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## Budget Politics: A Case Study of Actor Relations in the Formulation of Local government budget Policy in Polewali Mandar Regency in 2025

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**Abstract:** Budget politics is a strategic part of regional development. Sustainable regional development is closely related to the Regional Expenditure Budget. This study seeks to reveal how actor relations are in the formulation of Local government budget Policy in Polewali Mandar Regency in 2025, the actors in question are the executive represented by the Regional Government Budget Team and the legislative represented by the Local Legislative Assembly Budget Agency. It is interesting because the preparation of the 2025 Local government budget will be carried out in 2024 which is a political year and a year of leadership transition with the simultaneous Legislative and Regional Elections. This research uses a qualitative approach that with the type of case study of the object or social reality being researched, it is holistic, complex, dynamic and full of meaning. The results of the study found that the actors involved in the preparation of the Regional Expenditure Budget are very dominated by formal executive and legislative actors, there is no room for informal actors. The transition period of executive leadership and legislative membership transition is not an obstacle to formulating the 2025 Local government budget. Compromise and Consensus are produced in their entirety by prioritizing the principle of togetherness and the welfare of citizens (constituents). The Compromise aspect in the preparation of the 2025 Local government budget is carried out by means of formal lobbying between the executive and the Legislature. The Consensus aspect was reached several agreements on efforts to make the Local government budget healthy (no deficit), the alignment of the Local Government Budget with the Local government medium term (5 year) development plan and Local Government Budget as much as possible in line with the visions and missions of the elected regent.

**Keyword:** Budget Politics, Local Government Budget Formulation, Actor Relations, Executive-Legislative.

## INTRODUCTION

A budget is a planning tool for future expenditures and revenues (or revenues), generally prepared for one year. In addition, it is also mentioned that the budget is a tool of control or supervision of expenditure and income in the future (Suparmoko 2002). Different definitions of budget are ; “All budgeting is about politics; most politics is about budgeting; and budgeting must therefore be understood” as part of political game Aaron (Aaron Wildavsky n.d.) This statement is a real reflection of the budgeting policy process in Indonesia. Because, if studied in depth, budgeting is basically a matter of making various choices or priorities to do something or not to do something (Wahyudi Kumorotomo 2005). So that throughout the process of its formation, from its planning and preparation in the bureaucratic environment, to its ratification in the legislature, and even to its implementation, making it the most important arena for political contestation after the General Election. So it can be understood that budgeting is a political activity, thus, the process and its products are political products. This condition ultimately involves various actors, not only public officials who are directly elected by the people through the general election of regional heads, but also bureaucrats and other non-formal actors outside the government system and formal political institutions.

Therefore, with the increasing involvement of formal and non-formal actors in the planning process to budget ratification both at the central and regional levels, tug-of-war, contestation and debate of the interests of various actors are inevitable. So it is not closed to the possibility of manipulation, domination, cuts, closed decision-making, and other bad practices related to the budget (Abdur Rozaki, Anang Sabtoni, Arie Sujito et al. 2008). As a result, many aspirations of the community from the lower level (grass root) are increasingly marginalized. This condition shows that budget policies actually benefit a group of elites and have not touched and provided direct benefits to many people. The commitment to the mandate of The 1945 Constitution to promote public welfare and educate the nation's life has not been fully implemented. This can be seen from the low budget support in the local government budget to improve community welfare, especially regarding the improvement of the quality of human resources.

If during the New Order period, regional planning and budgeting used a top-down, centralized, uniform approach, and so on, then currently the approach used is bottom-up, decentralized, and participatory. Through this decentralization scheme, local governments are required to prepare a Local go government medium term (5 year) development plan which is an elaboration of the vision and mission of the elected regional heads and deputy regional heads. It contains programs and activities that will be carried out during the 5 (five) year term of office of the Regional Head and Deputy Regional Head. Some or all of the programs and activities that will be carried out are adjusted to the region's financial capabilities. The Local go government medium term (5 year) development plan is a reference in the preparation of regional planning and budgeting documents, such as the Regional Government Work Plan, General Policy of the Local government budget, Priorities and Ceiling of the Provisional Budget and leads to the preparation and determination of the Local government budget.

Contestation between actors who formulate budget policies occurs more during the discussion of the expenditure component, especially direct spending. This is because in direct expenditure there is a portion of the budget to carry out programs and activities of the Local government work unit in supporting the vision and mission of the local government. Then, in the programs and activities that will be funded, there are components of the interests of various parties that must be accommodated.

The contesting legislators turned out to be more representative of their constituencies in voicing the aspirations of their constituents, especially in the Infrastructure, Education and health sectors. Meanwhile, the executive, in this case the Regional Head only follows the flow

of contestation that occurs among the politicians, because his interest in the region that brings him to the seat of power of the Regional Head remains accommodated.

So here it can be seen that budget politics is an effort to reconcile various diverse interests and fight each other for limited resources through a rational formulation that can be accepted by all parties. Then, the process of allocating limited public resources to various institutions with different objectives, is more of a political process than a purely technocratic process.

The formulation of the 2025 Local Government Budget will be discussed in 2024, this year is a transition period for executive leadership and legislative leadership in Polewali Mandar Regency. So it is very interesting to research the relationship between the actors involved. Is there an obstacle in the formulation process or is there an acceleration in the formulation of the Local Government Budget. The relationship between TIM ANGGARAN PEMERINTAH DAERAH and the Local Legislative Assembly Budget Agency of Polewali Mandar Regency is the spearhead in the discussion of the Local Government Budget, Is there a compromise and consensus in the ratification of the Local Government Budget.

## **METHOD**

This research was conducted in Polewali Mandar Regency. The researcher examines and searches for the relationship between a phenomenon and the way of collecting data, compiling, analyzing and interpreting it, so that in the end it can describe how Actor Relations in the Formulation of Local Government Budget Policy in Polewali Mandar Regency in 2025.

This research uses a qualitative approach that according to (PROF.DR.SUGIYONO 2012) The object or social reality being studied is holistic, complex, dynamic and full of meaning, with the type of case study (Yin 2011). by using an exploratory method because in addition to exploring various phenomena found in the object of research, especially logical argumentation, rationalization, orientation and interaction of actors involved in the process of actor relations in the formulation of Local Government Budget policies, it also explains the policy mechanism and interaction of political actors in discussing and agreeing on agendas and budgets. As a case study, the researcher wishes to generalize the dynamics that exist in the preparation of regional budgets, and find the uniqueness of the actor relationship process in the formulation of the Local Government Budget and explain the role of actors involved in the context of budget politics, who does what, how he gets it, and what he gets.

The data to reveal this is categorized into two, namely primary data and secondary data. Primary data sources can be traced from the recognition of actors directly involved in the formulation of regional budget policies from the executive to legislative levels, including the Regional Secretary of Polewali Mandar Regency, Members of the Regional Government Budget Team Meeting, and Members of the Local Legislative Assembly Budget Body of Polewali Mandar Regency. In addition, secondary data sources are used to support and cross-check or ensure the validity of primary data sources obtained from tracing development planning and regional budgeting documents, such as: Regional Government Work Plan; draft and memorandum of agreement General budget policies – provisional budget priorities and funding levels.

## **RESULTS AND DISCUSSION**

### **Policy Formulation**

The formulation of the Local Government Budget is part of the formulation of public policies that cannot be separated from the Butto-up hierarchy process which, according to Winarno, (Winarno budi 2005) It must go through several stages, namely; Defining Problem, Policy Agenda, Selection of Policy Alternatives to Solve Problems, Policy Determination Stage. Understanding the policy formulation process as a political process, a model is needed that can help us understand the formulation process. A model is a simple framework that is an

attempt to facilitate the explanation of a phenomenon (I Dwiyanto 2009). According to Thomas R. Dye in his book *Understanding Public Policy* (1955), there are at least nine models of policy formulation, namely the system model, the elite model, the institutional model, the group model, the process model, the rational model, the incremental model, the public choice model, and the game theory model. (Agustino 2008) Regarding the preparation of the Local Government Budget, the elite theory model has an opportunity to be implemented because the elite theory model develops from the elite-mass political theory which is based on the assumption that in every society there must be two groups, namely the holders of power or the elite and those who do not have power or the masses (Nugroho 2003). The elite approach portrays power as being owned by a small group of people called elites. Gaetano Mosca (RAMLAN SURBAKTI 2010) describes the distribution of power in society as follows. In every society, there are two classes that stand out. First, the ruling class, which consists of a few people, performs political functions, monopolizes power and enjoys the advantages that come with power. Second, the ruling class, which is more numerous, is directed and controlled by the ruler in more or less lawful, arbitrary and coercive ways.

### **Actors In The Formulation Of Local Government Budgets**

The process of preparing the Local Government Budget of the research district is through joint discussions between the executive as the executor and the legislature as the people's representative. Before entering the Local Legislative Assembly session, the executive through the Regional APlafon dan Prioritas Anggaran-ratus Organization prepares a draft work program based on the Regional Government Work Plan and the Regional Medium-Term Development Plan. Budget policies are prepared by several actors, both formal and informal actors. According to Charles Lindblom (HERZON Y 2011) To understand who exactly formulates the policy, it is necessary to understand the characteristics of all actors as well as what part or role they play, the authority or form of power they have, and how they relate to each other and supervise each other.

Formal actors are official policy-makers, those who have the legal authority to be involved in the formulation of public policy (James E. Anderson 2006). The actors mentioned by Anderson are executive, legislative, administrative and judiciary. Actors or Stakeholders are individuals or groups that have a network of power, and have certain interests. Each actor has different interests to achieve a specific goal (Febryano et al. 2015). Brian McNair (2003) defines political actors as individuals who aspire, through institutional and organizational means, to influence the decision-making process. The main political actors are those who use the power of the institutionalized government such as the president, secretary of state, judges, political parties and government institutions. Regarding actors in the preparation of the Local Government Budget as a regional budget policy prepared by the district/city local government.

According to Law Number 23 of 2014, what is meant by local government is local government and Local Legislative Assembly as the implementation of autonomous regional government according to the principle of decentralization. Regional heads or regents are official actors as executives who have a role as the holder of the highest power in the regional budget, namely the process of preparing the Local Government Budget. However, according to (Pemerintah Daerah n.d.) Law Number 23 of 2014 stipulates that local governments are not only regional heads but the Local Legislative Assembly as a legislative institution is also included as the organizer of local government. The formal actors of the executive are Local Government Budget Team which consists of the Regent as the Trustee and the regional secretary as the Chairman. This was clarified by the Regional Secretary of Polewali Mandar Regency.

"Every year, a Regional Government Budget Team will be formed, the local government budget team is tasked with preparing Work Plans, general budget policies – provisional budget

priorities and funding levels, discussing the preparation of the Local government budget with the Regional representative assembly, in this case the budget body. In the Regional Secretary's Budget Team, acting as chairman, assistant as vice chairman, head of the Regional Financial and Asset Management Agency – Head of the Revenue Agency – Head of Badan Penelitian Pengembangan Dan Perencanaan as secretary" Interview with the Regional Secretary of Polewali Mandar I Nengah Sumadana, August 15, 2024.

It is known that every year a Regent Decree will be issued related to the Regional Government Budget Team tasked with compiling and discussing the following year's Local Government Budget. There are Regional APlafon dan Prioritas Anggaran-ratus Organizations that have a strategic role, namely the Head of the Regional Finance and Asset Management Agency, the Head of the Revenue Agency, and the Head of the Research, Development and Planning Agency. This was strengthened by the statement of the Head of Badan Penelitian Pengembangan Dan Perencanaan of Polewali Mandar Regency.

"In the Budget Team, in addition to the regional secretary, the 3 Regional APlafon dan Prioritas Anggaran-ratus Organizations are very important for the role of the Research Development and Planning Agency - Regional Financial and Asset Management Agency - Revenue Agency. They take care of program planning, budget planning, spending projections, and revenue potential. It all has to be clear. Especially we have to carry out planning deliberations in stages, we also receive pokir from the council. We try to accommodate all of this in General budget policies – provisional budget priorities and funding levels" Interview with A. Himawan (Head of the Polman Research, Development and Planning Agency) July 24, 2024

The explanation above shows the fact that the most important role in the preparation of the Local Government Budget in the executive actor is carried out by 3 regional aPlafon dan Prioritas Anggaran-ratus organizations, namely Badan Penelitian Pengembangan Dan Perencanaan - Badan Pengelolaan Keuangan Dan Aset Daerah - Revenue Agency. Badan Penelitian Pengembangan Dan Perencanaan takes care of the planning of activities and programs starting from the sub-district to the district musrembang and also receives input on the main ideas proposed by the Local Legislative Assembly. Regional Financial and Asset Management Agency is in charge of preparing budget planning and spending projections. Meanwhile, the revenue agency is in charge of compiling a projection of the amount of revenue in 2025. After being agreed, General budget policies – provisional budget priorities and funding levels are then discussed with the Budget Agency of the Local Legislative Assembly.

Another formal actor is a Member of the Local Legislative Assembly of Polewali Mandar Regency, namely from the budget body consisting of 17 people The budget agency starts working after the General budget policies – provisional budget priorities and funding levels are agreed with the Regional Government Budget, the Budget Agency will hold a budget meeting with the Regional Government Budget Team and also invite regional aPlafon dan Prioritas Anggaran-ratus organizations. The meeting was held to confirm the programs and activities that have been proposed in the General budget policies – provisional budget priorities and funding levels. This is emphasized by the statement of the chairman of the budget agency.

"Banggar begins to work effectively after the General Budget Policies – Provisional Budget Priorities And Funding Levels are submitted, we will invite the Regional Government Budget Team and Regional APlafon dan Prioritas Anggaran-ratus Organizations to explain the programs in the General budget policies – provisional budget priorities and funding levels" Interview with Fahry Fadly (Chairman of the Budget Agency 2024-2025), November 20, 2024.

All programs and activities in the General budget policies – provisional budget priorities and funding levels will be discussed in detail in a budget meeting initiated by the budget body. In the budget meeting, expenditure projections and regional revenue projections were also



discussed, in the budget meeting there will be budget rationalization for each program and activity.

### **Preparation of the Local Government Budget**

Regional Governments need to prepare Regional Revenue and Expenditure Budgets to ensure the adequacy of funds in carrying out their government affairs. Therefore, it is necessary to pay attention to the compatibility between the authority of the government and the source of funding. Local Government Budget is an annual regional financial plan that is discussed and approved jointly by the local government and the Local Legislative Assembly, and stipulated by local regulations (Permendagri n.d.) One of the important aspects of local government that must be carefully regulated is the issue of financial management and regional budgets. The regional budget reflected in the Local Government Budget is the main policy instrument for local governments, occupying a central portion in efforts to develop the capabilities and effectiveness of local governments. The regional budget should be used as a tool to determine the amount of revenue and expenditure, a tool for decision-making and development planning as well as a tool for future expenditure authorities and a standard measure for evaluating performance and a coordination tool for all activities in various work units (Mardiasmo 2010).

The arrangement of the suitability of authority with its funding is as follows: The implementation of government affairs that are the authority of the regions is funded from and on the burden of the Local Government Budget, The implementation of government affairs that are the authority of the central government in the regions is funded from and on the burden of the State budget, The implementation of provincial government affairs whose assignments are delegated to districts/cities and/or villages, funded from and on the burden of the provincial Local Government Budget, Implementation of district/city government affairs whose assignment is delegated to the village, funded from and at the expense of the district/city Local Government Budget.

#### **1. Regional Government Work Plan**

The preparation of the Regional Revenue and Expenditure Budget is guided by the work plan of the local government. Therefore, the first activity in the preparation of the Local Government Budget is the preparation of the local government work plan. The local government prepares the Local Government Work/Development Plan which is an elaboration of the Regional medium-term development plan using materials from the work plan of the Regional Apparatus Work Unit for a period of 1 (one) year which refers to the central government work plan. The Local Government Work/Development Plan contains a draft regional economic framework, development priorities and regional obligations, measurable work plans and funding, both implemented directly by the government, local governments and pursued by encouraging community participation.

In particular, regional obligations consider the achievement of minimum service standards set in accordance with laws and regulations. The Local Government Work/Development Plan is prepared to ensure linkages and consistency between planning, budgeting, implementation, and supervision. The preparation of the Local Government Work/Development Plan is to be completed by the end of May before the relevant budget year. The Local Government Work/Development Plan is stipulated by the regulation of the regional head.

#### **2. General Budget Policy**

After the local government work plan is determined, the local government needs to prepare a general policy on the Local Government Budget as well as priorities and temporary budget ceilings that serve as a reference for regional apparatus work units in preparing work

plans and budgets for Regional Apparatus Work Units. Regional heads prepare a draft of General Budgetary Policies based on the Local Government Work/Development Plan and guidelines for the preparation of the Local Government Budget set by the minister of home affairs every year. The guidelines for the preparation of the Local Government Budget set by the Minister of Home Affairs contain, among others: Policy points that contain the synchronization of government policies with local governments, Principles and policies for the preparation of the Local Government Budget for the relevant fiscal year, Technical preparation of the Local Government Budget, and other special matters.

The draft General Budgetary Policies contain measurable performance targets from the programs to be implemented by the local government for each local government affairs accompanied by regional revenue projections, regional expenditure allocations, sources and use of financing accompanied by underlying assumptions. The programs are aligned with the development priorities set by the central government. Meanwhile, the underlying assumption is consideration of macroeconomic developments and changes in the main fiscal policy points set by the central government. In drafting the General Budgetary Policies, regional heads are assisted by the Regional Government Budget Team led by regional secretaries. The draft General Budgetary Policies that have been prepared are submitted by the regional secretary as the coordinator of regional financial management to the regional head, no later than the beginning of June. The draft General Budgetary Policies are submitted by regional heads to the Local Legislative Assembly no later than mid-June of the current fiscal year to be discussed in preliminary talks on the Local Government Budget for the next fiscal year. The discussion was carried out by the Regional Government Budget Team with the Local Legislative Assembly budget committee. The draft General Budgetary Policies that have been discussed are then agreed to become General Budgetary Policies no later than the first week of July of the current fiscal year.

### 3. Priorities and Temporary Budget Ceiling

Furthermore, based on the General Budgetary Policies that have been agreed, local governments prepare priority drafts and temporary budget ceilings. The Draft Priorities and Ceiling of the Provisional Budget are prepared in the following stages: Determining the priority scale for mandatory affairs and optional affairs; Determine the order of programs for each matter; and Preparing a temporary budget ceiling for each program.

Regional heads submit the draft of Temporary Budget Priorities and Ceilings that have been prepared to the Local Legislative Assembly to be discussed no later than the second week of July of the current fiscal year. The discussion was carried out by the Regional Government Budget Team with the Local Legislative Assembly budget committee. The Draft Priorities and Ceiling of the Provisional Budget that have been discussed are then agreed to become the Ceiling and Priority Budget no later than the end of July of the current fiscal year. The General Budgetary Policies and the Ceiling and Budget Priorities that have been agreed upon, respectively, are poured into a memorandum of agreement signed jointly between the regional head and the leadership of the Local Legislative Assembly.

In the event that the regional head is unable to do so, the person concerned may appoint an official authorized to sign the memorandum of agreement on General Budgetary Policies and Budget Ceiling and Priorities. In the event that the regional head has a permanent disability, the signing of the memorandum of agreement on General Budgetary Policies and Budget Ceiling and Priorities is carried out by the acting official appointed by the authorized official.

### 4. Preparation of Work Plans and Budgets of Regional Apparatus Work Units

Based on the memorandum of agreement containing General Budgetary Policies and Priorities and Temporary Budget Ceilings, the Regional Government Budget Team prepared a draft circular letter from the regional head regarding guidelines for the preparation of work plans and budgets for the Regional Apparatus Work Unit as a reference for the head of the

Regional Apparatus Work Unit in preparing the Work Plan and Budget of the Regional Apparatus Work Unit. The draft circular letter of the regional head regarding the guidelines for the preparation of the Work Plan and Budget of the Regional Apparatus Work Unit includes: Ceiling and Budget Priorities allocated for each Regional Apparatus Work Unit program along with the revenue and financing plan; synchronization of programs and activities between the Regional Apparatus Work Unit and the performance of the Regional Apparatus Work Unit in accordance with the minimum service standards set; The deadline for submitting the Work Plan and Budget of the Regional Apparatus Work Unit to the Head of local government financial management office; Other matters that need attention from the Regional Apparatus Work Unit are related to the principles of increasing efficiency, effectiveness, transparency and accountability in budget preparation in the context of achieving work performance; Documents as attachments include General Budgetary Policies, Budget Ceiling and Priorities, Local Government Budget account codes, work plan formats and budgets of Regional Apparatus Work Units, analysis of expenditure standards and price unit standards.

The Work Plan and Budget of the Regional Apparatus Work Unit are prepared through the approach of the regional medium-term expenditure framework, integrated budgeting and budgeting based on work performance. The regional medium-term expenditure framework approach is implemented by preparing an advanced forecast. The forward forecast contains an estimate of the budget requirements for programs and activities planned in the next fiscal year from the planned fiscal year.

The integrated budgeting approach is carried out by integrating the entire process of planning and budgeting revenue, expenditure, and financing within the Regional Apparatus Work Unit to produce work plan and budget documents. The performance-based budgeting approach is carried out by paying attention to the relationship between funding and the expected outputs from activities and outcomes as well as the expected benefits, including efficiency in achieving these results and outputs.

The preparation of the Work Plan and Budget of the Regional Apparatus Work Unit based on work performance pays attention to: Performance Indicators Performance indicators are a measure of success to be achieved from planned programs and activities, Performance Achievements or Targets Performance achievements are measures of work achievements to be achieved in the form of general budgetary policies, general budgetary policies, efficiency and effectiveness of the implementation of each program and activities, Expenditure Standard Analysis The analysis of bell standards is an assessment of the fairness of the workload and costs used to carry out an activity, Unit Price Standards The unit price standard is the unit price of each unit of goods/services that apply in a region determined by the decision of the regional head, Minimum Service Standards Minimum service standards are performance benchmarks in determining the achievement of the type and quality of basic services which are mandatory affairs area.

The Work Plan and Budget of the Regional Apparatus Work Unit contains revenue plans, expenditure plans for each program and activity, as well as financing plans for the planned year detailed to details of revenue, expenditure, and financing objects as well as forward estimates for the following year. The Work Plan and Budget of the Regional Apparatus Work Unit also contains information about local government affairs, organizations, cost standards, work achievements to be achieved from programs and activities. The Work Plan and Budget of the Regional Apparatus Work Unit that has been prepared by the Regional Apparatus Work Unit is submitted to the Head of local government financial management office for further discussion by the Regional Government Budget Team and will then be discussed with the Local Legislative Assembly.

## **Dynamics of Local Government Budget Preparation**



## 1. Compromise

Compromise emphasizes reasonable and necessary action if none of the participating parties has enough general budgetary policies to pursue their personal goals definitively and completely (Meyer 2012) The drafting process of the regional budget cannot be separated from various interests. The situation of preparing the regional budget for the 2025 fiscal year in the transition period of executive and legislative leadership. This can give rise to several polemics of interest, for example the interests of incumbent Local Legislative Assembly members and elected Local Legislative Assembly Members.

"It is undeniable that the preparation of the 2025 Local Government Budget is very full of interests, especially in the council has also undergone a change, even more than 50% of the members of the Local Legislative Assembly have changed. This is certainly a challenge in itself because there will be different interests of the new and old members of the Local Legislative Assembly. We from the Local Development Planning Agency adjust and align all interests as much as possible. There is always a way to get a compromise but of course in a reasonable way" Interview with A. Himawan (Head of the Polewali Mandar Research and Development and Planning Agency) July 24, 2024

The fact that there are indeed some interests that are accommodated by the Local Development Planning Agency as the program planner, but the compromise process is carried out in a formal way in a reasonable way within the applicable legal framework. Further explanation is as follows.

"The lobbying from the council has become an open secret, but it is part of their duties and functions as a budgeting function, it is commonplace. But indeed this year will be different because there is more change of the board. We leave a message to Banggar so that Banggar members in the future will not change much to facilitate the discussion of the Local Government Budget after new council members are inaugurated" Interview with Muh.Gazali (Secretary of the Regional Financial and Asset Management Agency of Polman) August 5, 2024

The executive gave a recommendation to the legislative that members of the budget body for the 2024-2029 period should be filled by members of the incumbent Local Legislative Assembly to facilitate the continuation of the discussion of the 2025 Local Government Budget. Regarding the compromise of the executive and the legislature, it is considered natural because it is legislative and the executive carries out their respective duties which must indeed get a common ground. To review the general budgetary policies 2 previous statements, the researcher confirmed to the chairman of the Regional Legislative Assembly of Polman Regency Budget Agency 2019-2024

"In terms of compromising the preparation of the Local Government Budget with the executive, we always prioritize the interests of the constituents. In essence, we carry out a budgeting function that directs the executive to use the budget on target. We always maintain accountability in the preparation of the Local government budget, lobbying carried out by the executive is carried out in a controlled corridor and in accordance with the rules" Interview H. Jupri Mahmud (Chairman of the Budget Agency 2019-2024, September 4, 2024

The compromise between the executive and legislative is based on the interests of the residents of Polewali Mandar Regency (constituents of Local Legislative Assembly members). The lobbying carried out in the preparation of the Local Government Budget takes place in a formal realm and space according to the rules.

In the end, the conclusion reached was that Compromise in the preparation of the 2025 Local Government Budget was carried out by means of formal lobbying between the executive (Regional Government Budget Team) and the Legislature (Local Legislative Assembly Budget Agency). There are almost no obstacles in the preparation of the Local Government Budget, the Executive and Legislature give each other space to find an agreement through

communication, through mutual giving and receiving and agreeing on goals that are beneficial to both parties.

## 2. Consensus

Consensus is a phrase to produce or make an agreement that is mutually agreed upon between groups or individuals after debate and research carried out in decision-making. Consensus can start from just an opinion or idea that is then adopted by a group to a larger group because it is based on interests (often through a facilitation) until it can reach a convergent level of decision to be developed (Achmad Fedyani Saifuddin 2006) Consensus according to structural functionalism is an agreement that is mutually agreed upon between individuals or between groups within society (Raho 2007). In the context of the relationship between the executive and the legislature, general budgetary policies are understood as the ability of the legislature to influence local government (executive) policies. Attention to the structure of general budgetary policies can also be associated with the relationship between dominance and subdominance among elements of local government organizers, even dominance and subdominance among various actors in the local government structure, as well as among various actors in the Local Legislative Assembly environment (Glynn 1990)

Therefore, the relationship between the general budgetary policies and the local government organizers is so complex, it is not only understood as a formal relationship, but it is necessary to reveal how the role of each element of local government organizers affects policies. The consensus built through the discussion of the draft Local Government Budget, finally gave birth to an agreement stipulated through the Regional Regulation on the Local Government Budget, as a symbol that gained political legitimacy. In the preparation of the Local Government Budget of Polewali Mandar Regency, there are several things that can be consensus. As explained by the Acting Regional Secretary.

"Regarding consensus, we are trying to build a commitment with council members on how the Local Government Budget polman can be healthy again, because the local government budget in the last 2 years has always been in deficit. We are trying to arrange the right programs and activities according to the needs and budget capabilities" Interview with Acting Regional Secretary of Polewali Mandar I Nengah Sumadana, August 15, 2024

The focus of the consensus to be achieved with the Local Legislative Assembly is to make a healthy Local Government Budget and strive for a surplus, existing activities and programs are accommodated in the Local Government Budget adjusted to budget needs and capacity. The statement from the Acting Regional Secretary was strengthened by the secretary of the Regional Financial and Asset Management Agency.

"Our focus is always on trying to make the Local Government Budget healthy again, besides that the Local Government Budget must also be in line with the Local Government Medium Term (5 Year) Development Plan and the vision and mission of the elected regent" Interview with Muh.Gazali (Secretary of the Regional Financial and Asset Management Agency of Polman) 05 August 2024

From the above statement, in addition to restoring a healthy Local Government Budget, the Local Government Budget must be in line with the Local Government Medium Term (5 Year) Development Plan that has been prepared, this medium-term planning is based on planning every year in the Local Government Budget. In addition, the Local Government Budget is also as much as possible in line with the visions and missions of the elected regents, because it will be an obstacle if it is not suitable. It will be very difficult for the elected regent to carry out the vision and mission.

**Table 1. Draft Local Government Budget of Polewali Mandar Regency in 2025**

NO	DESCRIPTION	VALUE IN RUPIAH
1	Local Government Budget	Rp 1,657,923,705,272

2	Regional Revenue	Rp	1,657,923,705,272
3	Surplus/Deficit Regional Spending	Rp	1,657,923,705,272
4	Regional Original Income	Rp	245,545,293,750
5	Regional Taxes	Rp	61,366,000,000
6	Regional Levy	Rp	18,278,293,750
7	Segregated Regional Wealth	Rp	4,150,000,000
8	Other Regional Original Income that is considered legal	Rp	161,751,000,000

Data on November 20, 2024 Draft Regional Revenue and Expenditure Budget Before Ratification

## CONCLUSION

Based on the results of the description in the previous chapter, how the Actor Relations in the Formulation of Local Government Budget Policies in Polewali Mandar Regency in 2025 takes place formally. The transition period of executive leadership and legislative membership transition is not an obstacle to formulating the 2025 Local Government Budget. Compromise and Consensus are produced in their entirety by prioritizing the principle of togetherness and the welfare of citizens (constituents). In the Compromise Aspect in the preparation of the 2025 Local Government Budget, it is carried out by means of formal lobbying between the executive (Local Government Budget Team) and the Legislature (Local Legislative Assembly Budget Body). There are almost no obstacles in the preparation of the Local Government Budget, the Executive and Legislature give each other space to find an agreement through communication, through mutual giving and receiving and agreeing on goals that are beneficial to both parties. Meanwhile, in the Consensus Aspect, several agreements were reached to make the Local Government Budget healthy (no deficit), the alignment of the Local Government Budget with the Local Government Medium Term (5 Year) Development Plan and the Local Government Budget as much as possible in line with the Visions and Missions of the elected Regent.

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