regional Regulation No. 9/2014, is necessary to align policies that support the effective implementation of BLT.

The results of this study have practical, theoretical, and policy implications. Practically, this research helps local governments to improve the distribution mechanism and management of BLT, in accordance with the mandate of Law No. 11/2009 and Law No. 13/2011. Theoretically, this research strengthens the application of welfare state theory and legal policy theory in the implementation of social policy. From a policy perspective, this research provides guidance for decision makers to harmonise central and regional regulations to improve the effectiveness of BLT implementation.

References

- Cehafudin, M., Wibawa, S., & Wibowo, S. (2022). Evaluasi Kebijakan Dana Desa untuk Penanggulangan Kemiskinan dan Peningkatan Infrastruktur Pelayanan Dasar Air Minum serta Sanitasi Kabupaten/Kota di Indonesia. *Jurnal Ilmu Administrasi Negara ASIAN (Asosiasi Ilmuwan Administrasi Negara)*, 10(1), 374–387.
- Diatnika, D. G. A., & Mahendrayana, I. M. D. D. (2022). The Implementation Of The Legal Certainty Principle In Determining The Ability To Make Notarial Deeds Before A Notary. *Policy, Law, Notary and Regulatory Issues (POLRI)*, 1(4), 31–38. <https://doi.org/10.55047/polri.v1i4.450>
- Idrus, J. (2022). Effectiveness Of Direct Cash Assistance In Independent Villages In Barru Regency. *Journal of Humanities, Social Sciences and Business*, 2(1), 366–381.
- Karima, N., Alfirdaus, L. K., & Yuwono, T. (2023). The Politics Of Social Policy Of Direct Cash Assistance Of Village Funds (Blt Dd) As Poverty Reduction Effort In Pandemic Periods In Indonesia. *Jurnal Education And Development*, 11(1), 187–191.
- Mannan, F., Ramzy, I. M., Rato, D., & Setyawan, F. (2024). Exposing Discrepancies in Indonesia's Legislative Processes. *Indonesian Journal of Innovation Studies*, 25(2), 10–21070.
- Midyanti, D. M., Bahri, S., & Suhardi, H. I. M. (2023). Eligibility of village fund direct cash assistance recipients using artificial neural network. *Int J Artif Intell*, 12(4), 1611–1618.
- Permadi, I. (2024). Analysis of Causal Factors and Impact of Legal Uncertainty on Building Rights from Management Rights. *Jurnal Dinamika Hukum*, 24(2), 274–291.
- Priyanta, M., & Zulkarnain, C. S. A. (2023). Sustainable Infrastructure Legal Policy in Indonesia:

- A National Strategic Project Approach for National Development. *Sriwijaya Law Review*, 7(1), 1–18.
- Qomariyah, N., & Choiriyah, I. U. (2024). Implementation of BLT DD: Insights from Village Cash Assistance Program. *Indonesian Journal of Cultural and Community Development*, 15(3), 10–21070.
- Situmorang, T. S. E., Natalia, D., Simanjorang, L. A., Lara, L., Aulia, M., Dandi, N., Ucok, U., & Ompusunggu, D. P. (2024). Pengaruh Indeks Pembangunan Manusia Dan Pengangguran Terhadap Tingkat Kemiskinan Di Kota Palangka Raya. *Nian Tana Sikka: Jurnal Ilmiah Mahasiswa*, 2(1), 117–125.
- Zarkasi, A. (2018). Pengelolaan Dan Pemanfaatan Dana Desa Dalam Pemberdayaan Masyarakat. *JISIP UNJA (Jurnal Ilmu Sosial Ilmu Politik Universitas Jambi)*, 2(2), 83–94.