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# Responsibility of regional head for failure of construction work contract for regional government financial accountability

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**Abstract**
Building failure occurs when a building collapses and/or ceases to operate after the final delivery of construction work. In this study, the authority of Regional Heads (Mayors, Regents, and Governors) will be studied and analyzed for construction failures funded by the Regional Revenue and Expenditure Budget (APBD). Primary, secondary, and tertiary legal materials are used, along with normative legal research as a research methodology. Qualitative legal analysis emphasizing interpretation is used to analyze the legal documents used. The results of the first research were authorized to request a report from the expert appraisal team to investigate and find out what caused the failure of the building. Second, Demand compensation from the service provider or contractor if the expert appraisal team determines that the failure of the building is divided by the fault of the service provider or contractor. Third, compensation should be demanded from the planning consultant if the expert appraisal team determines that the failure of the building is caused by planning errors. Fourth, prepare a re-budget in the Regional Revenue and Expenditure Budget (APBD) for the repair of buildings that have failed buildings, if the expert assessment team determines that the failure of the building is caused by forced circumstances (due to earthquakes, floods, tsunamis, etc.).

**Keywords:** Building failure, accountability, authority

## Introduction

National development aims to realize a prosperous and just, material and spiritual society. This is in line with the purpose of Law Number 28 of 2002 concerning Buildings. (Undang-Undang republik Indonesia nomor 28 tahun 2002 tentang bangunan gedung, 1981a) [20].

A building is "a physical form of construction work that is integrated with the place where it is located, partially or wholly above and/or in the ground and/or water, which functions as a place for human beings to carry out their activities, either for residential or residential activities, religious activities, business activities, social, cultural, or special activities".Law of the republic of Indonesia number 28 of 2002 concerning buildings'.

Construction Work is "all or part of activities that include the construction, operation, maintenance, dismantling, and construction of a building".(Indonesia, 2017) [6].

A construction Work Contract is "the entire contract document that regulates the legal relationship between the Service User and the Service Provider in implementing Construction Services".(Indonesia, 2017) [6].

Construction Services are "construction consultancy services and/or construction work".(Indonesia, 2017) [6].

A construction work contract describes a series of legal relationships or agreement activities between service providers, contractors, and service users (wholesale parties) for building construction planning and implementation for household housing, office and business activities, and worship or sports venues.

Implementing the legal relationship between the service provider and the service user does not always run by the contract document. Sometimes, the parties fail to achieve their goals, resulting in the building's failure.

Building Failure is "a state of collapse of the building and/or the non-functioning of the building after the final delivery of the results of the Construction Services".(Indonesia, 2017) [6].

According to Article 1 Number 10 of the Construction Services Law, a building failure occurs when a building collapses after the construction work is completed or provides no benefits. Law enforcement and the judiciary are multi-phase processes involving many officials or government agencies.(Napitupulu & Haryanto, 2024) [11].

In essence, the failure of a building, whether it belongs to the government or not, occurs if the service provider or contractor has handed it over. Still, the building does not function as agreed between the service provider, contractor, service user, or wholesaler.

A construction work contract between the Regional Government as a service user and a third party or contractor as a service provider is required in every construction work on goods owned by the Regional Government, which is part of procuring goods and services from government agencies.

As stated in the construction work contract, implementing local government agencies' construction work contracts does not always run as planned.

Building failures on construction work contracts for local government property is affected by many factors, including wrong planning and implementation and forced circumstances caused by natural disasters (earthquakes, floods, and others).

The government's efforts to meet the basic needs and civil rights of every citizen to the products, services, and administrative support of public service providers are known as accountability in providing public services.(Amitha Freli Sasauw, 2019) [2].

Experts differ in defining responsibility or accountability.

Sri Wahyuni said: "Basically, the government starts from the central level to the regions, the implementation of government administration is handed over "power" by the people to carry out the government to realize its duties and

functions as development implementers, regulators, service providers to the community and community empowerment. Therefore, the government as the party given the power should have an obligation to account for the power given to them by the people".(Wahyuni, 2015) [23].

Sedarmayanti mentioned," The implementation of good governance is the main requirement to fulfill the community's aspirations in achieving the goals and ideals of the nation and the State. In this context, it is necessary to develop and implement an appropriate, straightforward, and real accountability system to implement government and development effectively, successfully, cleanly and responsibly, and free of KKN".(M.M Ludani, G.B Tampi, 2017) [10].

Regional financial management, including funds allocated for the construction of buildings and other facilities to carry out government functions under its authority, is the responsibility and accountability of local governments, consisting of governors, regents, and mayors.

Reads Article 284 of Law Number 23 of 2014 concerning Regional Government. "(1) The regional head is the holder of the authority to manage regional finances and represents the local government in the ownership of the separated regional assets," (2) In exercising the authority as intended in paragraph (1), the regional head delegates part or all of his authority in the field of planning, implementation, administration, reporting, and accountability, as well as financial supervision to the regional apparatus officials. "(Undang-Undang republik Indonesia nomor 23 tahun 2014 tentang pemerintahan daerah, 2014a) [18].

Based on the above background, the formulation of the problem studied is as follows: What authority does the Regional Head have over the occurrence of building failures in construction work contracts financed by the Regional Revenue and Expenditure Budget (APBD) to realize regional financial accountability?

This research is different from previous studies that have been conducted by:

Ismail, with the title "construction of regional head accountability according to law number 23 of 2014 concerning regional government," which was published in the journal Setara Law, Volume 1 Number 1 of 2018. As a result, the general guidelines for the accountability of Regional Heads are legal norms listed in Article 18 of the 1945 Constitution of the Republic of Indonesia. The guidelines for this accountability are the principles of Decentralization, Deconcentration, and Assistance Duties. Regional Heads are required to submit reports on the implementation of local government, accountability information reports, and summaries of reports on the implementation of local governments by Article 69 paragraph (1) of Law Number 23 of 2014.(Ismail, 2018) [7].

Aziz Setyagama, with the title "accountability of regional heads in carrying out regional revenue and expenditure budgets according to law no. 23 of 2014 concerning regional government" which was published in IUS Journal Vol. X No.02 September 2022. The research results are as follows: The preparation of the draft regional revenue and expenditure budget, which is subsequently approved by the DPRD and ratified by the central government, is the first step in managing the Regional Revenue and Expenditure Budget (APBD). Furthermore, PPK-SKPD prepares SKPD financial reports, which are then determined as accountability reports for implementing the SKPD budget and submitted to regional heads through PPKD. This process continues until the budget is implemented, administered, and used. After the SKPD financial data is integrated, PPKD prepares local government financial statements.(Aziz Setyagama, 2022) [4].

Melina marcori ludani; Gustaf budi tampi; and Jericho pombengi. In his research entitled "Accountability in Regional Financial Management (A Study on the Regional Revenue Office of Banggai Islands Regency)," which was published in the journal of Samratulangi University 2015 (https://ejournal.unsrat.ac.id › article). Based on the study's results, the accountability system is one of the most critical aspects of implementing local government. The accountability system is a systematic and sustainable procedure to assess the success or failure of the implementation of development and governance by the policies, programs, targets, and objectives set to realize the vision of Banggai Islands Regency as the Banggai Islands Regency Government as outlined in the Regional Medium-Term Development Plan (RPJMD).(M.M Ludani, G.B Tampi, 2017) [10].

This researcher's research differs from previous studies in the context of regional financial accountability. The last study examined the authority of the Regional Head over building failures in construction work contracts that use the Regional Revenue and Expenditure Budget (APBD).

**Research Methods**

The method used is normative legal research to collect data from various perspectives on the issue for which the solution is sought. This study used several aspects of strategy, both theoretical and conceptual, and legislative approaches. Primary legal materials, secondary legal materials, and tertiary legal materials were used.

- Primary legal materials are legal materials that are binding and related to the object of this research, including the following.
- Law Number 28 of 2002 concerning Buildings
- Law Number 23 of 2014 concerning Regional Government
- Law No. 2 of 2017 concerning Construction Services
- Government Regulation Number. 22 of 2020 concerning the Implementing Regulation of Law Number 2 of 2017 concerning Construction Services.
- Government Regulation No. 14 of 2021 concerning Amendments to Government Regulation No. 22 of 2020 concerning Implementation Regulations of Law No. 2 of 2017 concerning Construction Services.
- Secondary legal material is legal material that explains primary legal material. Secondary legal materials are articles, reports, results of seminars, or other scientific meetings relevant to this research.
- Tertiary Law Materials provide instructions and explanations on primary and secondary law. Examples are dictionaries, encyclopedias, cumulative indexes, and so on.

The legal materials used in this study are collected through literature research to collect theoretical or doctrinal conceptions, opinions, or conceptual thoughts. Laws, regulations, and other scientific publications are examples of previous research on this research. Literature research is an approach used to gather legal resources for this research. Specifically, this process involves searching and analyzing

books (literature, research results, scientific periodicals, newsletters, journals, etc.). Reading, researching, taking notes, and reviewing published literature materials are part of a literature study.

The analytical method in normative legal research is a way of interpreting and discussing research material based on the meaning of law, legal norms, legal theories, and related doctrines. Legal material analysis is an activity in the form of a study or analysis of the results of the management of research legal materials with a literature review that has been carried out previously. The study results are analyzed by criticizing, supporting, or commenting by interpreting existing legal material and then making conclusions.

## Results and Discussion

### The liability of the Regional Head for building failures in construction work contracts using the Regional Revenue and Expenditure Budget (APBD).

Liability is a legal term that evolved to hold a person accountable for negligence that causes harm to another party, especially in lawsuits against civil rights.

The elements of liability are: 1). The existence of losses experienced by certain parties. 2). The existence of acts that cause losses. 3). There is a demand from the aggrieved party for a person or legal entity that fails to perform or causes losses to compensate for the loss.

Often, there is a situation where the results of construction work are not by the work specifications as agreed in the construction work contract, either partially or in whole, as a result of the error of the service user or service provider (contractor) is an equally important factor in protecting the rights of the aggrieved parties so that the position of liability in the construction contract is essential in the absence of building failure to minimize risks of loss between the parties.(Yushar, 2020) [25].

The liability that can be taken by the parties, especially the service provider, for the building's failure is based on the existence of a default because the service provider does not fulfill or neglects to carry out the obligations as specified in the agreement agreed by the parties and has caused losses to one of the parties.(Yushar, 2020) [25].

Liability (aansprakelijkheid) in an unlawful act is reflected in Article 1365 of the BW, where a person is only liable for losing another person if:22 a. The act that causes the harm is unlawful (unlawful); b. The loss arises due to the act (causal relationship); c. The perpetrator is at fault (fault); and d. The violated norm has "trekking" to prevent harm (relativity). (Widyantoro, 2020) [24].

The liability principle can be divided into the principle of civil liability based on fault and the principle of civil liability without error. The principle of civil liability based on the mistake includes: 1. The principle of liability based on the land: unlawful acts and defaults. The liability based on fault is a reasonably common principle in civil law. In Article 1365 of the BW, this principle is firmly held. This principle states that a person can only be held legally responsible if he has committed an element of wrongdoing. Contractual liability is based on the existence of a contractual relationship. A contractual relationship is a legal relationship intended to give rise to legal consequences, namely, giving rise to rights and obligations to the parties to the agreement. If one of the parties does not carry out its duties and therefore causes losses to the other party, the aggrieved party can sue with the postulates of default. The general definition of default is the non-implementation of the agreement due to one of the parties' mistakes (intentional and negligent). The mistake can be in the form of not carrying out achievements at all, being late in implementing accomplishments, or the debtor making mistakes in carrying out achievements. The legal consequence of the debtor's default is the debtor's obligation to pay compensation. 2. The principle of presumption of liability is always responsible (presumption of liability principle). The principle of presumption of liability is that the defendant is considered responsible until he can prove his innocence. So, the burden of proof is on the defendant. It appears that the burden of proof is reversed (ordering van bewijslast) and accepted in this principle. 3. The principle of presumption of non-liability principle. The presumption of non-liability is known only in a minimal scope of consumer transactions, and such a limitation is usually justified by common sense. 4. Vicari-ous liability principle. The vicarious liability principle is liability for unlawful acts by others. Article 1367 of the BW stipulates that parents or guardians are liable for losses caused by minor children under their power or guardianship; the employer is responsible for the losses caused by their workers. (Purwadi, 2014) [14].

Adam Auer dan Tekla Papp, menyebutkan: These principles relating to liability are reflected in the Hungarian Civil Code: the legislator distinguishes between the obligation to fulfill commitments and liability. Regarding liability, we can differentiate, in a legal sense, between contractual (liability for a breach of contract) and delictual (tortious liability) liabilities. In both types of liability, the courts do not measure the care of the legal entity; the measurement is the causality, foreseeability, or general expectation in the given legal situation.(Auer & Papp, 2022) [3].

Government Regulation Number 14 of 2021, which amends Government Regulation Number 22 of 2020, which implements Law Number 2 of 2017, which regulates construction services, states in Article 1 Paragraph 55 that "A construction work contract is an entire contract document that regulates the legal relationship between Service Users and Service Providers in the implementation of Construction Services."(peraturan pemerintah republik Indonesia no.14 Tahun 2021 Tentang Jasa Konstruksi, 2021) [13].

Based on grammatical interpretation, Article 1 paragraph (55) of Government Regulation Number. 14 of 2021 concerning Amendments to Government Regulation Number 22 of 2020 concerning Implementation Regulations of Law Number 2 of 2017 concerning Construction Services contains several conditions for the existence of the construction work contract, namely: 1). The existence of legal relationships, both civil and public. 2). The existence of parties who carry out legal relationships, namely Service Users, individuals or legal entities (private or government) and Service Providers, individuals or legal entities (private or government-owned legal entities), 3). Contract documents.

Dewa Gede Ari Yudha Brahmanta and the Great Son of Sri Utari mentioned that: "Legal relationship (rechtbetrekkingen) is a relationship between two or more legal subjects regarding the rights and obligations of one party facing the rights and obligations of the other. Legal relationships can occur between fellow legal subjects and between legal subjects and objects. Relationships between

fellow legal subjects can occur between people, between people and legal entities, and between fellow legal entities. The legal relationship between the subject of law and the object is in the form of what rights the subject of the law has over the object, whether it is a tangible object, a movable object, or an immovable object. Legal relations have conditions, namely the existence of a legal basis and legal principles".(Utari, 2019) [22].

Juanda Tennis stated: "According to Legal Science, an Alliance is a legal relationship between two or more people in wealth, where one party is entitled to achievement while the other party is obliged to fulfill the achievement. To judge whether a legal relationship is an engagement, the law has certain measures or criteria to determine it, namely the measures or criteria used for a legal relationship so that the legal relationship can be called an engagement or not an engagement".(Juanda, 2021) [8].

Owners or employers who use construction services are considered service users. Service providers offer construction services, which include construction work and/or construction consulting.(Indonesia, 2017) [6].

Article 76 government regulation. Number 22 of 2020 concerning the Implementation Regulation of Law Number 2 of 2017 concerning Construction Services: "Documents containing the Construction work contract as referred to in Article 75 paragraph (1) contain at least the following: A. the agreement signed between the service provider and the service user which contains at least 1. Explanation of the parties; 2. consideration; 3. Scope of duties; 4. fundamental issues, including contract pricing and implementation schedules; and 5. legally binding documents and arranged hierarchically. B. specific contract terms containing employment information data and provisions for changes permitted by the general conditions of the contract based on the specific characteristics of the job; C. general terms of the contract which contain general provisions that govern the engagement based on the implementation system, scope of work, method of payment, and system for calculating the results of the work; D. Service User Document, which is part of the selection document that is the basis for the Service Provider to prepare an offer, which contains the scope of tasks and requirements, including the requirements of work specifications, drawings, list of outputs/quantities and prices; E. proposals or offers prepared by the Service Provider based on selection documents containing methods, offer prices, schedules and resources; F. minutes of proceedings containing agreements that occur between the Service User and the Service Provider during the evaluation process of the Service User's proposal or offer in the form of clarification on matters that cause doubts; G. a statement letter from the Service User stating that he accepts or approves the proposal or offer from the Service Provider; And H. a statement letter from the Service Provider stating the ability to carry out the work".(Peraturan Pemerintah No.22 Tahun 2020, 2020) [12].

In general, the construction/wholesale work contract begins with an announcement from the wholesaler/service user to construct the building wholesale work. Then, the service providers are welcome to submit bids for the wholesale work determined by the drawings and cost budget plan (Rab), after which the lowest bidder is chosen as the tender winner.

After the winner of the construction/wholesale work tender is determined, there is no rebuttal from the other bidders. Then, the wholesaler/service provider and the service user/wholesaler conduct a local inspection after there is no change, either in the drawing, the completion time, or the volume of the work. The construction work contract is signed, and the service provider is entitled to a contract of 30% of the total contract value/price.

The executor/construction service provider, after receiving the down payment or 30% per deposit, immediately works on the construction work that has been agreed upon; each work result is calculated based on the volume and the right to take a term or replacement money from the volume of work that has been done until the third term.

In the third term, the work must have been physically completed. However, the money for the executor/service provider from the agreed is still set aside at 5% of the contract value, generally to guarantee that during the maintenance period, which is between 3-6 months, the wholesale work of the building does not change its function either wholly or partially. This maintenance money/guarantee is handed over by the service user/pimpro to the service provider, and if, before the maintenance period expires, It is known that there is a malfunction of the building, even if it is only partially, the remaining 5% of the term is used to improve the non-functioning/record the results of the construction work.

If there is mutual agreement in the building construction work contract, the agreement or contract is binding on both parties as per the law. Article 1338 of the Civil Code (Burgerlijk Wetboek) states that "all legally made consents are valid as law for those who make them. Such agreements may not be withdrawn except by both parties' agreement or for reasons the law declares sufficient for them. Agreements must be implemented properly."

Two ways cause the termination of a building wholesale contract, namely:

1. The agreement has been worked on in this case; the construction process has been completed, handed over, and has gone through a maintenance period.
2. The wholesale agreement ends because of a court decision, namely if the contractor/service provider does the work in violation of the agreement, even though the contractor/service user has reprimanded them both regarding the implementation time and the quality of the building being worked on, even though the work has started. The party who makes the contract or the service user can ask the judge to terminate the employment relationship.

Suppose the service provider and the service user have signed a contract, and the terms are contrary to local norms, decency, or public interest. In that case, the third party may terminate and cancel the agreement. Because it is in line with the universal and basic legal premise that private interests cannot replace the public interest, an act or performance of a contract must not violate the principle of public interest.

An agreement signed by a contractor or service provider with a party that wastes money or a service user that contains provisions contrary to the public interest or order undoubtedly violates the applicable laws and regulations. An example is a wholesale contract for constructing a gambling house or casino.

In Article 1339 of the Civil Code (burgerlijk wetboek), it is stated that: "Consents are not only binding on those things

expressly stated therein, but also for everything which, by the nature of consent, is required by propriety, custom or law".(Subekti & Tjitrosudibio, 2019) [17].

A contractor's responsibility is limited until the maintenance period has passed (3-6 months after the work is handed over to the service user or wholesaler). After that, the service user/wholesaler hands the remaining term or contractor service of 5% to the service provider.

After the service provider submits the work and receives the remaining term (5%), generally, the service provider does not want to know whether the work within 1-10 years is still unchanged as at the time it was handed over, partially functional, or no longer functioning at all.

Building failure is "the condition of the building collapsing and/or the non-functioning of the building after the final handover of the construction service work". Government Regulation No. 14 of 2021 amends Government Regulation Number 22 of 2020 concerning the Implementation of Law Regulation Number 2 of 2017 concerning Construction Services, which is mentioned in Article 1 Paragraph 15.(peraturan pemerintah republik Indonesia no.14 Tahun 2021 Tentang Jasa Konstruksi, 2021) [13].

Dwi Fisti Rurianti mentioned that; "Building failure, in general, is a state of non-functioning buildings, either in whole or in part in terms of technical, benefits, occupational safety, and health and/or general safety, building failure of a construction project as a result of the fault of the owner, planner, supervisor, implementer".(Rurianti, 1998) [15].

Khairani M. Dhuhar Trinanda stated: "Building failure is a condition of a building that, after being handed over by the service provider to the service user, becomes non-functional in whole or in part and/or not by the provisions contained in the construction work contract or its deviant utilization as a result of the fault of the service provider and/or service user".(M. Dhuhar Trinanda, 2018) [9].

Article 85 of Government Regulation Number 22 of 2020 concerning Implementation Regulations of Law Number 2 of 2017 concerning Construction Services. It is stated: "1. The Service User and/or Service Provider is responsible for the Failure of the Building due to the non-fulfillment of Security, Safety, Health, and Sustainability Standards as referred to in Article 84 paragraph (1). 2. The Service User and/or Service Provider, as referred to in paragraph (1), shall be responsible for the Building Failure after being determined by the Expert Appraiser. 3. The Expert Assessor, as referred to in paragraph (2), may coordinate with the relevant authorities. 4. The determination by the Expert Appraiser, as intended in paragraph (2), is final and binding. 5. Liability for Building Failure as intended in paragraph (2) in the form of: a. Replacement or repair of Building Failure by Service Provider; and b. Provision of compensation by Service Users and/or Service Providers".(Peraturan Pemerintah No.22 Tahun 2020, 2020) [12].

The Expert Assessment Team will determine who will be responsible for the error of building failure, either through the service provider's replacement or repair of the Building or through the provision of compensation by the Service User and/or Service Provider.

Based on its investigation, the expert team will determine the service provider who is burdened to compensate for losses due to the failure of the building if the fault lies with the service provider. In contrast, the expert team will determine compensation to the building planner if the fault lies in the planning, and the specialist team will evaluate the fault and compensation to the service user if the service user has made a mistake because it does not meet the requirements set out in the construction work contact.

The expert team will conduct its work transparently, accountable, and fairly when investigating building failures.

Law Number 2 of 2017 concerning Construction Services and the Civil Code (KUHPerdata) and its derivative regulations are favorable laws still valid and are the legal basis for implementing development by the public and private sectors.

The existence of the Civil Code and ` No. 2 of 2017 concerning Construction Services, along with related regulations, plays a vital role in guiding the public and business people in the field of construction and development. With this legal provision, it is hoped that it can implement legal functions, namely creating justice, providing benefits, and ensuring certainty, especially for actors in the construction sector.

Suntana Djatmika and Yuliawati Harahap mentioned, "The implementation of construction work is very likely to cause disputes or disputes. Therefore, Article 88 of Law Number 2 of 2017 concerning Construction Services regulates dispute resolution through consensus deliberation efforts. Suppose the consensus deliberations do not yield results. In that case, the parties can take other options (settlement through litigation and non-litigation), which must be contained in the construction work contract so that the parties have options regarding dispute resolution procedures based on the agreement between the two parties and by the applicable legal mechanism".(Agustina & Purnomo, 2023) [1].

Eka Saputri mentioned, "Based on Article 63 of the Construction Services Law, service providers are obliged to replace or repair building failures caused by service providers' fault. The construction life plan determines the period of responsibility of service providers for building failures. Suppose the planned construction life is more than 10 years. In that case, the service provider is obliged to be responsible for the failure of the building within a maximum period of 10 years from the date of final delivery. As for the failure of the building that occurs after that period, the responsible person is the service user. The protection provided to the aggrieved party in the event of construction failure is related to the type of coverage that can be agreed upon in the construction work contract, which includes a down payment guarantee, an implementation guarantee, a guarantee for the quality of work results, a guarantee for coverage against building failure, and a guarantee against construction work failure, including insurance for work, materials and equipment, labor insurance, etc. and third-party claim insurance".(Saputri, 2022) [16].

I Made Adi Sumarajaya and I Made Bachelor stated: "If the service provider/contractor commits a default, then the claim for compensation submitted is based on the default of the agreement's content. The contractor's responsibility is carried out by paying compensation or repairs by the agreement even though the intention of the field implementer or field supervisor causes the loss".(I Made Adi Sumarajaya, n.d.) [5].

Dwi Fisti Rurianti said: "The factors that cause the failure of construction work in the implementation of work that has been grouped: 1. Work Method of construction work implementation and project location 2. Building design, building materials, and supporting equipment for project

implementation 3. Human Resources (HR) 4. Contracts and irregularities in the implementation of construction work".(Rurianti, 1998) [15].

Furthermore, Dwi Fisti Rurianti stated, "The completion of construction work failures is reviewed from the legal aspect of the basic framework of building failure according to Law No. 02 of 2017 as follows: 1. Definition of Building Failure. In the law, a building's failure is defined as " the state of a building that does not function, either in whole or in part, etc." (Rurianti, 1998) [15].

"The word "partial" contains a double meaning, so it needs to be emphasized in the contract document, which building component is in question. 2. Even though the construction service contract set by the service user that the responsibility of the construction service provider for the failure of the building is for 15 years, the construction service law has expressly stated that the limit of the time limit for the responsibility of the service provider is (limited) for 10 years. The legal basis is the norm of Article 1337 of the Civil Code, which states that an agreement cannot deviate from the imperative provisions outlined by law. 3. Assessment criteria for failure still need to be developed to reduce the subjectivity of expert assessors. 4. The amount of compensation for losses and costs incurred in resolving the failure case needs to be estimated. The construction service provider's legal responsibility for the building's failure in the construction work contract is contained in the Construction Services Law 2017 articles as follows: 1. Replacement/repair of the building: Article 63 2. Indemnity: Article 67 3. Administrative Sanctions Article 98".(Rurianti, 1998) [15]. According to Dwi Fisti Rurianti.

According to Article 1609 of the Civil Code, architects and contractors are liable for ten years if a building contracted and constructed at a particular cost is destroyed in whole or partly due to a construction defect or if the land is unsuitable.(Reduce & Tjitrosudibio, 2019)

Based on a grammatical interpretation of Article 1606 of the Civil Code, the Service Provider or contractor is only responsible for 10 years from the handover of the work if there is an error in its implementation.

However, Article 1339 of the Civil Code states: "Consents are not only binding for matters expressly stated in them, but also for everything that, according to the nature of consent, is required by propriety, custom or law." Therefore, based on the grammatical and theological interpretation of Article 1339 of the Civil Code, the responsibility of Service Providers (Building Planners and Implementers) and Service Users is not only limited to 10 years from the handover of the building but can be more than 10 years if it is contrary to the values of propriety and the values of justice.

Governors, Regents, and Mayors are regional heads at the provincial, district, or city level tasked with coordinating various regional government affairs. They work with the Regional People's Representative Council (DPRD) at the provincial, district, or city level.

Article 59 of Law Number 23 of 2014 concerning Regional Government (Regional Government Law) states that each region must be led by a head of government referred to as a regional head. In this context, regional heads for provinces are called governors, while districts and cities are called regents and mayors.

Furthermore, Article 65 of Law Number 23 of 2014 concerning Government outlines the various duties carried out by regional heads, which include: 1. Leading the Implementation of Government Affairs: Regional heads are responsible for leading all government affairs that are the authority of the region by applicable laws and regulations and policies that have been agreed with the DPRD. 2. Maintaining Public Order and Order: One of the regent's or mayor's primary duties is to ensure that the people in their area live in a safe and orderly atmosphere. 3. Drafting Regional Regulations (Perda): Regional heads are obliged to prepare and submit draft Regional Regulations on Regional Long-Term Development Plans (RPJPD) and Regional Medium-Term Development Plans (RPJMD) to the DPRD for joint discussion. In addition, they must also prepare and establish a Regional Apparatus Work Plan (RKPD). 4. Submit a Draft Regional Revenue and Expenditure Budget (APBD): The Regent or mayor needs to prepare and submit a draft Regional Regulation regarding the APBD, amendments to the APBD, and accountability for the implementation of the APBD to the DPRD for approval. 5. Representing the Region in the Court: The regional head has the authority to represent his region inside and outside the court, including appointing a legal representative to represent him by the provisions of the applicable law. 6. Propose the Appointment of Deputy Regional Heads: Another task is to propose the appointment of deputy regional heads to help run the government. 7. Carrying out Other Duties According to Provisions: Regional heads are also expected to carry out other duties determined by laws and regulations".(undang-undang republik Indonesia nomor 23 tahun 2014 tentang pemerintahan daerah, 2014b) [19].

In carrying out their duties, the Governor, Regent, and Mayor have various authorities, including. "a). Submit a draft Regional Regulation.b). Stipulating a Regional Regulation that the DPRD has approved. c). Stipulating Regional Head Regulations (Perkada) and regional head decisions. d). Taking certain actions in urgent situations requires immediate attention from the local government and the community. e). Exercising other authorities by the provisions of applicable regulations". (undang-undang republik Indonesia nomor 23 tahun 2014 tentang pemerintahan daerah, 2014b) [19].

Thus, in running the government and managing the affairs they are responsible for, the Governor, Regent, or Mayor must be fair, transparent, accountable, and democratic. This is by their oath or promise when inaugurated, reflecting their commitment to serving the community and safeguarding the public interest.

Regional Heads (Governors, Regents, and Mayors) must be transparent in their accountability for managing the Regional Revenue and Expenditure Budget (APBD) used to construct local government agency buildings.

Regional Heads (Governors, Regents, and Mayors) have great authority in the context of holding the power to manage state finances. It can sue parties who have had a legal relationship with the local government for building construction but have made a mistake and re-budgeted based on the expert team's determination on the building's failure.

The authority of the Regional Head is not limited to 10 years from the handover of work. Still, it can be more than 10 years from the handover of work if it is by the values of propriety and living in the community.

Ismail mentioned that: "Regional Head Accountability Report (LKPJ), " referred to in Article 71 of Law Number

23 of 2014. The report on the implementation of Regional Government contains the performance achievements of the implementation of Regional Government and the implementation of Assistance Tasks. The accountability report includes the results of the implementation of Government Affairs carried out by the Regional Government. Regional heads submit accountability reports to the DPRD, which are carried out 1 (one) time in 1 (one) year no later than 3 (three) months after the end of the fiscal year. The DPRD discusses the accountability report to the DPRD for recommendations for improving the implementation of Regional Government".(Ismail, 2018) [7].

Sri Wahyuni said: "1. Forms of accountability for the implementation of local government include: a) Report on the implementation of local government to the government; b) Information on the report on the implementation of the local government to the community. 2. The implementation of accountability and transparency in government accountability is conveyed through a) Newspaper Media, b) Direct Mail (Regent's Letter), which is delivered to the public through bureaucratic channels or to the RT/RW level, c) Through the Website".(Wahyuni, 2015) [23].

Azis Setyagama and M Yudi Firmansyah mentioned that; "The accountability of regional heads as implementers of the APBD begins with PPK-SKPD preparing SKPD financial reports to be determined as accountability reports for the implementation of the SKPD budget and submitted to regional heads through PPKD. PPKD then prepares local government financial reports by combining them with SKPD financial reports. SKPD's financial statements consist of budget realization reports, balance sheets, and notes on financial statements and attached with a statement from the head of SKPD that the management of the APBD for which he is responsible has been carried out based on an adequate internal control system and government accounting standards by laws and regulations".(Aziz Setyagama, 2022) [4].

Based on the grammatical interpretation and theological interpretation of the construction services laws and regulations and the laws and regulations that regulate the duties of regional heads, the Civil Code and refer to the opinions of the experts above, the authority possessed by the Regional Heads (Governors, Regents, and Mayors) over the occurrence of building failures in construction work contracts financed by the Regional Revenue and Expenditure Budget (APBD).

First, it is authorized to request a report from the expert appraisal team to investigate and determine what caused the failure of the building and find out the cause of the failure of the building. What are the consequences of the non-fulfillment of Security, Safety, Health, and Sustainability Standards as referred to in Government Regulation Number 22 of 2020 concerning Implementation Regulations of Law Number 2 of 2017 concerning Construction Services.

Second, if the expert assessment team determines that the building's failure is divided by the fault of the service provider or contractor (prostate because it is not by the plan), then as a form of accountability for regional financial management for the development, it is authorized to demand compensation from the service provider or wholesaler.

Third, If the expert assessment team determines that the failure of the building is caused by planning errors, then as a form of accountability for regional financial management for the development, it is authorized to demand compensation from the planning consultant that has been determined.

Fourth, Suppose the expert assessment team determines that the failure of the building is caused by forced circumstances (due to earthquakes, floods, tsunamis, etc.). In that case, community services are not to be disrupted by building facilities that have failed so that the building does not function properly; as a form of accountability for regional financial management for the development, it is authorized to re-budget in the Regional Revenue and Expenditure Budget (APBD) for repair of buildings that have failed or are not functioning.

## Conclusion

The authority of the Regional Head (Governor, Regent, and Mayor) for the failure of local government agency buildings financed by the Regional Revenue and Expenditure Budget (APBD) is First authorized to request a report from the expert appraisal team to investigate to find out what caused the failure of the building. Second, Demand compensation from the service provider or contractor if the expert appraisal team determines that the failure of the building is divided by the fault of the service provider or contractor. Third, compensation should be demanded from the planning consultant if the expert appraisal team determines that the failure of the building is caused by planning errors. Fourth, prepare a re-budget in the Regional Revenue and Expenditure Budget (APBD) for the repair of buildings that have experienced building failure if the expert assessment team determines that the failure of the building is caused by forced circumstances (due to earthquakes, floods, tsunamis, etc.).

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