

Village Asset Utilization Policy to Increase Village Original Income

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Abstract

This study aims to analyze the implementation of the village asset utilization policy in increasing village revenue and identify the inhibiting factors based on Blitar Regent Regulation Number 55 of 2019. The research location was Binangun Village. The data analysis technique in this study used the descriptive-analytic method. This study found that implementing the village asset utilization policy in Binangun Village based on Blitar Regent Regulation Number 55 of 2019 still faces various obstacles. Policy communication has not covered the entire community, especially regarding utilizing southern kiosks. Human resources do not have a deep understanding, causing important stages such as market price surveys and agreement documents not to be carried out. Supporting regulations such as Village Regulations (Perdes) on Village Market Management and Village Head Regulations (Perkades) on Utilization of Village-Owned Land for Official Use, also known as Village Bengkulu Assets, have not been prepared. At the same time, incentives for asset managers have not been provided due to differences in regulations and budget constraints. In addition, the unavailability of SOPs has led to inconsistencies with applicable regulations. Supporting factors include the commitment of the village government and the use of SIPADES. In contrast, barriers include the lack of supervision, leadership assertiveness, and community participation in utilizing village assets. This research contributes to policy implementers in improving socialization, training of asset managers, drafting regulations, policy enforcement, and coordination with the Inspectorate and Village Consultative Body (BPD) to optimize the utilization of village assets to increase Village Original Income.

Article Info

Keywords:
Implementation,
Village Asset Utilization,
Village Original Income

JEL Classification:
G12, G18, G38

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Received: 05-01-2025
Revised: 28-02-2025
Accepted: 10-03-2025
Published: 20-03-2025



1. Introduction

Village government in Indonesia is an integral part of the government system and acts as a subsystem of regional government. Villages are often associated with poverty and underdevelopment, making them the weakest link in government (Sulistyan et al., 2024). Nevertheless, villages remain a key link for communities in achieving national goals. Villages have an original structure recognized as a special area, and the Unitary State of the Republic of Indonesia guarantees its existence. Village Law No. 6/2014 brought positive changes, increasing attention to village governance. The law accelerates village development through better regulation, strengthening its position in the Indonesian constitutional system.

Village finances and assets play an important role in village governance and development. According to Yosef Karel (2023), village finances include rights and obligations that can be valued in money, including related assets. Village finances come from the village's original income, the Regional Budget (APBD), and the State Budget (APBN). Maulidiah (2016) added that village finances are reflected in the APBDes, which consists of revenue and expenditure items. Law No. 6/2014 divides village revenue into external and internal sources, including village businesses

such as Village-Owned Enterprises (BUMDes) that support the local economy. According to Nurcholis (2011), managing village assets, such as land and natural resources, must fulfill the principles of functionality, efficiency, and accountability, and be regulated in regulations.

Village assets include various assets, such as original village assets, assets obtained through the Village Budget (APBDesa), grants, donations, or inter-village cooperation, all regulated in the Blitar Regent Regulation on Village Asset Management. Village assets can be land, markets, forests, rivers, and other infrastructure that can be utilized as a source of original village income. Village asset management aims to improve the welfare and income of village communities and support village development (Aryati et al., 2025). The village government is authorized to manage these assets. However, the Village Consultative Body (BPD) must approve using assets to prevent misuse and ensure benefits for the public interest (Nurdinawati, 2019).

To improve the usability and productivity of village assets, their management and utilization must be carried out effectively and efficiently. The village government is advised to form a management team separate from village management through a Village-Owned Enterprise (BUMDesa) or a committee involving the community. The utilization of village assets can be carried out by leasing, borrowing, cooperative utilization, and building for handover or building for handover. The proceeds from utilizing village assets must be deposited into the village treasury as a source of income. In the case of leasing, a market price survey team is needed to ensure that the land rental price is based on the market price in the village or its surroundings, according to Blitar Regent Regulation No. 55/2019 on Village Asset Management.

This study aims to analyze the implementation of village asset utilization policies in increasing village revenue in Binangun Village and identify the inhibiting factors based on Blitar Regent Regulation Number 55 of 2019. This research helps develop science, especially in implementing village asset utilization policies to increase village revenue, and it is a source of relevant information for similar studies. Practically, this research is expected to benefit villages in Blitar Regency as a reference for utilizing village assets, and it can be used for similar studies in the future.

Public policy is a series of decisions and actions the government takes to solve public problems and achieve specific goals. Eyestone states that public policy involves the relationship between government, society, the private sector, and other entities (Winarno, 2012). Thomas R. Dye emphasizes that policy includes the government's actions, why, and impact. Frederick added that policies are actions individuals or groups propose with specific goals (Agustino, 2020). Public policy implementation, a crucial stage in this process, involves the implementation of laws by various actors and organizations to achieve the set. Factors such as communication, resources, disposition, and bureaucratic structure affect the success of policy implementation (Agustino, 2020).

In the government system of the Unitary State of the Republic of Indonesia, the village government functions to manage government affairs and fulfill the local community's interests. Based on Law No. 32/2004 on Village Government, the village government structure consists of the Village Government and the Village Consultative Body (BPD), whose members are directly elected by the community (Agustina, 2020). The Village Head and BPD have different duties and responsibilities, but both work together to manage the village administration. The Village Head and BPD mutually discuss village regulations, propose draft budgets, and manage village assets. The village government plays an important role in maintaining the integrity of the Republic of Indonesia and providing services to the community as a form of public service to meet the basic needs and welfare of the people (Sadhana, 2010; Rasyid, 1997).

Village Regulation is a set of rules established by the village government, led by the Village Head, and formulated based on the community's aspirations through the Village Consultative Body. This regulation contains the implementation of village authority by higher regional regulations. Marjoko (2013) explains that forming village regulations requires a democratic attitude and good village governance, which will produce democratic regulations and strengthen village governance. The main principles in drafting village regulations include conformity, respect for the rule of law, and meeting community expectations. Vlies (2005) states that village regulations aim to achieve progressive development and improve village welfare, prepared together with the Village Consultative Body in implementing village autonomy.

Village assets, as stipulated in Law No. 6/2014, include village property originating from the village's original wealth, purchases, grants, or the acquisition of other legal rights. These assets include village treasury land, markets, forests, springs, and other facilities that support village development and welfare. Village assets have an important role as a source of income and business capital to increase village independence. Village asset management aims to improve community welfare and village revenue. Based on Blitar Regent Regulation No. 55/2019, this management includes various activities such as planning, procurement, utilization, security, and asset disposal. All activities are carried out with functionality, transparency, efficiency, and accountability principles, with the approval of the Village Consultative Body (BPD) and by statutory provisions.

Original Village Revenue (PADes) is a source of revenue obtained by the village government to support the implementation of village governance within the framework of village autonomy. PADes include various sources, including the results of village businesses, management of separate village assets, self-help and community participation, cooperation, and other legitimate sources (Nurcholis, 2011). PADes come from business results, village assets, State Budget allocations, local taxes, village funds, financial assistance, grants, and other legal sources. Blitar Regent Regulation No. 55/2019 also states that PADes involve community contributions in various forms, both directly and indirectly.

2. Methods

This research uses a descriptive qualitative approach, which focuses on collecting non-numerical data in words and images, not numbers (Assor & Rusdianti, 2023). This research describes behaviors, perceptions, and actions related to implementing village asset utilization in Binangun Village. The data obtained will be analyzed to describe the conditions and situations of village asset utilization without drawing hypotheses. However, the reality in the field will be described by implementing theories in government science.

This research focuses on utilizing village assets in Binangun Village, specifically the Village Workshop, Village Market, and Village Kiosk assets, which impact the increase in the Village's Original Income. The research location is in Binangun Village, Binangun Subdistrict, Blitar Regency, the only independent village in the region. The selection of this location is based on considerations for conducting intensive observations so that the data obtained can be of high quality and provide a more precise description of the utilization of village assets.

This research used a descriptive-analytical method, in which data were collected from interviews, field notes, and documents and then analyzed with words and pictures. Data analysis was conducted interactively and continuously until it reached a saturation point (Sugiyono, 2017). The analysis process includes data reduction (selecting and simplifying information), data presentation in narrative form, and verification or conclusion drawing that reveals new findings or unclear relationships.

3. Results and Discussion

3.1. Results

This research was conducted in Binangun Village, Binangun Subdistrict, Blitar Regency. According to its classification, Binangun Village is classified as a self-sufficient village. Self-sufficiency is a village where the community can optimally utilize and develop the village's potential. Meanwhile, Binangun Village is included in the Advanced Village category based on its category. The Advanced Village category is a category of village governance problems that require priority handling of problems related to the performance of village governance and guidance and supervision in implementing village governance. The implementation of the village asset utilization policy is based on George C. Edward III, which consists of communication, resources, disposition, and bureaucratic structure.

Communication is a significant factor in the successful implementation of public policy. In Binangun Village, communication-related to utilizing village assets has been carried out internally between the village government and asset managers. Socialization is carried out through coordination between the village government and asset managers to ensure an understanding of the applicable regulations. However, socialization to the general public has not been carried out because the village does not yet have an official regulation on asset leasing. One informant said, "We have communicated with the village asset manager regarding asset utilization and regulations. Coordination is ongoing so that asset utilization can be maximized. The manager has understood the regulations, but socialization to the general public has not been carried out, it is only conveyed during village meetings". This statement shows that information to the community is still limited.

The asset manager or the local RT head communicates with tenants directly in utilizing village assets. Information is often delivered orally and not through an official forum. An informant stated, "There has been no general socialization, but tenants were gathered to make an agreement with the village government. I only manage the asset, while other officers handle the lease process". Despite the limited information provided, tenants claimed to understand the mechanism applied. However, in the management of village kiosks, there are complaints about the spatial layout, as expressed by the informant, "The construction of a new building near the kiosk covers the view access to the old kiosk, reducing business turnover. There should be deliberation with the old tenants before the construction is carried out".

Regarding policy consistency, the village government claims that regulations are still implemented according to existing rules. Information from the sub-district government states, "Binangun Village's policy is consistent, but has not fully implemented the mandate of the regulation. Spatial planning needs to be considered so as not to cause complaints from tenants". In addition, informants from the village emphasized that the policy has not undergone significant changes, "Everything is in accordance with existing regulations. Although the village regulation has not been enacted, the policy remains consistent, and we always consult with the sub-district". Although policies have been implemented consistently and understood by managers and tenants, information disclosure to the community and consideration in spatial planning still need improvement.

Human resources are an important factor in the implementation of public policies, including in the utilization of village assets in Binangun Village. The village government has appointed asset management personnel based on considerations of competence and understanding of the area. However, the number of personnel is still limited, so plans to cooperate with Village-Owned Enterprises (BUMDes) are being prepared. An informant stated, "They are appointed because they are considered to have the ability to maximize the utilization of village assets. However, the number of personnel is still insufficient, and we are planning to collaborate with BUMDes to make it more optimal". However, until now, BUMDes has not been active in managing village assets. The existing team has understood the regulations, but the implementation has not been fully optimized. Some policies, such as market price surveys and lease agreements for village assets, have not been implemented optimally.

In its operation, village asset management uses the Village Asset Management System (SIPADES), an application from the Ministry of Home Affairs that aims to improve transparency and accountability. An informant revealed, "I only collect data on assets, add the value of assets if there is development, and enter the data in SIPADES". In addition, the management of markets and kiosks is carried out directly by village officials, whose duties are determined verbally, without a formal decree. Another informant added, "If there are problems in the market, they are usually resolved directly by the manager and traders through deliberation, but if they are related to regulations, they are still communicated with the village". Although, in general, the tasks have been carried out well, asset managers should conduct comparative studies with other villages that are more advanced in asset governance.

Regarding the limits of authority, managers understand that strategic decisions must be coordinated with the village government. An informant explained, "If there are obstacles, decisions are made through coordination and village government meetings. No policy is decided on its own". However, no regulation regulates the limits of their authority. In carrying out their

duties, available facilities and infrastructure are still limited. Another informant stated, “We use computers and official motorbikes, but for market managers, there are no supporting facilities from the village”. Asset managers can perform their duties well despite the limited facilities and regulations. However, capacity building, such as training and technical guidance, is still needed to implement village asset utilization policies more effectively.

The disposition or attitude of policy implementers is an important factor in the success of policy implementation. In Binangun Village, the commitment to manage village assets already exists, but implementation still faces obstacles. One informant said, “I think everyone is committed to carrying out the utilization of these assets and using the proceeds from asset leases to increase village income. However, some aspects, such as the market price survey team and lease administration, have not been implemented”. This occurs because some officers hold concurrent positions, so they have not been optimal in carrying out their duties. In addition, there has been no reprimand from the village head for the non-implementation of these tasks. Although the policy implementers are committed, the lack of firmness in implementing regulations is the main obstacle in optimizing the utilization of village assets to increase Village Original Revenue (PAD).

Regarding regulations, village asset management already has Binangun Village Regulation Number 11 of 2021 concerning the Management and Utilization of Village Assets and several Village Head Decrees. However, other regulations still have shortcomings that should govern market management and utilizing village assets. One informant revealed, “The village asset manager already has a decree from the Village Head, but the Village Regulation on market management does not yet exist. Currently, the policy still refers to the regulations above it”. As a result, many aspects of village asset utilization still lack a clear legal basis, including lease agreements that the mandate should make of higher regulations.

Regarding incentives, no honorarium has been given to village asset managers. One informant stated, “There is no incentive or honorarium because asset management has become part of the main duties of village officials”. Although Blitar Regent Regulation No. 55/2019 states that village asset management officials can be given honorariums according to the village's financial capacity, the village government decided not to provide incentives due to budget constraints and the lack of implementation of asset management tasks. Another informant added, “Commitment without assertiveness from the leadership will be in vain. The village head should be more assertive so that policy implementation runs optimally”. Therefore, in addition to increasing commitment, encouragement from the leadership is needed so that policy implementation runs more effectively.

An effective organizational structure is important in implementing village asset utilization policies in Binangun Village. Although there has been a Village Head Decree regarding the establishment of assistant managers and village asset officers, there is no written Standard Operating Procedure (SOP) that regulates the mechanism of village asset management. One informant stated, “There is no written standard procedure. We have not yet compiled the SOP, but in an unwritten manner it already exists and is still carried out”. This also applies to leasing bengkok assets, markets, and village kiosks. In practice, determining the rental price of bengkok assets is based on an agreement between the village government and the community without going through the price survey mechanism stipulated in the regulation. Without a written SOP, the asset utilization process runs without clear administrative guidelines.

The applicable rules have also not been formally written in leasing markets and kiosks. Another informant said, “There are no written rules, but verbally they have been implemented. The market manager determines the placement of new tenants based on an agreement”. Similarly, renting kiosks is based on an agreement between the tenant and the village government without a written agreement. One kiosk tenant stated, “In the past, kiosks were distributed through a lottery system, and the rental price of kiosks at the front was more expensive than those at the back”. Without a written SOP, there are differences in the application of rules, such as in the payment of market rent, which is calculated based on the number of market days paid once a year. In addition, some of the fees from traders do not go to the village treasury but are managed by the market manager.

Regarding the division of tasks in managing village assets, all officers have clear job descriptions, although not all have written mandate letters. One informant explained, “The

division of tasks already exists according to the village head's decision, and the asset manager has carried out its duties, but the price survey team has not yet functioned". In addition, the asset officer said that the proceeds from asset leases are directly deposited to the village treasurer, who then puts them into the village cash account. Although the organizational structure is in place, the absence of SOPs has made the village asset utilization policy unoptimal. Informants from the sub-district emphasized, "The division of tasks is clear, but the policy implementation has not been maximized because the bengkok assets rental price survey team has not carried out its duties according to applicable regulations".

Supporting factors in the implementation of the village asset utilization policy in Binangun Village come from internal and external factors. Internal factors include good communication, coordination between village governments, and strong commitment from all personnel. One informant stated, "The supporting factors are commitment and communication in the village government in asset utilization, together building the village". In addition, the use of the SIPADES application helps optimize asset management. Support from the village head is also a key factor in constructing markets and kiosks. External factors that support policy implementation include training, technical guidance, and coaching from related agencies, the Inspectorate, and regular evaluations from the sub-district. An informant added, "External supporting factors are training and evaluation of the APBDes, which helps in managing village assets".

The inhibiting factors in implementing this policy also come from internal and external factors. Internal factors include limited human resources in understanding regulations and a lack of assertiveness from the leadership in ensuring optimal policy implementation. The informant mentioned, "Internal inhibiting factors are the lack of staff understanding of the asset leasing mechanism and the lack of leadership assertiveness in enforcing the rules". In addition, the lack of clear regulations is also an obstacle. External factors include the lack of supervision from related agencies and residents on utilizing village assets. Another informant stated, "The lack of supervision has made some tenants inconsistent in their payments, thus hampering deposits to the village treasury". Without intensive supervision, utilizing village assets does not run optimally by applicable regulations.

3.2. Discussion

Policy implementation based on the Blitar Regent Regulation on Village Asset Management in Binangun Village is carried out through effective communication, as explained in Edward III's theory. Communication in public policy plays an important role in conveying accurate information to policy actors so that they can understand and implement policies properly. In this study, communication was carried out through socialization to managers of village asset utilization and asset tenants. The information conveyed can be understood by policy recipients so that implementation can run well. However, information delivery to the general public has not been carried out optimally because the village government focuses more on tenants who have had a lease relationship for several years. In addition, the absence of regulations that further regulate the leasing mechanism of village assets is also an obstacle to disseminating information.

In practice, communication in Binangun Village shows that the Village Head directly conveys information to designated officers. This approach ensures that implementers receive policy messages that can be applied in the field. The utilization of village assets has been running well, as evidenced by receiving village income from the rent. However, there are problems in delivering information related to the southern village kiosk, where there has been no policy update, causing confusion among tenants. According to Edward III's theory, suboptimal communication channeling can cause policy distortion, so that information that is not updated can hinder effective implementation. Therefore, improvements are needed in delivering information to maintain policy clarity.

The Binangun Village Government has consistently communicated policy policies without confusing rule changes. This is by Edward III's theory, which emphasizes that clarity and consistency are the main factors in successful policy implementation. Based on the research results, all informants stated they did not experience confusion or doubt in implementing the village asset utilization policy. However, although consistency in implementation has been maintained, there are still aspects of policy clarity that need to be improved, especially regarding

the lease of the south village kiosk. Therefore, the village government needs to update policy information to all tenants to avoid uncertainty in implementation. Better communication clarity will support the sustainability of effective and transparent village asset management.

As explained in Edward III's theory, human resources have a crucial role in the success of policy implementation. This aspect includes the number and competence of staff responsible for policy implementation. The availability of adequate staff with access to relevant information determines the effectiveness of implementation. Based on the research results, human resources in Binangun Village can implement the village asset utilization policy. Special officers are in charge of various stages, such as the bengkok assets manager and the market price survey team that handles bengkok assets rent. In addition, the market manager consists of the Chief Manager and Treasurer, who are in charge of collecting rent and tickets from the market. The results of utilizing village assets through the rental system have been received as Village Original Income (PAD) every year, demonstrating the effectiveness of policy implementation.

Using the Sipades information system to manage village assets also positively impacts the recording and reporting of assets to the village head. Sipades operators responsible as Village Asset Managers have carried out their duties in an orderly manner. However, although asset managers have performed their duties well, research shows that understanding regulations is still limited. Several Regent Regulation No. 55/2019 mandates, particularly Article 13 and Article 14, have not been fully implemented. For example, market price surveys of bengkok assets before leasing have not been conducted systematically, and not all leased village assets have lease agreement documents. The lack of in-depth understanding of these regulations impedes more optimal policy implementation.

This condition shows that further guidance from the Binangun Sub-district Head and the Community and Village Empowerment Office is needed to improve asset managers' understanding of implementing the mandate of the applicable regulations. With more intensive coaching, there will be improvements in the implementation of village asset utilization policies in the coming years. In addition, capacity building for village asset managers is also an urgent need so that they can understand the regulations more profoundly and improve the quality of asset management. Edward III's theory also emphasizes that successful policy implementation depends on the apparent authority of implementers. The authority must be formal so that implementers have strong legitimacy in carrying out their duties and avoid potential abuse of authority.

Based on the research results, asset managers in Binangun Village understand the limits of their authority but do not fully understand their formal duties because no regulation details the mandate given. Nevertheless, the implementation of tasks continues to run based on verbal instructions without any obstacles in communication with the community. In addition, the availability of facilities is also an important factor in policy implementation. Without adequate supporting facilities, the effectiveness of policy implementation can be disrupted even though human resources have good competence. The research found that although facilities were available for bengkok assets managers, facilities for market and kiosk managers. Nevertheless, the asset managers still perform their duties well, contributing to the increase in village income through optimal asset utilization.

As explained in Edward III's theory, disposition or commitment is an important factor in the success of policy implementation. This commitment refers to the attitudes and views of policy implementers that can affect the effectiveness of policy implementation. Based on the research results, the village government has committed to utilizing village assets to increase the village's original income (PAD). However, a firm attitude in implementing this policy is still lacking. Although the implementers have the ability, the absence of sanctions or strict supervision mechanisms causes the policy not to be implemented optimally. For example, the market price survey team that has been formed does not carry out its duties, but there is no firm action from the leadership. Market price surveys are crucial in optimizing village asset utilization to be more transparent and accountable.

In addition, policy implementation also depends on a supportive bureaucratic structure. Edward III emphasizes the importance of appointing bureaucratic staff based on competence and capability. This research found that Binangun Village already has a bureaucratic structure for managing village assets, characterized by the village head's decision to appoint assistant

managers and asset officers. However, regulations related to the utilization of village assets are still incomplete. Existing regulations, such as Village Regulation No. 11/2021 on the Management and Utilization of Village Assets and the Village Head Decree regarding establishing a market price survey team, do not fully support asset management optimization. The absence of Village Head Regulations (Perkades) regarding the utilization of village assets and village regulations related to market management hinders the implementation of more structured and targeted policies.

The absence of clear regulations impacts the effectiveness of village asset management, especially in utilizing bengkak assets, which contribute significantly to village revenue. If regulations are fully developed, asset management can be optimized and potentially improve the welfare of village officials. According to Edward III's theory, one solution to improve compliance and motivation of policy implementers is to manipulate incentives. Incentives can be provided to encourage implementers to perform their duties better. However, research shows that, to date, incentives for village asset managers in Binangun Village have not been provided. Both officers who have been appointed through a decree of the village head and those who do not have formal provisions do not receive incentives for their duties.

The reason for not providing incentives relates to the difference in policy between the Inspectorate and Blitar Regent Regulation No. 55/2019. The Inspectorate states that incentives are unnecessary if the task is part of the village apparatus's function. In contrast, the regent regulation states that village asset management officials can receive honorariums or allowances according to the village's financial capacity. In addition, the village government considers the effectiveness of the policy implementer's performance before providing incentives. From the observation, the asset manager's performance is still not optimal, so the village government considers that providing incentives is not feasible. Another factor considered is the limited village budget, which causes the village not to allocate funds to provide incentives for the implementers of village asset utilization policies.

According to George C. Edwards III, organizational structure or Standard Operational Procedures (SOP) has an important role in the success of policy implementation. SOPs function as guidelines for policy implementers so that tasks can be carried out systematically and do not deviate from the predetermined goals. SOPs also help optimize time, avoid information distortion, and ensure policy effectiveness and efficiency. However, the research found a lack of SOPs governing utilizing village assets, both for bengkak assets, markets, and kiosks. As a result, various interpretations are not by the regulations. For example, in using bengkak assets, the rental price is determined through the agreement of village officials, rather than through a market price survey as it should be. This leads to a lack of transparency and accountability when utilizing village assets.

In market management, the absence of SOPs means that market utilization is based on verbal instructions from the village government. Although this activity is running, its effectiveness is still low. The same happens in utilizing village kiosks, where the leasing process is carried out based on an agreement between the tenant and the village government without a written agreement. Blitar Regent Regulation No. 55/2019 has regulated four forms of village asset utilization: lease, borrow-to-use, build-to-sell, and cooperation in utilization. In the case of the southern kiosk, the tenant built the kiosk building himself at his own expense, then occupied it with the assumption that the construction cost was a substitute for the rental fee. If adjusted to the regulations, this pattern is more in line with the build-to-sell scheme, not the usual lease as has been done so far.

Blitar Regent Regulation Number 55 of 2021 Article 1 Paragraph (31) states that build-to-sell is the utilization of assets in the form of land by other parties to construct buildings and facilities for a certain period, which will then be handed back to the village government after the utilization period ends. In other words, the current policy of utilizing the southern kiosk is more suitable to be categorized as build-to-sell. The village government chose this scheme due to limited funds to build the kiosk. By Article 25 Paragraph (1) of Blitar Regent Regulation Number 55 of 2021, utilization through build-to-sell can be done if the village government needs buildings and facilities but does not have a budget in the APBDes. However, implementing this build-to-sell should obtain written permission from the Regent, as stipulated in Article 10 Paragraph (3) of the same regulation.

According to Edward III's theory, the effectiveness of policy implementation is also influenced by organizational capacity, including a clear division of tasks. Based on the research, the division of tasks in managing village assets in Binangun Village has been running with a job description that the implementers already understand. However, in practice, some teams have not carried out their duties according to the rules, such as the bengkok assets rent survey team, which did not conduct a market price survey before determining the rent. This shows that policy implementation is not yet entirely based on existing regulations. In addition, although the organizational structure has been formed, no written regulation regulates the implementation of asset utilization in detail, so the delivery of information to the community is still limited and not based on clear guidelines.

From the analysis of the indicators of communication, resources, disposition, and bureaucratic structure, it can be concluded that the governance of village assets in Binangun Village still has weaknesses, especially regarding regulations and SOPs. The absence of regulations means that the village government has not been able to formulate transparent and structured asset utilization policies. In addition, the existing human resources do not fully understand their duties, as many officers are appointed only verbally without any written legal basis. Implementing their duties also relies more on verbal instructions from the village head rather than on procedures regulated in written regulations. Therefore, it is necessary to develop clear SOPs and regulations to utilize village assets more effectively, accountably, and by applicable regulations.

Various internal and external factors support policy implementation based on Blitar Regent Regulation No. 55/2019 on Village Asset Management in Binangun Village. Internal factors include the Village Government's commitment to managing village assets to increase Village Original Revenue (PAD). In addition, the use of the SIPADES application helps optimize asset management in a more orderly and transparent manner. Communication between asset managers and the village government also works well, supported by openness in coordination. The village head also showed support for market and kiosk management as part of the economic development of the village community. External factors that support policy implementation include training and technical guidance for asset managers and support from the village community for utilizing market assets. Coaching and evaluation of the APBDes by the Binangun sub-district head and related agencies such as DPMD and the Inspectorate also help improve policy implementation's effectiveness.

Although there are various supporting factors, there are also inhibiting factors from internal and external sources. Internal factors include limited human resources in understanding regulations and optimally managing village assets. Some asset managers do not fully understand their duties, and a lack of attention to applicable regulations hinders policy implementation. In addition, poor internal coordination in recording village assets has caused asset administration to run unoptimally. Regulations related to utilizing village assets have also not been comprehensively developed, hindering the effectiveness of asset management. External factors that become obstacles include the lack of supervision from related agencies, the low compliance of tenants in paying rent, and the lack of community participation in overseeing the utilization of village assets to be used optimally.

From the results of this study, the problems in implementing village asset utilization policies in Binangun Village are complex. However, the limitations of this study make it unable to provide a comprehensive picture of the relationship between village asset governance, especially in terms of authority and authority between the Village Head, asset managers, Inspectorate, and Local Government. In addition, overlapping authorities still need to be studied further to implement policies more effectively. Therefore, this research can be the basis for further research to explore and clarify aspects of authority and regulation in village asset governance to provide more comprehensive recommendations in supporting the optimization of village asset utilization in the future.

4. Conclusion

The conclusion of this study shows that implementing the village asset utilization policy in Binangun Village based on Blitar Regent Regulation No. 55/2019 still faces various challenges. From the communication aspect, information regarding utilizing village assets has not been widely conveyed to the community, resulting in uncertainty, especially in the rental mechanism for the south kiosk. Human resources involved in asset management also do not have a deep enough understanding of this policy. As a result, several regulatory mandates, such as market price surveys before leasing bengkok assets and preparing lease agreement documents, have not been appropriately implemented. In addition, the commitment of the leadership to enforcing the policy is still weak, as evidenced by the lack of important regulations such as the Village Regulation on Market Management and the Village Head Regulation on Bengkok assets Utilization, as well as the lack of assertiveness in the application of the rules.

In terms of organizational structure, the absence of Standard Operating Procedures (SOPs) causes the implementation of village asset utilization not to run optimally, resulting in existing regulations not being fully implemented. One of the main problems is the incompatibility of the mechanism for utilizing the south kiosk with the applicable regulations. In addition, the absence of incentives for village asset managers due to differences in policies between the Inspectorate and Regent Regulations, as well as limited village finances, also affected the motivation of managers in carrying out their duties. Overall, implementing village asset utilization policies based on the Edward III model is still not running optimally on communication, resources, disposition, and organizational structure indicators. Therefore, increasing understanding for asset managers and drafting more explicit regulations are important steps to improve the effectiveness of this policy implementation.

This study found that implementing the village asset utilization policy in Binangun Village is supported by the commitment of the village government and the use of the SIPADES application for asset management. Coaching from the sub-district, the Community and Village Empowerment Office, and the Inspectorate also helps optimize the management of village assets. However, there are still obstacles in the implementation. Internal factors include human resources' low understanding of regulations, lack of access to the latest information, and leaders' indecisiveness in enforcing policies. External factors include low community participation in asset monitoring and lack of supervision from related agencies. To increase the effectiveness of policy implementation, improvements are needed in regulation and supervision and in increasing human resources capacity so that village asset management runs more transparently and optimally.

Based on the analysis results, optimizing the utilization of village assets in Binangun Village requires broader socialization of policies as per Blitar Regent Regulation No. 55/2019. The Binangun Village Head needs to conduct socialization through village forums so that the community understands the policies implemented, including the mechanism for utilizing assets such as the southern kiosk. In addition, increasing the capacity of asset managers through training and technical guidance is needed. The presence of competent resource persons will help managers understand the regulations and procedures that must be carried out. The village government must also be more assertive in implementing the policy by drafting a Village Regulation on Market Management and a Village Head Regulation on Bengkok assets Utilization. Coordination with the Inspectorate is also needed to resolve differences of opinion regarding incentives for asset managers.

Furthermore, the Head of Binangun Village must ensure that the village asset utilization policy is implemented according to regulations. Optimizing asset utilization must be prioritized because good management can increase village revenue and community welfare. A more substantial commitment from the village government will ensure that this policy is administrative and provides tangible benefits to the village. In addition, a Standard Operating Procedure (SOP) needs to be a guideline for utilizing village assets to make policy implementation more systematic and accountable. The Village Head should also strengthen coordination with the Village Consultative Body (BPD) as a policy supervisor. The BPD can increase public awareness of the importance of monitoring the utilization of village assets so that asset governance becomes more transparent and effective and positively impacts the village.

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