

From Legal Mandate to Budget Policy: Evaluating Minimum Service Standards in Bener Meriah Regency

Syahrul Akbar¹, Nur Hafni², Muhammad Bin Abubakar³

^{1,2,3} Program Studi Magister Administrasi Publik, Fakultas Ilmu Sosial dan Ilmu Politik, Universitas Malikussaleh, Indonesia
correspondence: syahrulakbar217@gmail.com

Article Information

Article History:

Received Jun 25th, 2026

Revised Sept 01th, 2026

Accepted Sept 26th, 2026

Keyword:

Budget policy; Minimum Service Standards; Performance-based budgeting; e-SPM; Development planning

ABSTRACT

This study examined how regional development budgeting supported the fulfillment of Minimum Service Standards in Bener Meriah Regency and identified factors preventing performance results from becoming budget priorities. A descriptive qualitative policy-study design was applied. Data were collected through semi-structured interviews with seven officials directly involved in planning, budgeting, and implementation, supplemented by participant observation and analysis of the regional budget, medium-term development plan, local action plan, and the 2025 electronic reporting scorecard. Data were reduced, categorized, compared across sources, and interpreted through an input-output-outcome framework. The findings showed that budgeting had not yet operated as a fully performance-informed system. Limited fiscal space, uneven inter-sectoral support, weak integration of service indicators into indicative ceilings, staff turnover, and an underperforming coordination team disrupted the feedback loop between reported outcomes and subsequent allocations. The study concluded that service-performance gaps should become a mandatory input to budget deliberation so that allocation changes could be transparently linked to demonstrated needs and expected service results.



© 2025 Para Penulis. Diterbitkan oleh Riset Anak Bangsa. Ini adalah artikel akses terbuka di bawah lisensi CC BY (<https://creativecommons.org/licenses/by/4.0/>)

INTRODUCTION

The implementation of Minimum Service Standards (MSS) is not merely a discretionary regional policy choice; it is a legal obligation attached to mandatory governmental affairs related to basic services. Article 18 of Law Number 23 of 2014 requires regional governments to prioritize mandatory governmental affairs concerning basic services, a mandate subsequently operationalized through Government Regulation Number 2 of 2018 and Minister of Home Affairs Regulation Number 59 of 2021. This framework positions MSS as the minimum threshold for the types and quality of basic services to which every citizen is entitled. Accordingly, the success of MSS implementation cannot be assessed solely from the existence of regulations or programs; it must be reflected in the consistency between service targets, budgeting, implementation, and performance achievement. Indonesian public-service literature likewise emphasizes that service quality is strongly influenced by certainty of standards, bureaucratic capacity, innovation, and accountable governance (Kurniawan, 2016; Maryam, 2016; Herizal et al., 2020; Ristiani, 2020).

From the perspective of regional public financial management, this obligation requires strong integration between development planning and budgeting. The Regional Revenue and Expenditure Budget (Anggaran Pendapatan dan Belanja Daerah, APBD) should function not only as an instrument for routine financing but also as a policy instrument that directs resources toward measurable basic-service results. Performance-based budgeting requires a logical relationship among inputs, outputs, and outcomes so that expenditure levels can be evaluated according to their contribution to service targets. Studies of Indonesian regional governments have shown that the implementation of performance-based budgeting continues to face problems related to planning quality, document consistency, administrative capacity, and procedural processes that affect the effectiveness of public spending (Nanda & Darwanis, 2016; Rifai et al., 2016; Rerung et al., 2017; Sari et al., 2018). These findings indicate that larger budgets or high expenditure absorption do not automatically translate into improved public-service outcomes.

The quality of the relationship between planning, budgeting, and basic services is also determined by governance mechanisms. Participatory development planning is necessary to ensure that government priorities remain connected to public needs, while accountability is required so that public expenditure

can be traced to the results experienced by citizens. Akbar et al. (2018) demonstrated the importance of community participation in development planning, whereas Sururi (2017) emphasized that public-policy innovation requires institutional capacity to translate problems into operational policy designs. From an accountability perspective, Setiawan et al. (2017), Makalalag et al. (2017), and Sofyani et al. (2018) highlighted the importance of transparency, institutional capacity, and clear accountability mechanisms in managing public resources. MSS weaknesses therefore should not be treated merely as technical reporting problems; they also reflect weaknesses in budget governance and the consistency of policy priorities.

These issues become more consequential in the context of fiscal decentralization. Public-sector budgeting reforms in Indonesia have promoted performance-oriented approaches, yet their implementation may still produce misalignment between regulatory design and organizational practice (Prabowo et al., 2017). Lewis (2017) further showed that substantial fiscal resources at the local-government level do not necessarily generate better service quality when institutional capacity and performance incentives are ineffective. Antlöv et al. (2016) similarly demonstrated that stronger local governance requires institutions capable of connecting formal mandates with responsive governmental practice. Together, these studies reinforce the argument that the effectiveness of basic services depends not only on the amount of funding available but also on how budgets are prioritized, linked to performance indicators, and evaluated as a basis for subsequent decisions.

This problem is particularly relevant in Bener Meriah Regency, Aceh Province. The regency government issued Regent Regulation Number 56 of 2023 concerning the 2023-2027 Action Plan for the Implementation of Minimum Service Standards. However, preliminary evidence from planning documents, the regional budget structure, and electronic MSS reporting (e-SPM) indicated an imbalance between the obligation to fulfill six basic-service sectors and the actual financing capacity of the region. Some sectors received relatively stable budget support, whereas others faced limited ceilings that caused expenditure to be concentrated on operational needs. At the same time, staff turnover, cross-agency coordination, and the use of e-SPM performance data were not fully connected to the process for determining indicative ceilings in the following budget cycle. This condition raises a central policy question: to what extent are MSS results actually used as a basis for establishing regional development-budget priorities?

Previous research has extensively examined public services, participatory planning, financial-management accountability, budget absorption, and the implementation of performance-based budgeting. However, these strands of literature generally remain separated: some emphasize participation and governance, others focus on budgeting performance, while another group evaluates service quality. Research remains limited that explicitly connects the legal mandate of MSS, regional planning and budgeting processes, and e-SPM performance results within a single policy-evaluation framework at the regency level. The gap becomes more specific when MSS achievement data are assessed not merely as administrative reporting outputs but as performance information that should influence budget decisions by regional agencies and the Regional Government Budget Team (Tim Anggaran Pemerintah Daerah, TAPD).

The novelty of this study lies in integrating three analytical dimensions. First, it treats MSS as a legally mandated basic-service obligation with direct implications for regional budget priorities. Second, it applies a performance-based budgeting framework to assess the relationship among inputs, outputs, and outcomes between APBD allocations and service achievements. Third, it examines whether e-SPM results operate as a feedback mechanism within the planning and budgeting cycle. This analytical construction moves beyond the question of whether a budget is available or absorbed and instead evaluates whether the budgeting structure creates an accountable relationship among service obligations, resource allocations, and basic-service outcomes.

Accordingly, this study aimed to analyze regional development-budget policy for the fulfillment of MSS in Bener Meriah Regency and to identify factors that hinder the use of MSS results as a basis for budget prioritization. Theoretically, the study sought to enrich performance-based budgeting scholarship by positioning MSS as an instrument for evaluating the relationship between public expenditure and service outcomes. Practically, the findings were intended to inform the Bener Meriah Regency Government, TAPD, the Regional Development Planning Agency (Bappeda), regional financial-management agencies, and sectoral agencies responsible for MSS in strengthening the

synchronization of planning documents, budget-ceiling decisions, and evaluation of basic-service performance in subsequent APBD cycles.

RESEARCH METHOD

This study employed a descriptive qualitative approach with a policy-study design to analyze the relationship among budget policy, regional development planning, and Minimum Service Standards in Bener Meriah Regency, Aceh Province. A qualitative approach was selected because the research focused on processes, context, policy considerations, and the experiences of actors involved in preparing and implementing MSS-related budgets rather than on testing statistical relationships among variables. In descriptive qualitative research, phenomena are understood contextually through in-depth data collection and interpretation of meanings derived from research sources (Fadli, 2021). The unit of analysis was regional budgeting policy for six mandatory basic-service sectors and the use of MSS performance information within the regional planning and budgeting cycle.

Informants were selected through purposive sampling on the basis of their direct involvement, authority, and knowledge concerning development planning, APBD budgeting, coordination of MSS implementation, and performance-data management. This technique is appropriate when a study requires information-rich accounts from actors with specific experience of the phenomenon under investigation (Campbell et al., 2020). Seven informants were included: the Regional Secretary of Bener Meriah Regency (Riswandika Putra, S.STP., M.AP), the Assistant for Government and People's Welfare (Khairmansyah, S.IP., M.Sc), the Head of Bappeda (Alfahmi, ST., M.AP), the Head of the Regional Financial, Revenue and Asset Management Agency/BPKPA (Muhammad Junaidi AR, M.Si), the Head of the BPKPA Budget Division (Ardianto, SKM., M.AP), the Head of the Bappeda Human Resources Division (Yeni Maya Safira, SE., M.Si), and the Head of the Government Administration Division (Istianah, S.STP., M.Si).

The study used both primary and secondary data. Primary data were obtained through semi-structured in-depth interviews and participant observation of processes and actors related to planning, budgeting, and MSS implementation. Interviews addressed the integration of MSS targets into planning documents, mechanisms for setting priorities and budget ceilings, fiscal capacity, cross-agency coordination, e-SPM management, and the use of MSS results in budget evaluation. Secondary data were obtained through document review, particularly the APBD structure, the Bener Meriah Regency Medium-Term Development Plan (RPJMD) for 2025-2029, Regent Regulation Number 56 of 2023 concerning the 2023-2027 MSS Action Plan, and the Ministry of Home Affairs e-SPM performance scorecard. These documents were used to confirm and contextualize information obtained from interviews and observation.

Data were analyzed interactively through data reduction, categorization and presentation, and conclusion drawing and verification. During reduction, information relevant to the research focus was selected and then grouped using the performance-based budgeting framework into input, output, and outcome dimensions, together with emergent themes concerning implementation constraints. The categorized data were presented narratively and, where appropriate, in tables to clarify relationships among resource allocation, policy implementation, and service achievement. This procedure is consistent with interactive qualitative analysis, in which data reduction, presentation, and conclusion drawing are treated as interconnected processes (Rijali, 2018). Credibility was strengthened through source triangulation by comparing statements across informants and matching them with relevant documentary evidence; triangulation reduced dependence on any single source and strengthened the plausibility of the interpretation (Mekarisce, 2020).

RESULTS AND DISCUSSION

The findings showed that the challenge of fulfilling MSS in Bener Meriah Regency could not be explained solely by the size of the budget or the level of expenditure absorption. Interviews, planning documents, the APBD structure, and e-SPM reports revealed an interconnected sequence of problems spanning fiscal inputs, budgeting processes, program outputs, and service outcomes. At the input stage, regional fiscal space was constrained and strongly influenced by intergovernmental transfers. At the process stage, local regulations were available but had not been consistently translated into budget-ceiling priorities. At the output stage, financial support differed substantially across basic-service sectors. At the outcome stage, e-SPM achievements remained relatively low and the quality of reporting

was affected by administrative capacity. The critical policy weakness was therefore not simply insufficient resources, but the absence of a robust mechanism through which MSS performance information could correct budget decisions in the next cycle. This finding supports the performance-based budgeting principle that the input-output-outcome relationship should be traceable and used for accountability and policy improvement (Nanda & Darwanis, 2016; Prabowo et al., 2017).

Fiscal Capacity and the Quality of MSS Budget Inputs

At the input dimension, the study found that Bener Meriah Regency had limited fiscal capacity and remained highly dependent on the General Allocation Fund (DAU), the Special Allocation Fund (DAK), and Revenue Sharing Funds (DBH). The Head of BPKPA, Muhammad Junaidi AR, M.Si., emphasized the need for innovation and strategies to strengthen regional financial capacity so that the quality of basic services could be supported more adequately. This finding indicates that the local government's ability to expand MSS programs does not lie entirely within local fiscal discretion. When locally generated revenue is limited and portions of intergovernmental transfers are earmarked, competition among programs for budget ceilings becomes more intense. Fiscal constraints, however, cannot be treated as the sole explanation for low MSS performance because MSS constitute mandatory basic-service responsibilities that must be prioritized under Law Number 23 of 2014, Government Regulation Number 2 of 2018, and Minister of Home Affairs Regulation Number 59 of 2021.

Analytically, the fiscal problem in Bener Meriah demonstrates the distinction between resource scarcity and the quality of prioritization. Performance-based budgeting does not require all needs to be financed simultaneously; rather, it requires available resources to be directed toward outputs and outcomes most relevant to mandatory service obligations. When fiscal capacity is narrow, the need for evidence-informed allocation becomes even stronger. Budget ceilings should not be determined merely by replicating previous-year patterns; decision makers need information on MSS target gaps, population groups that remain underserved, and the service consequences of failing to finance basic needs. Lewis (2017) showed that abundant local fiscal resources do not automatically produce better services. The Bener Meriah case demonstrates the converse: limited fiscal resources constrain options, but service quality still depends substantially on allocation governance and performance incentives.

Field evidence further showed that fiscal constraints affected the six basic-service sectors unevenly. Some sectors displayed relatively stable financing patterns, while others experienced stronger fluctuations and tighter ceilings. This variation indicates that fiscal capacity operates through an already established structure of priorities within the APBD. Sectors with routine programs, stronger organizational bases, or historically established financing arrangements are more capable of preserving their allocations. By contrast, sectors requiring specific interventions but possessing weaker bargaining power in budget discussions may be marginalized. From a performance-based budgeting perspective, this pattern creates a risk of path dependence in which current ceilings follow historical allocations more closely than changes in service-performance gaps identified through MSS data.

Improvement at the input stage therefore cannot rely only on increasing locally generated revenue or identifying new financing sources. A more immediate policy requirement is to map existing fiscal space against minimum service needs. During the preparation of the Regional Government Work Plan (RKPD), the General Budget Policy and Provisional Budget Ceiling and Priorities (KUA-PPAS), and the APBD, e-SPM results should be treated as evidence of service needs rather than merely as compliance reports. When an indicator reveals a substantial gap, that information should provide a testable basis for increasing the priority of relevant activities; conversely, when a target is nearly achieved, policy may focus on maintaining quality or improving efficiency. Such a mechanism does not eliminate fiscal constraints, but manages them through transparent and accountable prioritization. This approach is consistent with public-service accountability, which emphasizes responsibility not only for administrative process but also for results experienced by citizens (Herizal et al., 2020).

Gaps Between Regulation, Planning, and Budget Decisions

On the regulatory side, Bener Meriah Regency had established Regent Regulation Number 56 of 2023 concerning the 2023-2027 MSS Action Plan. Formally, this regulation provides an operational framework for directing MSS implementation. Nevertheless, the interview with the Assistant for Government and People's Welfare, Khairmansyah, S.IP., M.Sc., indicated that budget preparation still tended to reproduce the previous year's allocation pattern. This created a gap between policy

commitment and budget commitment: obligations and targets were formally stated in policy documents, but the intensity of fiscal support did not always change in response to performance gaps. This finding is consistent with the wider literature on Indonesian public-sector budgeting reform, which has identified misalignment between formal design and organizational practice (Prabowo et al., 2017).

This gap is particularly significant because MSS are not ordinary sectoral programs. Government Regulation Number 2 of 2018 defines MSS as provisions concerning the types and quality of basic services that citizens are minimally entitled to receive within mandatory governmental affairs. Consequently, the MSS Action Plan should be directly connected to planning and budgeting documents. If action-plan targets are not translated into traceable indicators, activities, locations, beneficiaries, resource needs, and budget ceilings, regulation risks remaining normative rather than operational. The study found that the substance of the draft Qanun for the Bener Meriah RPJMD 2025-2029 had not yet fully integrated basic-service target indicators. The synchronization problem therefore emerged before the APBD was finalized, at the stage when medium-term performance targets were translated into annual priorities.

From a performance-based budgeting perspective, the quality of planning documents determines the quality of budget decisions. A budget cannot be genuinely performance based when its indicators fail to establish a relationship among needs, activities, outputs, and outcomes. Nanda and Darwanis (2016) showed that performance-based budgeting in regional government requires consistency between planning and performance measures. The Bener Meriah findings extend that argument by identifying a more specific gap: the disconnect was not only between plans and realization but also between mandatory basic-service indicators and the mechanism used to determine budget ceilings. If MSS performance is not treated as one of the variables in budget deliberation, budgeting is likely to remain oriented toward inputs and program continuity rather than toward closing service-outcome gaps.

The problem was also associated with the institutional forum in which budget decisions were made. The study found that the MSS Implementation Team and its secretariat had not functioned optimally in safeguarding MSS priorities during TAPD budget deliberations. Institutionally, this weakness reduced the ability of MSS concerns to remain visible when sectors competed for limited ceilings. Good planning requires not only documents but also actors capable of carrying evidence of needs and performance into decision-making arenas. Akbar et al. (2018) emphasized planning processes that connect community needs with development decisions, while Sururi (2017) argued that policy innovation requires institutional capacity to translate problems into operational action. In Bener Meriah, this capacity should be reflected in the MSS team's ability to present performance gaps concisely, verifiably, and in direct connection with proposed programs and their budgetary consequences.

From an accountability perspective, the tendency to replicate previous-year budgets also makes it difficult to assess why a particular ceiling was granted. When increases or decreases in allocations are not explained by changes in needs and performance, neither the public nor internal evaluators can judge whether the decision is rational. Local public-resource governance studies emphasize transparency, clear responsibility, and the ability to trace decisions to their results (Setiawan et al., 2017; Makalalag et al., 2017; Sofyani et al., 2018). Applied to MSS, these principles require each sector to demonstrate at least three elements: the indicator that remains below target, the selected intervention, and the justification for the amount of resources allocated. These elements would make budget deliberation more substantive and reduce the dominance of arguments based solely on historical practice or routine operational needs.

Uneven Outputs Across Basic-Service Sectors

At the output dimension, the findings showed unequal programmatic and financial support across the six mandatory basic-service sectors. To move beyond a purely sectoral description, field evidence was grouped according to allocation patterns and dominant constraints. This grouping was not intended to produce new quantitative scores because the source data did not provide uniformly comparable figures for every sector; instead, it was used to identify consistent policy patterns emerging from the interviews and documents analyzed. The synthesis is presented in Table 1.

Table 1 Synthesis of Allocation and Performance Patterns Across Basic-Service Sectors

No	Service Sector Group	Main Empirical Findings
1	Education and health	Allocations were relatively more stable than in other sectors; program continuity was better maintained, although improvements in service quality were still affected by technical staff rotation and the consistency of data management.
2	Public works; public order, peace, and civil protection	Financing tended to fluctuate more strongly; community experience indicated that post-disaster response was still perceived as slow.
3	Public housing and social affairs	Budget ceilings were very limited; interview evidence indicated that a substantial share of available funding was absorbed by operational needs, leaving narrow fiscal space for substantive MSS outputs.

Table 1 shows that stable allocations did not necessarily indicate adequate outputs, and limited budget ceilings could not always be explained solely by aggregate fiscal conditions. Education and health benefited from relatively more stable financing, which supported program continuity, yet the study still identified barriers related to technical staff rotation and indicator management. Stable or larger inputs therefore generated consistent outputs only when organizations retained sufficient implementation capacity. This finding is consistent with public-service literature showing that service quality is shaped not only by resources but also by bureaucratic capacity, procedural certainty, and institutional adaptability to public needs (Kurniawan, 2016; Maryam, 2016).

For public works and the public order, peace, and civil-protection sectors, fluctuating financing interacted with service functions that often require preparedness and rapid response. Community perceptions that post-disaster response remained slow could not automatically be attributed to inadequate funding because the study did not quantitatively test a causal relationship between budget ceilings and response speed. Nevertheless, these perceptions constituted an important outcome signal that should be examined against output adequacy: whether resources were available at the required location and time, whether response standards had been translated into financed activities, and whether realized expenditure produced operationally ready service capacity. Community perceptions therefore functioned as a triangulation source for administrative reports rather than as a substitute for technical MSS indicators.

The most pronounced imbalance was found in public housing and social affairs. The Head of the Government Administration Division, Istianah, S.STP., M.Si., reported that allocations for these two sectors were very limited and, in practice, were often sufficient only for secretariat and operational expenses. When expenditure predominantly maintains administrative functions rather than financing interventions directly linked to service recipients, the input-output relationship becomes weak. Funds are still spent, but their capacity to produce substantive minimum-service outputs is constrained. This does not imply that operational expenditure is unnecessary; organizations require administrative resources. The problem arises when the proportion and priority of operational spending leave insufficient fiscal room for substantive outputs mandated by MSS.

From the perspective of service equity, differences in sectoral support must also be interpreted cautiously. MSS are designed to guarantee a minimum level of services to which citizens are entitled; therefore, sectors with smaller organizational structures should not automatically receive weaker budget positions when their service gaps are larger. Prioritization should move from the size of the service gap to the required intervention, rather than from organizational size to the ceiling itself. Good-governance principles require public resources to be allocated responsively, transparently, and accountably (Maryam, 2016). In this context, cross-sectoral output inequality indicates the need for a corrective budgeting mechanism so that agencies facing substantial service needs but possessing weaker budget-advocacy capacity continue to receive appropriate attention.

Institutionally, unequal outputs also indicated that the coordinating role of the MSS Implementation Team and its secretariat remained underdeveloped. A cross-sectoral team should identify lagging sectors and bring that analysis into budget deliberations. When this function is weak, each agency tends to advocate its needs separately, while comparative assessment across sectors receives insufficient attention. As a result, budget ceilings may be shaped more by administrative

strength and historical spending patterns than by the urgency of service gaps. This finding strengthens Sururi's (2017) argument that policy innovation requires not only ideas but also organizational capacity to transform ideas into consistent procedures and decisions.

Administrative Capacity, e-SPM, and the Quality of Performance Information

At the process and outcome dimensions, the study found that transfers and rotations of officials and staff within organizational units frequently resulted in changes of e-SPM administrators or system operators. Such changes required a new adjustment process and, together with complex reporting formats and uneven understanding of operational indicator definitions, reduced the timeliness of document submission. This finding demonstrates that a performance-information system cannot be separated from the human capacity required to manage it. An application may provide standardized formats and reporting channels, but information quality still depends on continuity of knowledge, consistent understanding of indicators, and the ability of regional agencies to collect appropriate service evidence. The e-SPM problem in Bener Meriah was therefore not merely technical; it was also a problem of performance-data governance.

Operator turnover is especially important because e-SPM performs two functions simultaneously. First, it serves as a compliance-reporting mechanism through which regional governments report to the central government. Second, the data collected should function as internal information for evaluating service gaps. If organizational attention is directed mainly toward completing uploads and administrative documentation, the second function becomes weaker. Administrative success may then be measured by whether reporting is complete and timely, while the substantive policy question—whether the data change budget priorities—receives less attention. The study found indications of precisely this pattern because e-SPM achievements were not yet systematically used to determine indicative ceilings for the following fiscal year.

The quality of performance information becomes even more important when data are used in budget deliberations. Late, inconsistent, or unevenly understood data reduce decision makers' confidence in the indicators. Budget forums then tend to return to information perceived as more certain, such as prior-year budget realization, routine activity lists, and agency proposals. This can produce a self-reinforcing cycle: weak MSS data are rarely used; because they are rarely used, agencies have fewer incentives to improve data quality; and because quality does not improve, budget decisions continue to depend on historical patterns. Breaking this cycle requires a managerial decision that MSS data constitute a mandatory input to performance evaluation and priority deliberation rather than a supplementary reporting document.

Administrative data should also be interpreted alongside citizens' service experiences. The study recorded that access to basic health and education services was generally perceived as helpful by local residents, whereas responses in social services and disaster management were considered slower. Such information does not replace the MSS indicators established by regulation, but it adds a user-oriented dimension to government performance data. Kurniawan (2016) argued that public-service innovation must remain oriented to user needs, while Maryam (2016) identified responsiveness as an important element of good governance. MSS performance evaluation would therefore be stronger if e-SPM data, budget realization, and community feedback were interpreted together. Inconsistencies among these three sources can themselves indicate where specific implementation problems should be investigated.

Methodologically, the study did not provide a basis for concluding that every low e-SPM result necessarily represented poor factual service delivery. Informants indicated that some recorded results may also have been affected by reporting quality and timeliness. A more defensible interpretation is therefore that the e-SPM score or status reflects both service performance and the performance of the information-governance system that documents it. This distinction is important because it affects the choice of policy response. If the principal problem lies in service delivery, the intervention should focus on programs and service resources; if the problem lies in documentation and reporting, the response should strengthen data systems, competencies, and procedures. In many cases both problems may coexist, requiring evaluation to distinguish the sources of the observed performance gap.

Service Outcomes and the Weak Budget-Feedback Mechanism

At the outcome dimension, the Fourth-Quarter 2025 MSS Performance Scorecard used in this study placed Bener Meriah Regency at a relatively low level of service-quality fulfillment compared

with other autonomous regions in Aceh (Directorate General of Regional Development, Ministry of Home Affairs, 2025). Because the source document did not provide detailed figures for every indicator across all service sectors, this study did not reconstruct new scores or rankings. The analysis instead focused on policy implications: relatively low results should trigger an evaluation of input adequacy, program-design accuracy, and output effectiveness. In a performance-based budgeting framework, outcomes are not an endpoint isolated from the budget; they are information that should return to the planning stage as feedback.

The central finding was that this feedback mechanism had not yet operated effectively. MSS results were not systematically used when regional agencies' indicative ceilings were prepared for the following year. Consequently, the relationship between budget and performance remained largely one-directional: funds were allocated, activities were implemented, and results were reported, but evaluation did not consistently lead to corrections in the next allocation. This explains why regulations, action-plan documents, and reporting applications did not automatically produce performance-based budgeting. A budgeting system becomes meaningfully performance oriented only when information on results has consequences for decisions, whether through increased support, redesigned activities, strengthened implementation capacity, or discontinuation of ineffective approaches.

This finding is consistent with critiques of Indonesian public-budget reform that identify a continuing gap between formal instruments and actual decision-making practice (Prabowo et al., 2017). At the regional-government level, Nanda and Darwanis (2016) likewise showed that the implementation of performance-based budgeting depends on planning quality and performance measures. The contribution of the Bener Meriah case is to identify the point at which the chain breaks in basic-service policy: outcome data are available through e-SPM but do not yet exert sufficient influence on budget ceilings. Performance weakness therefore does not exist only at the final point of service delivery; it also lies in an institutional design that does not require evaluation results to enter the budget decision process.

An effective feedback mechanism need not operate as a mechanical formula that automatically increases the budget whenever an indicator is low. Low achievement may result from insufficient resources, inappropriate program design, limited implementation capacity, uneven service distribution, weak data quality, or a combination of these factors. The function of e-SPM should therefore be diagnostic: it should trigger investigation rather than replace policy judgment. Bappeda and TAPD can use reported achievements as an entry point for requiring sectoral agencies to explain the causes of performance gaps, proposed corrective options, financing requirements, and expected outputs. Such a mechanism is more consistent with performance-based budgeting than a simple rule that links low scores directly to higher allocations.

A diagnostic approach is also necessary to prevent fiscal constraints from producing uniform budget cuts. Across-the-board proportional reductions may be administratively simple, but they can widen service disparities when the most disadvantaged sectors lose resources that are essential to meeting minimum standards. Conversely, increasing expenditure without diagnosing the underlying problem may raise spending without improving outcomes. Research on local-government spending and service delivery indicates that fiscal resources need effective institutional mechanisms if they are to generate better services (Lewis, 2017). For Bener Meriah, the policy implication is the need for an evaluation process capable of distinguishing between problems of budget quantity and problems concerning the quality of budget use.

Synthesis of the Input-Output-Outcome Relationship and Policy Contribution

Taken together, the relationship between the regional budget and MSS performance in Bener Meriah Regency can be summarized as a five-stage chain: fiscal input, planning and budgeting processes, service outputs, outcomes recorded through MSS indicators, and feedback into the subsequent budget cycle. The principal problem lies in the connections among these stages rather than in the absence of the individual components themselves. The region already has an APBD, an action-plan regulation, organizational structures, service programs, and the e-SPM reporting system; what remains weak is the capacity of these elements to function as an integrated performance system. The analytical synthesis is presented in Table 2.

Table 2 Synthesis Matrix of Performance-Based Budgeting for MSS Fulfillment

Dimension	Research Findings	Analytical Meaning
Input	Fiscal capacity was limited and dependence on intergovernmental transfers remained relatively high.	Prioritization based on service gaps became critical because discretionary fiscal space was narrow.
Process	The action plan existed, but indicator integration into planning documents and ceiling deliberations was inconsistent; previous-year patterns remained influential.	A gap persisted between regulatory commitment and operational fiscal decisions.
Output	Support across service sectors was uneven; public housing and social affairs had very limited program space.	Expenditure did not always generate substantive outputs proportional to MSS needs.
Outcome	e-SPM performance was relatively low; reporting quality was affected by staff capacity and operator continuity.	Administrative outcomes needed to be interpreted together with service quality and the quality of data governance.
Feedback	MSS results did not yet systematically influence indicative ceilings for the following year.	The performance-based budgeting chain was interrupted at the stage where evaluation results should inform subsequent allocation decisions.

This synthesis clarifies the study's substantive novelty. Regional-budget studies generally focus on the implementation of performance-based budgeting, expenditure absorption, or spending effectiveness, while public-service research commonly emphasizes quality, innovation, and accountability. This study connects the two strands by treating MSS as a mandatory service obligation and e-SPM as a source of performance information. The findings indicate that the principal weakness is not simply a low budget or a low score, but the failure of MSS achievements to function as fiscal feedback. MSS can therefore be positioned not only as a service standard and reporting instrument, but also as an evaluative device for testing whether the APBD structure responds to demonstrated service gaps.

This contribution has direct implications for regional governance. First, indicative-ceiling deliberations should require every agency responsible for MSS to present an analysis of indicator gaps and to link those gaps explicitly to proposed activities. Second, the MSS Implementation Team should operate as a cross-sectoral consolidator that compares the urgency of needs rather than functioning merely as a reporting coordinator. Third, Bappeda and the regional financial-management agency should agree on a concise format linking targets, the most recent achievement, planned outputs, financing needs, and the rationale for changes in budget ceilings. Fourth, post-implementation evaluation should distinguish service-delivery problems from reporting problems so that corrective action addresses the actual source of the gap. These directions do not require a separate new system; they require the integration of information already available to the government into key APBD decision points.

A further implication concerns the risks of relying solely on locally fixed budget percentages. MSS must indeed be prioritized, but effectiveness still depends on actual needs, performance gaps, and the characteristics of each service sector. Assigning a fixed budget share without diagnosis may create nominal compliance without ensuring appropriate outputs. A more consistent performance-oriented approach is to establish clear minimum priorities through targets and indicators and then require any change in the budget ceiling to be explained by changes in service gaps. This approach connects fiscal discipline with mandatory basic-service obligations through performance evidence rather than treating the two as competing objectives.

Overall, the challenge of MSS fulfillment in Bener Meriah Regency is best understood as a transition from compliance-based budgeting toward performance-informed budgeting. The regional government already possesses regulatory and reporting instruments, but the information generated by those instruments has not yet fully guided allocation decisions. When e-SPM achievements are treated as mandatory feedback in budget deliberations, fiscal constraints can be managed more selectively, cross-sectoral inequalities can be identified earlier, and the rationale for budget changes can be made more accountable. The study therefore answered its research objective by showing that MSS budgeting remained suboptimal not only because fiscal space was narrow, but also because target integration,

performance data, cross-agency coordination, and feedback mechanisms had not yet operated as a coherent system.

CONCLUSION

The study concluded that regional development-budget policy for the fulfillment of Minimum Service Standards in Bener Meriah Regency had not yet fully operated according to performance-based budgeting principles. The regional government had established a regulatory basis through the MSS Action Plan and had implemented reporting through e-SPM, yet the relationship among service targets, performance information, and APBD allocation decisions remained weak. Limited fiscal capacity narrowed financing options, but the substantive problem extended beyond the total amount of funding. Uneven support across service sectors, the persistence of previous-year ceiling patterns, incomplete integration of MSS indicators into planning documents, staff turnover, and weak coordination by the MSS Implementation Team prevented evaluation results from becoming systematic feedback for the subsequent budget cycle. The central finding was therefore a broken link between MSS outcomes and fiscal prioritization. The Bener Meriah Regency Government should make analysis of MSS performance gaps a mandatory input to RKPD, KUA-PPAS, and APBD deliberations; strengthen the MSS Implementation Team as a consolidator of data and cross-sectoral needs in TAPD forums; maintain continuity and capacity among e-SPM personnel; and use changes in performance as a traceable basis for explaining increases, maintenance, or adjustments in budget ceilings. This approach is more appropriate than mechanically fixing budget percentages because it directs scarce resources toward the most significant basic-service gaps and supports a transition from compliance-based budgeting to performance-informed budgeting.

REFERENCES

- Akbar, M. F., Suprpto, S., & Surati, S. (2018). Partisipasi masyarakat dalam perencanaan pembangunan di Desa Jatimulya Kabupaten Boalemo. *Publik: Jurnal Manajemen Sumber Daya Manusia, Administrasi dan Pelayanan Publik*, 5(2), 135–142.
- Antlöv, H., Wetterberg, A., & Dharmawan, L. (2016). Village governance, community life, and the 2014 Village Law in Indonesia. *Bulletin of Indonesian Economic Studies*, 52(2), 161–183. <https://doi.org/10.1080/00074918.2015.1129047>
- Campbell, S., Greenwood, M., Prior, S., Shearer, T., Walkem, K., Young, S., Bywaters, D., & Walker, K. (2020). Purposive sampling: Complex or simple? Research case examples. *Journal of Research in Nursing*, 25(8), 652–661. <https://doi.org/10.1177/1744987120927206>
- Direktorat Jenderal Bina Pembangunan Daerah Kementerian Dalam Negeri Republik Indonesia. (2025). *Rapor capaian Standar Pelayanan Minimal triwulan IV tahun 2025*. Kementerian Dalam Negeri Republik Indonesia.
- Fadli, M. R. (2021). Memahami desain metode penelitian kualitatif. *Humanika*, 21(1), 33–54. <https://doi.org/10.21831/hum.v21i1.38075>
- Herizal, H., Mukhrijal, M., & Wance, M. (2020). Pendekatan akuntabilitas pelayanan publik dalam mengikuti perubahan paradigma baru administrasi publik. *Journal of Governance and Social Policy*, 1(1), 24–34.
- Kurniawan, R. C. (2016). Inovasi kualitas pelayanan publik pemerintah daerah. *Fiat Justisia: Jurnal Ilmu Hukum*, 10(3), 569–586.
- Lewis, B. D. (2017). Local government spending and service delivery in Indonesia: The perverse effects of substantial fiscal resources. *Regional Studies*, 51(11), 1695–1707.
- Makalalag, A. J., Nangoi, G. B., & Karamoy, H. (2017). Akuntabilitas pengelolaan dana desa di Kecamatan Kotamobagu Selatan Kota Kotamobagu. *Jurnal Riset Akuntansi dan Auditing Goodwill*, 8(1), 149–158.
- Maryam, N. S. (2016). Mewujudkan good governance melalui pelayanan publik. *Jurnal Ilmu Politik dan Komunikasi*, 6(1), 1–18.
- Mekarisce, A. A. (2020). Teknik pemeriksaan keabsahan data pada penelitian kualitatif di bidang kesehatan masyarakat. *Jurnal Ilmiah Kesehatan Masyarakat: Media Komunikasi Komunitas Kesehatan Masyarakat*, 12(3), 145–151. <https://doi.org/10.52022/jikm.v12i3.102>

- Nanda, R., & Darwanis. (2016). Analisis implementasi anggaran berbasis kinerja pada pemerintah daerah: Studi deskriptif pada Dinas DPKKD Kabupaten Aceh Selatan. *Jurnal Ilmiah Mahasiswa Ekonomi Akuntansi*, 1(1), 327–340.
- Peraturan Bupati Bener Meriah Nomor 56 Tahun 2023 tentang Rencana Aksi Penerapan Standar Pelayanan Minimal Kabupaten Bener Meriah Tahun 2023–2027.
- Peraturan Menteri Dalam Negeri Republik Indonesia Nomor 59 Tahun 2021 tentang Penerapan Standar Pelayanan Minimal.
- Peraturan Pemerintah Republik Indonesia Nomor 2 Tahun 2018 tentang Standar Pelayanan Minimal.
- Prabowo, T. J. W., Leung, P., & Guthrie, J. (2017). Reforms in public sector accounting and budgeting in Indonesia (2003–2015): Confusions in implementation. *Journal of Public Budgeting, Accounting & Financial Management*, 29(1), 104–137.
- Rerung, E. D., Karamoy, H., & Pontoh, W. (2017). Faktor-faktor yang memengaruhi penyerapan anggaran belanja pemerintah daerah: Proses pengadaan barang/jasa di Kabupaten Bolaang Mongondow Selatan. *Jurnal Riset Akuntansi dan Auditing Goodwill*, 8(1), 192–202.
- Rifai, A., Inapty, B. A., & Pancawati, R. S. (2016). Analisis faktor-faktor yang memengaruhi keterlambatan daya serap anggaran: Studi empiris pada SKPD Pemerintah Provinsi Nusa Tenggara Barat. *Jurnal Ilmiah Akuntansi dan Bisnis*, 11(1), 1–10.
- Rijali, A. (2018). Analisis data kualitatif. *Alhadharah: Jurnal Ilmu Dakwah*, 17(33), 81–95. <https://doi.org/10.18592/alhadharah.v17i33.2374>
- Ristiani, I. Y. (2020). Manajemen pelayanan publik pada Mall Pelayanan Publik di Kabupaten Sumedang Provinsi Jawa Barat. *Coopetition: Jurnal Ilmiah Manajemen*, 11(2), 165–178.
- Sari, D. N., Mintarti, S., & Pattisahusiwa, S. (2018). Analisis efektivitas dan efisiensi pelaksanaan anggaran belanja. *KINERJA*, 15(1), 38–43.
- Setiawan, A., Haboddin, M., & Wilujeng, N. F. (2017). Akuntabilitas pengelolaan dana desa di Desa Budugsidorejo Kabupaten Jombang tahun 2015. *Politik Indonesia: Indonesian Political Science Review*, 2(1), 1–16.
- Sofyani, H., Suryanto, R., Wibowo, S. A., & Widiastuti, H. (2018). Praktik pengelolaan dan tata kelola pemerintahan desa Dlingo di Kabupaten Bantul: Pembelajaran dari desa percontohan. *Jati: Jurnal Akuntansi Terapan Indonesia*, 1(1), 1–16.
- Sururi, A. (2017). Inovasi kebijakan publik: Tinjauan konseptual dan empiris. *Sawala: Jurnal Administrasi Negara*, 4(3), 1–14.
- Undang-Undang Republik Indonesia Nomor 23 Tahun 2014 tentang Pemerintahan Daerah.