Analysis of Regional Government Expenditures of Central Bangka Regency

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Abstract: This study aims to analyze spending in terms of spending growth, spending compatibility and the ratio of spending to PDRB in Central Bangka Regency in 2018-2022. This study uses secondary data in the form of Budget Realization Reports (LRA) of the Central Bangka Regency regional government and Central Bangka Regency economic statistics sourced from the Central Bureau of Statistics (BPS) of Central Bangka Regency. The data analysis technique is in the form of quantitative analysis, namely by using the formula for growth and spending ratios. The results of the analysis show that the realization of regional government spending in Central Bangka Regency in 2018-2022 has fluctuated with an average growth of 17.85% per year, this is not in line with the growth in realized revenues which tends to decrease each year. The ratio of operational expenditure to total expenditure tends to increase with an average of 70.85% per year and this ratio dominates the total regional expenditure expenditure while the ratio of capital expenditure to total expenditure tends to decrease with an average of 15.31% per year. The ratio of regional spending to PDRB for the regional government of Central Bangka Regency in 2018-2022 tends to decrease with an average ratio of 15.01% per year. The value of this ratio is also influenced by the growth value of PDRB and total spending. The growth of total regional government spending in Central Bangka Regency is relatively smaller when compared to the PDRB growth.

Keywords: Spending Growth, Spending Harmony, Spending Ratio

JEL: G3, H3, O1

1. INTRODUCTION

The problem of development is the "expectation gap" between development performance achieved today and what is planned and between what is to be achieved in the future and the real conditions when planning is made (Santoso, 2013). Potential problems for regional development generally arise from strengths that have not been utilized optimally, weaknesses that have not been overcome, opportunities that have not been utilized, and threats that have not been anticipated quickly. The problems that have been faced for twenty years in the RPJPD of Central Bangka Regency are grouped based on the targets that are revealed to government indicators as stipulated in Law Number 23 of 2014 concerning Regional Government.

The Central Bangka Regency Regional Development Planning Agency carries out the function of leading the implementation of analysis, and the formulation of regional development planning policies in a thematic, holistic, integrative and spatial manner in preparing planning documents, monitoring, evaluating, controlling development implementation and conducting research and developing regional potential.

The purpose of the formulation of regional development problems is to identify various factors that have influenced the success/failure of regional development performance in the past, especially those related to the government's development planning ability in empowering its authority. Regional development planning is a very important & strategic function, because with planning we can see where the area will be taken, while still considering the potential and resources it has. Good planning is planning that is carried out while still based on data and information that is accurate, valid and accountable. Furthermore, the achievement of targets and the availability of data are the main measurements that are very important.

Regional development is a process in which local governments and their communities manage existing resources and form a pattern of partnership between local governments and the private sector
to create new jobs as well as stimulate the development of economic activities in the region (Samentoso, 2013). Law of the Republic of Indonesia Number 23 of 2014 paragraph 1 concerning Regional is an embodiment of the implementation of government affairs that have been handed over to the regions as an integral part of national development.

Regions carry out development to increase and equalize people's income, employment opportunities, business fields, improve access and quality of public services and regional competitiveness. Regional autonomy which began in January 2001 for each region at the provincial and district/city levels gives the rights, authorities and obligations of the autonomous regions to regulate and manage their own government affairs and the interests of the local community within the system of the Unitary State of the Republic of Indonesia. Regional financial management is an integral part of the implementation of government affairs which are the authority of the region as a result of the handover of government affairs.

In the context of implementing regional autonomy and fiscal decentralization, regional governments are required to have greater regional financial capacity. A greater level of financial independence means that local governments will no longer be very dependent on assistance from the central and provincial governments through balancing funds. In regional autonomy there are two aspects of financial performance that are required to be better than before regional autonomy. The first aspect is that the regions are given the authority to manage regional financing with the main strength being the ability of Local Own Revenue (Fiscal Decentralization). The second aspect is on the regional expenditure management side, that regional financial management must be more accountable and transparent, of course demanding that the regions be more efficient and effective in regional expenditures. These two aspects can be referred to as financing reform or Financing Reform. Funding for an area is obtained from the Regional Expenditure Budget (APBD) which is compiled annually by the regional government and its work units to fulfill public services (Sumardjoko, 2019).

Based on the report on the realization of the regional revenue and expenditure budget for Central Bangka Regency for 2018-2022, it shows that the realization of revenue and expenditure for the Central Bangka Regency government tends to increase. The income structure of Central Bangka Regency is dominated by transfer income. The report on the realization of the regional revenue and expenditure budget for Central Bangka Regency in 2022 shows that transfer revenue contributed 88.51% while Regional Original Revenue (PAD) contributed 10.34% and the remaining 1.14% came from other income legitimate. Meanwhile, when viewed from the expenditure side, the structure of government spending in Central Bangka Regency is dominated by operational spending. In 2022, total operating expenditure will reach approximately 74.55%, while capital expenditure will be approximately 13.60% and transfers will be approximately 11.72%.

Regional expenditure analysis is very important to evaluate whether the local government has used the APBD economically, efficiently and effectively (value for money). The extent to which local governments have implemented budget efficiency, avoiding unnecessary expenditure and expenditures that are not on target. Regional governments no longer need to be oriented towards spending the budget which results in budget waste but are oriented towards the output and outcome of the budget (Mahmudi, 2010). Analysis of the growth of regional expenditures provides information on the development of expenditures from year to year, analysis of the harmony of expenditures will provide information on the balance between expenditures while the ratio of regional expenditures to PDRB will show the productivity and efficiency of regional expenditures.

The above arguments form the basis for the formulation of the problem in this study, namely how the regional government spending in Central Bangka Regency is viewed from expenditure growth, spending harmony and the ratio of regional spending to PDRB in 2018-2022. Meanwhile, the purpose of this study was to analyze expenditure growth, expenditure compatibility and the ratio of regional expenditures to the PDRB of Central Bangka Regency in 20118-2022.

According to Mahmudi (2010) Regional Expenditure Analysis was conducted to evaluate whether the regional government of Central Bangka Regency has used the Regional Expenditure Budget (APBD) economically, efficiently and effectively. Expenditure Variance Analysis provides information on differences or discrepancies between actual spending and the budget. Expenditure Growth Analysis is useful for knowing the development of spending from year to year. Analysis of the compatibility of spending will provide information about the balance between spending. The Expenditure Efficiency Ratio provides comparative information between expenditure realization and
the expenditure budget, while the Regional Expenditure Ratio to GRDP will show the productivity and efficiency of regional spending.

The following is presented regarding the Central Bangka Regency Government Budget and Expenditure Realization for 2018 - 2022.

**Table 1. Budget and Expenditure Realization of Central Bangka Regency Government**

<table>
<thead>
<tr>
<th>Year</th>
<th>Budget (Rp)</th>
<th>Realization (Rp)</th>
<th>Surplus/Deficit</th>
<th>Persentase (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>930,941,385,228,00</td>
<td>869,574,985,819,82</td>
<td>61,366,399,408,18</td>
<td>93,41</td>
</tr>
<tr>
<td>2019</td>
<td>967,521,662,110,00</td>
<td>901,077,124,410,40</td>
<td>66,444,537,699,60</td>
<td>93,13</td>
</tr>
<tr>
<td>2020</td>
<td>965,860,140,895,00</td>
<td>900,710,744,988,03</td>
<td>65,149,395,906,97</td>
<td>93,25</td>
</tr>
<tr>
<td>2021</td>
<td>961,266,054,802,00</td>
<td>872,526,971,483,19</td>
<td>88,739,083,318,81</td>
<td>90,00</td>
</tr>
<tr>
<td>2022</td>
<td>982,477,254,667,00</td>
<td>897,137,304,780,40</td>
<td>85,339,949,886,60</td>
<td>91,00</td>
</tr>
</tbody>
</table>

Source: LRA Central Bangka Regency, 2022

Based on Table 1.1 above, it can be seen the budget and realization of spending in the Central Bangka Regency Government. In 2018 the Central Bangka Regency Government expenditure budget was set at IDR 930,941,385,228 with a realization of IDR 869,574,985,819.82, there was a difference of IDR 61,366,399,408.18 with a percentage of 93.41%.

In 2019 the expenditure budget for the Government of Central Bangka Regency was set at IDR 967,521,662,110 with a realization of IDR 901,077,124,410.40 with a difference of IDR 66,444,537,699.60 with a percentage of 93.13%. Then in 2020 the Central Bangka Regency Government expenditure budget is set at IDR 965,860,140,895 with actual expenditure of IDR 872,526,971,483.19, there is a difference of IDR 65,149,395,906.97 with a percentage of 93.25%.

In 2021 the Central Bangka Regency Government budget is IDR 961,266,054,802 with a realization of IDR 872,526,971,483.19, there is a difference of IDR 88,739,083,318.81 with a percentage of 93.25%. In 2022 the expenditure budget is IDR 982,477,254,667 with a realization of IDR 897,137,304,780.40, there is a difference of less than IDR 689,265,727,153.14 with a percentage of 91%. This shows that the government expenditure budget set for Central Bangka Regency was not fully realized because the realization achieved was smaller than budgeted. From the budget data for the Government of Central Bangka Regency, it can be seen whether the budget and actual spending show good results in accordance with the performance that has been achieved.

**2. LITERATURE REVIEW**

**2.1. Regional Government Financial Reports**

According to Mahmudi (2010) financial reports are information presented to assist stakeholders in making social, political and economic decisions so that the decisions taken can be of higher quality. There are main reasons why local governments need to publish financial reports:

a. From an internal perspective, financial reports are a means of controlling and evaluating performance for regional governments as a whole and for work units within them (regional work units). Financial reports are a form of internal accountability, namely the accountability of heads of work units to regional heads, regional heads to local government employees and DPRD.

b. In terms of external users, regional government financial reports are a form of external accountability, namely the accountability of regional heads to the public, investors, creditors, donor agencies, the press, and other parties with an interest in these reports as a basis for making economic, social and political decisions.

**2.2. Regional Income and Expenditure**

Government Accounting Standards (SAP) define income as all receipts from State/Regional General Cash Accounts that add to the equity of current funds in the period of the relevant fiscal year which become the right of the government and do not need to be repaid by the government. In general, regional income can be understood as the right of the local government to increase net income.
worth resulting from past transactions. Regional government revenue is different from regional revenue. Regional revenues are all types of cash receipts that enter the regional treasury account either purely from regional income or from financing receipts. According to the Law of the Republic of Indonesia Number 23 of 2014 concerning Regional Government, regional revenues are all regional rights that are recognized as an addition to the value of net assets in the relevant fiscal year period. Sources of regional income consist of Local Own Revenue (PAD) includes local taxes; regional retribution; results of separated regional wealth management; and other legitimate regional original revenues

a) Transfer income
b) Other legal regional income

Based on government accounting standards, regional spending can be defined as all expenditures from the regional general treasury account that reduce the equity of current funds in the period of the relevant fiscal year for which the regional government will not receive repayment. Expenditures can be understood as local government obligations that reduce net worth incurred as a result of past transactions. However, in this case it should be understood that regional spending is different from regional spending. Not all expenditures made by local governments that cause a reduction in cash in the regional general treasury accounts are categorized as expenditures. However, each expenditure is a regional government expenditure. Regional government spending can be in the form of spending or it can also be financing expenditures. Both types of expenditure, both regional expenditure and financing expenditure, both require evidence of cash disbursement. The difference is that for financing expenses requires supporting evidence in the form of memorial evidence and requires DPRB approval (Mahmudi, 2010). According to the Law of the Republic of Indonesia Number 23 of 2014 concerning Regional Government, regional expenditures are all regional obligations that are recognized as a deduction from the value of net assets in the relevant fiscal year period. Another definition of this spending is as explained in the regulation of the Minister of Home Affairs No. 13 of 2006, spending is the obligation of the local government which is recognized as a deduction from net worth. Meanwhile, spending in the government accounting environment in Indonesia is defined as all expenditures of the state/regional general treasury that reduce the equity of current funds in the period of the relevant fiscal year for which the government will not recover payments.

3. RESEARCH METHODS

3.1. Expenditure Growth Analysis

Expenditure growth analysis is useful for knowing the development of spending from year to year. In general spending has a tendency to always go up. Reasons for spending increases are usually associated with adjustments to inflation, changes in the rupiah exchange rate, changes in the amount of service coverage, and adjustments to macroeconomic factors. In the implementation of regional autonomy, regional governments must be able to control spending areas, make spending efficiencies and save budgets. Expenditure growth analysis is carried out to find out how much growth each expenditure has, whether the growth is rational and can be accounted for. According to Mahmudi (2010) Expenditure growth must be followed by balanced revenue growth, because if not, in the medium term it can disrupt the sustainability and fiscal health of the region. Regional spending growth can be calculated using the formula:

\[
\text{Expenditure Growth Year } t = \frac{\text{Realisasi Belanja Tahun } t - \text{Realisasi Belanja Tahun } t - 1}{\text{Realisasi Belanja Tahun } t - 1} \times 100
\]

3.2. Shopping Conformity Analysis

According to Mahmudi (2010) spending compatibility analysis is useful for knowing the balance between spending. This is related to the function of the budget as a means of distribution. Analysis of the compatibility of spending, among others, in the form of:
1. Analysis of Operational Expenditures on Total Expenditures

The analysis of operational spending on total spending is a comparison between total operating spending and total regional spending. Operating expenditures are expenditures whose benefits are consumed within one fiscal year, so these operating expenditures are short-term in nature and in certain cases are routine or recurrent. In general, the proportion of operating expenditure dominates total regional expenditure, namely between 60-90 percent. Regional governments with high levels of regional income tend to have a higher share of operational spending than local governments with low levels of income. The ratio of operating expenses to total spending is formulated as follows:

$$\text{Ratio of Operating Expenditure to Total Expenditure} = \frac{\text{Realisasi Belanja Operasi}}{\text{Total belanja Daerah}} \times 100$$

2. Capital Expenditure Analysis of Total Expenditures

The analysis of capital expenditure to total expenditure is a comparison between the total realized capital expenditure and the total regional expenditure. Based on this report, it will be known the portion of regional expenditure allocated for investment in the form of capital expenditure in the relevant fiscal year. Expenditures of capital expenditure will provide benefits in the medium and long term. Capital expenditure will affect the regional government's balance sheet, namely increasing the number of regional assets. Regional governments with low levels of regional income have a high share of total capital expenditure compared to regional governments with high incomes. This is because local governments with low income levels are oriented towards making capital expenditures as part of long-term capital investment, while governments with high incomes usually have sufficient capital assets. In general, the proportion of capital expenditure to total regional expenditure is between 5-20 percent. The ratio of capital expenditure to total expenditure is formulated as follows:

$$\text{Ratio of Capital Expenditures to Total Expenditures} = \frac{\text{Realisasi Belanja Modal}}{\text{Total Belanja Daerah}} \times 100$$

3.3. Ratio of Regional Expenditure to PDRB

The ratio of regional spending to PDRB is a comparison between total regional spending and PDRB produced by the region. This ratio shows the productivity and effectiveness of regional spending. This ratio is formulated as follows:

$$\text{Ratio of Regional Expenditure to PDRB} = \frac{\text{Total Realisasi Belanja Daerah}}{\text{Total PDRB}} \times 100$$

3.4. Framework For Analysis

Picture 1. Framework For Analysis

4. RESULTS AND DISCUSSION

4.1. The economy of Central Bangka Regency

Economic growth is a process of changing economic conditions that occur in a country on an ongoing basis towards a condition that is considered better for a certain period of time. Economic growth is an indicator that can be used to evaluate the success of a region's economic development. The economic growth of a region illustrates the extent to which economic activity in a region generates additional income for the community in a certain period. Meanwhile, economic activity is a process of using factors of production to produce output. The process of using factors of production will result in remuneration. Therefore, with economic growth, it is
hoped that people's income will increase, because the community is the owner of the factors of production. Economic growth is calculated based on PDRB at constant 2010 prices. During the period from 2018 to 2022, the economic growth of Central Bangka Regency has fluctuated. In 2018 the economic growth of Central Bangka Regency was 3.42%, in 2019 it decreased by 1.21%, another correction in economic growth occurred in 2020 which was -2.86% from the previous year due to the impact of the COVID 19 pandemic, while in 2021 economic growth will increase by 4.76% until 2022 economic growth will again increase by 6.10% and the average economic growth for Central Bangka Regency in 2018-2022 will be 2.5% per year

![Graph of Economic Growth 2018-2022](https://equity.ubb.ac.id/index.php/equity)

**Picture 2. Central Bangka Regency 2018-2022**

Source: BPS Bangka Tengah

Economic structure is used to show the composition or arrangement of economic sectors in an economy. The dominant or relied on sector has the highest position in the structure, which is the hallmark of an economy. The dominant economic sector is the economic sector which is the source of livelihood for the majority of the population and is a large absorber of labour. It can also be said that it is a sector that contributes the most to national product with a high growth rate, which is the hallmark of the economy. To illustrate the intended economic structure, below is presented the Gross Domestic Product at constant 2010 prices which describes the economic conditions in 2018-2022 in Central Bangka Regency. Tabel 1 describes the contribution of each economic sector to the formation of the Gross Regional Domestic Product (PDRB) of Central Bangka Regency in 2018-2022. In general, the contribution of each sector has increased. Sectors that make a high contribution to the formation of PDRB are Agriculture, Forestry and Fisheries with an average contribution from 2018 - 2022 of 15.86. Meanwhile, the sector that made the lowest contribution during 2028-2022 was the manufacturing sector with an average contribution from 2018-2022 of 5.32.

Table 1 Gross Domestic Product Based on 2000 Constant Prices by Business Field (Billion Rupiah) 2018-2022

<table>
<thead>
<tr>
<th>Lapangan Usaha</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pertanian, Kehutanan, dan Perikanan</td>
<td>791936</td>
<td>840383</td>
<td>891585</td>
<td>977554</td>
<td>978836</td>
</tr>
<tr>
<td>Pertambangan dan Penggalian</td>
<td>1052794</td>
<td>1012200</td>
<td>1048810</td>
<td>986797</td>
<td>1035950</td>
</tr>
<tr>
<td>Industri Pengolahan</td>
<td>608068</td>
<td>591603</td>
<td>325927</td>
<td>329111</td>
<td>345508</td>
</tr>
<tr>
<td>Pengadaan Listrik dan Gas</td>
<td>2699</td>
<td>2882</td>
<td>3460</td>
<td>3730</td>
<td>4197</td>
</tr>
<tr>
<td>Pengadaan Air, Pengelolaan Sampah, Limbah</td>
<td>387</td>
<td>381</td>
<td>397</td>
<td>408</td>
<td>426</td>
</tr>
<tr>
<td>Konstruksi</td>
<td>265240</td>
<td>586982</td>
<td>643652</td>
<td>641347</td>
<td>669186</td>
</tr>
<tr>
<td>Perdagangan Besar dan Eceran; Reparasi Mobil dan Sepeda Motor</td>
<td>928356</td>
<td>977419</td>
<td>1023702</td>
<td>982117</td>
<td>1038801</td>
</tr>
<tr>
<td>Transportasi dan Pergudangan</td>
<td>546400</td>
<td>590256</td>
<td>597834</td>
<td>451170</td>
<td>483192</td>
</tr>
<tr>
<td>Penyediaan Akomodasi dan Makan Minum</td>
<td>156938</td>
<td>166465</td>
<td>181864</td>
<td>178512</td>
<td>195800</td>
</tr>
<tr>
<td>Informasi dan Komunikasi</td>
<td>122211</td>
<td>136848</td>
<td>156718</td>
<td>184742</td>
<td>200565</td>
</tr>
<tr>
<td>Jasa Keuangan dan Asuransi</td>
<td>33719</td>
<td>34190</td>
<td>37233</td>
<td>38609</td>
<td>40729</td>
</tr>
<tr>
<td>Real Estate</td>
<td>156203</td>
<td>162373</td>
<td>170459</td>
<td>178656</td>
<td>189527</td>
</tr>
<tr>
<td>Jasa Perusahaan</td>
<td>14088</td>
<td>14818</td>
<td>15408</td>
<td>14013</td>
<td>14747</td>
</tr>
<tr>
<td>Administrasi Pemerintahan, Pertahanan dan</td>
<td>392662</td>
<td>427146</td>
<td>473919</td>
<td>456551</td>
<td>479860</td>
</tr>
<tr>
<td>Jasa Pendidikan</td>
<td>149907</td>
<td>160785</td>
<td>175883</td>
<td>175626</td>
<td>179509</td>
</tr>
<tr>
<td>Jasa Kesehatan dan Kegiatan Sosial</td>
<td>78345</td>
<td>81746</td>
<td>89764</td>
<td>90869</td>
<td>103596</td>
</tr>
<tr>
<td>Jasa lainnya</td>
<td>22653</td>
<td>24219</td>
<td>26391</td>
<td>25746</td>
<td>26703</td>
</tr>
<tr>
<td>PDRB Kab. Bangka Tengah</td>
<td>5812697</td>
<td>5883096</td>
<td>5715596</td>
<td>5987137</td>
<td>6352640</td>
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</tbody>
</table>

https://equity.ubb.ac.id/index.php/equity

Doi 10.33019/equity.v11i1
4.2. Revenue and Expenditure Realization of Regional Government of Central Bangka Regency

In general, the Regional Revenue and Expenditure Budget (APBD) consists of regional revenues, regional expenditures and regional financing. Regional revenue consists of Regional Original Revenue (PAD), transfer income and other legal income. Furthermore, regional spending consists of operating expenditures, capital expenditures, incidental expenditures and transfers while regional financing consists of financing receipts and financing expenditures. Realization of local government revenue and expenditure of Central Bangka Regency for 2018-2022 is shown in Figure 3.

![Figure 3. Realization of Regional Government Revenue and Expenditure of Central Bangka Regency in 2018-2022](source)

Based on Figure 3, it is known that the realization of regional government revenue and expenditure for Central Bangka Regency from the 2018 Fiscal Year to the 2022 Fiscal Year tends to fluctuate. The average income is IDR 916,064,328,883,316 per year. The composition of regional government revenue for Central Bangka Regency is dominated by transfer income. For example, the 2022 LRA data shows that transfer income contributes Rp. 832,807,434,312 or 88.51% of total income, while Regional Original Revenue (PAD) contributes Rp. 97,327,970,973 (10.34%) and the remainder is Rp. 10,765,837,724,07 (1.14%) sourced from other legitimate income.

In terms of expenditure, during the 2018-2022 period the regional government of Central Bangka Regency has an average expenditure of IDR 886,311,934,312.45 per year. Operating Expenditure has the highest portion of total expenditure realization in Central Bangka Regency.

4.3. Analysis of Conformity of Local Government Expenditures of Central Bangka Regency

Expenditure compatibility analysis is useful for knowing the balance between spending. This is related to the function of the budget as a means of distribution. The ratio of operating expenditures and capital expenditures to total regional government spending in Central Bangka Regency for 2018-2011 is shown in Figure 4. From this figure it is known that the trend of the ratio of operating expenditures to total expenditures has the opposite direction to the trend of the ratio of capital expenditures to total expenditures.
a. Operational Expenditure Analysis of Total Expenditures. In general, the proportion of operational expenditure dominates total regional expenditure, which is between 59% - 100%. The regional government of Central Bangka Regency from 2018-2022 has an average ratio of operational spending to total spending of 70.85%. In 2018-2022, the trend of the ratio of operating expenditures to total expenditures tends to increase, but in 2020 the value of this ratio has decreased slightly, while the ratio of capital expenditures to total expenditures has tended to decrease. The higher the regional government revenue of Central Bangka Regency, it will be able to increase the total operating expenditure. This expenditure is expenditure whose benefits are consumed within one fiscal year, so this operating expenditure is short term in nature and in certain cases is routine or recurring.

b. Capital Expenditure Analysis of Total Expenditures. In general, the proportion of capital expenditure to total regional expenditure is between 10.58% - 22.05%. The Central Bangka regional government from 2018-2022 has an average ratio of capital expenditure to total expenditure of 15.01%. The trend of this ratio is inversely proportional to the trend of the ratio of operating expenses to total spending. In general, this ratio tends to have a decreasing trend, only in 2021 it will increase. The regional government of Central Bangka Regency is still focusing on investment in providing road infrastructure, this is reflected in the realization of the use of capital expenditures in the local government of Central Bangka Regency.

4.4. The Ratio of Regional Expenditure to PDRB of the Regional Government of Central Bangka Regency

The ratio of regional spending to PDRB is a comparison between total regional spending and PDRB produced by the region. This ratio shows the productivity and effectiveness of regional spending. The ratio of regional spending to PDRB (at constant 2010 prices) of the Central Bangka Regency regional government for 2018-2022 is shown in Figure 5.
Figure 5. The ratio of regional spending to PDRB of the regional government of Central Bangka Regency in 2010-2013
Source: BPS & LRA, 2022

Based on Figure 5, it is known that the ratio of regional spending to PDRB for the regional government of Central Bangka Regency in 2018-2022 tends to increase. The increase in this ratio was in line with the increase in PDRB and the realization of total spending, however, expenditure growth was relatively smaller, reaching 0.84% per year compared to GDP growth/economic growth with an average of 2.5% per year. The high ratio in 2018 was due to the high expenditure growth of up to 17.85% and the magnitude of this value mostly came from an increase in capital spending after 2020 due to the effect of Covid 19 on total spending and economic growth.

5. CONCLUSIONS
Based on the discussion above, it can be concluded:
1. The growth in the realization of total regional government spending in Central Bangka Regency in 2018-2022 tends to increase with an average growth of 0.84% per year, this is not in line with the growth in realized income which tends to be stagnant every year. The trend of growth in operating expenditures tends to increase (an average growth of 15.99% per year), while the growth of capital expenditures tends to decrease with an average of minus 7.72% per year, this is because the impact of Covid 19 will still be felt in 2021 and 2022.
2. The ratio of operating expenditures and capital expenditures to the total expenditure of the Central Bangka Regency regional government in 2018-2022 has an opposite trend. The ratio of operating expenses to total spending tends to increase with an average of 70.85% per year and this ratio dominates the total regional expenditure expenditure while the ratio of capital expenditure to total expenditure tends to decrease with an average of 15.01% per year.
3. The ratio of regional spending to PDRB for the regional government of Central Bangka Regency in 2018-2022 tends to decrease with an average ratio of 0.84% per year. The value of this ratio is also influenced by the growth value of PDRB and total spending. The total growth in Bengkulu regional government spending was relatively lower when compared to the PDRB growth.

6. SUGGESTIONS
Suggestions that can be given to the local government of Central Bangka Regency include that Central Bangka Regency has economic growth that tends to fluctuate, increased economic growth can be continuously increased by increasing the potential resources it has, such as increasing sectors that provide a high contribution to the economy and sectors that absorb a lot of workforce.
Meanwhile, increasing regional income can be done by exploring regional revenue sources such as revenue originating from Regional Original Revenue (PAD) sector, regional taxes and regional levies. With an increase in revenue, the allocation of regional government spending will also be increased, especially in improving public services.

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