



FINANCING POLICIES FOR INCLUSIVE EDUCATION SYSTEMS

Country Report: Netherlands



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INTRODUCTION TO THE SYSTEM FOR INCLUSIVE EDUCATION IN THE NETHERLANDS

Freedom of education combined with great autonomy for schools

Freedom of education is one of the key features of the Dutch education system, and is safeguarded by Article 23 of the Constitution. It covers the freedom to set up schools, organise teaching systems at schools and determine the founding principles. Any citizen has the right to set up a school and provide education based on religious, ideological or educational beliefs. Under the Constitution, private¹ and public schools are guaranteed equal public funding.

‘Freedom to organise teaching systems’ means that both public and private schools are free to determine what is taught in schools and how it is taught, within legal boundaries. The Ministry of Education, Culture and Science, however, sets the quality standards to which both public and government-funded private schools must adhere. These standards:

- prescribe the core objectives or examination syllabuses and the content of national examinations;
- determine the number of teaching periods per year;
- determine which qualifications teachers must have;
- give parents and learners a say in school matters;
- determine planning and reporting obligations.

This system allows also for free school choice by parents and learners. Primary and secondary education is free of charge for parents.

Every school is governed by a legally-recognised competent authority, or school board, which oversees the implementation of legislation and regulations in the school and employs teachers and other staff. School boards are mostly funded by the government. They receive a lump sum, which they allocate to the schools. In this way, school boards can set and fund their own policy goals for schools.

¹ Private schools can be based on a particular denomination, such as Catholicism, Protestantism, Judaism, Islam, Hinduism and Anthroposophy or educational models, such as Montessori, Dalton, Freinet or Jenaplan. Public and private may also be based on combinations of denominational and educational ideas (e.g. Catholic Montessori school or Public Dalton School).

Education for learners with special needs

In the Netherlands, there is an inclusive school system. Almost all learners attend a school. Learners with special educational needs (SEN) attend either a mainstream school or a school for (secondary) special education. Although inclusive education in mainstream schools is promoted and stimulated, parents are able to choose special schools. Roughly, four types of learners with SEN are distinguished:

- learners with visual impairment or with multiple disabilities including visual impairment;
- learners with hearing impairment and learners with communication disorders (due to hearing, language or speech difficulties or autism) or learners with multiple disabilities including hearing, language or speech impairment;
- learners with physical and/or intellectual impairment or learners with a chronic physical illness, such as epilepsy;
- learners with learning, emotional or behavioural disorders.

Quality of special needs education

The quality of special needs education, both in mainstream and special schools, is an important policy ambition. Learners with special needs should have equal chances for further education or a position in society and/or the labour market as their peers without special needs. Like mainstream schools, schools for (secondary) special education have core objectives and attainment targets. These objectives are developed for all the specific groups within (secondary) special education, including for learners with multiple severe disabilities.² In secondary special schools, learners can take examinations, which are the same examinations as in mainstream secondary education. More than 95% of the learners that take them pass their final examinations, on average a higher percentage than in mainstream education. Learners with special needs in both mainstream and special education also achieve higher marks than their peers in mainstream education.

'Education that Fits' policy

On 1 August 2014, the Appropriate Education Act came into force for learners with SEN. There were several motivations for this policy change. First of all, there had been an increase since 2003 (when the learner-bound budget ('backpack') was

² The subjects and targets are only different from mainstream education for the latter group of learners.

introduced) in the diagnosis and labelling of learners with disabilities and disorders. As a consequence, there was an increased number of learners in special education schools and learners with a learner-bound budget in mainstream schools. This was the opposite of the direction of the policy goals since 1998, which aimed to have learners with and without SEN attending school together. The system was provoking strategic behaviour from schools (diagnosing to the official decision) and parents. This was combined with ‘open end’ financing of the special schools from the national government, which consequently became very expensive.

Under the new act, the national budget for SEN has been maximised and decentralised. This will be explained in more detail in the ‘Mechanisms for funding systems for inclusive education’ section. Both mainstream schools and (secondary) special schools are now working together in regional school alliances for either primary or secondary education.³ The regional school alliances are responsible for organising and (partially) funding the additional educational support in their schools. There are 152 regional school alliances, which are legally recognised authorities.

Support in special and mainstream schools

Parents choose a school to enrol their child in, based on their preference. It could be a mainstream or special school. In both cases, and in accordance with the new act, individual schools have the obligation to provide learners who require extra support with the most appropriate schooling. If a school cannot offer the necessary support, the school is obliged to find a school that can offer the support needed. In order to fulfil this obligation, school authorities must offer tailor-made educational solutions in the framework of the school alliances. These solutions can be offered in mainstream or (secondary) special education. Schools for special education are obliged to prepare their learners for either a mainstream secondary school or one of the three pathways in secondary special education. These three pathways relate to the outflow destination of the learners after secondary special education:

- Centres for day-care activities
- Labour market
- Mainstream vocational or higher education.

Every four years, schools are obliged to describe the support they offer learners with special needs in a ‘school support profile’ (*schoolondersteuningsprofiel*). School

³ Schools for learners with visual and hearing impairment are not part of the regional school alliances due to their nationwide function.

development and the training of teachers in SEN are based on this profile. In the profile schools not only describe what support they can offer learners with SEN, but also the regular support they offer to learners with dyslexia, dyscalculia, ADHD and gifted learners. The document outlines future aims as well, including the profile the school would like to develop and what is necessary to achieve this.

For learners with more severe educational needs, described in the four types above, a so-called 'declaration of admission' (*toelaatbaarheidsverklaring*) gives them access to special schools.⁴ Learners with SEN can also attend mainstream schools, in which case the regional school alliance will (sometimes indirectly or via the schools and school boards) provide the (tailor-made) arrangement for support. Learners who need support because they have mild learning problems (indicated by the teacher) usually attend a mainstream school, where teaching will be adapted to their educational needs. This kind of adapted teaching includes support for learners with dyslexia or dyscalculia, preventing and tackling behavioural problems and extra supervision for learners with below or above average intelligence.

Assessment procedures for admission to special education

Since 2014, the regional school alliances have followed their own individual educational assessment procedures, rather than a nationwide procedure. The outcomes of the assessment procedures can lead to a declaration of admission to special education which is valid for at least a year. The regional school alliance sets the criteria for duration and review of the declaration. The decision about the declaration is made by a multidisciplinary team. The law requires two experts to be involved in the assessment procedure. One of these experts must be a special education generalist or a psychologist and the other is chosen by the school or the regional school alliance.

After admittance, schools are obliged to provide an individual development plan, which describes the expected outflow and educational objectives for the learner. It indicates the level the learner can achieve and the support that they will need to achieve it. The parents must agree with the development plan.

⁴ Since 2014, there has not been a formal distinction between the schools for special educational needs types 3 and 4 as described earlier in this report.

Statistics on learners with and without SEN

The table below presents the numbers of learners in mainstream and special education on 1 January 2015:

Table 1. EASIE numbers of learners in mainstream and special education (2015)

Learners	ISCED level 1 ⁵	ISCED level 2 ⁶
Learners enrolled in all formal education settings	1,208,038	816,476
Learners enrolled and educated in mainstream classes (including learners with an official decision of SEN)	1,180,082	777,380
Learners with an official decision of SEN in special education schools	27,956	39,095

Source: [European Agency Statistics on Inclusive Education 2014/2015](#)

In the Netherlands, formal education includes all public funded schools (including special schools), recognised private schools and schools linked with organisations in the health, social and justice sector. All learners attend mainstream settings, except for the learners who are in special education settings. These learners need an official decision of SEN. There are learners with SEN and/or an official decision of SEN in mainstream settings, but they are not registered nationwide.

Before the implementation of the *Education that Fits* policy, learners with an official decision of SEN were financed individually by the Ministry of Education, with a so-called learner-bound budget or ‘backpack financing’ (input funding). Through this financing method, the Ministry was able to easily register learners with SEN. Since 2014, the regional school alliances receive the budget for SEN services, including the former ‘backpack financing’. The school alliances now decide whether to maintain the individual budgets or provide the budget to mainstream or special schools, or to other services (throughout funding). This will be described in more detail in the

⁵ ISCED 1: all learners in primary education from the age of 6 and special education.

⁶ ISCED 2: all learners in secondary education: *praktijkonderwijs* (practical training), *vmbo* (lower-secondary vocational education, including the adult track), *havo/vwo leerjaar 1-3* (lower-secondary general education, grades 7–9), *mbo-1* (assistants’ training) and secondary special education.

‘Financing policy in the Netherlands’ section. Through this financing method and the variety of support that occurs, it is no longer possible to make a distinction between learners with and without SEN in mainstream education. Only the learners with SEN in special schools are registered nationwide.

Learners with language disadvantages

The government wants to tackle language disadvantage among young children and, to this end, is making extra funding available to the 37 largest municipalities. Municipal authorities provide early childhood education through special programmes at playgroups and childcare centres. These programmes are designed to teach Dutch to pre-primary aged children through play activities. Municipalities can choose their preferred programme from a set of recognised programmes.

Early childhood education is available to learners in years one and two of primary school (four- and five-year-olds) whose language skills lag behind. They receive extra lessons for several hours a week and improve their communication skills in Dutch through guided play. Older primary school learners who need to improve their Dutch may attend special bridging classes. In these classes, learners receive intensive language training in small groups throughout the school year. The classes may be held during normal school hours or as part of an extended school day. By the end of the school year, the learner should have reached the appropriate level. The top-up class is a type of bridging class for 12-year-olds who leave primary school with language disadvantage. These learners are selected for an extra year of intensive language training to enable them to get off to a good start at secondary school. Secondary schools in the Netherlands can arrange remedial teaching or a language coach for learners with an educational disadvantage. Government funding is available for this purpose. For the lowest tracks of secondary education (pre-vocational education), there are also additional funds for learners who are lagging behind with language and arithmetic.

Early school leaving policy

Tackling the problem of learners leaving school early was one of the priorities of the Dutch government. In 2007, it implemented the ‘Drive to Reduce Drop-out Rates’ approach. The target is to have no more than 25,000 new early school leavers a year by 2016. An early school leaver is a young person between 12 and 23 years of age who does not attend school and who has not achieved a basic qualification (i.e. a senior general secondary, pre-university, or level-2 secondary vocational diploma).



In 2016, the Ministry reported 24,451 early school leavers. The new aim is to have a maximum of 20,000 early school leavers by 2021.

Focus of the country report

The focus of this country report will hereafter be on the policy and system for special needs education. This includes the support for learners with SEN in mainstream and special schools and the support for learners with mild learning problems in mainstream schools.



FINANCING POLICY IN THE NETHERLANDS

Various parties contribute to education expenditure

Education is not only financed by the Ministry of Education, Culture and Science but also by other parties. For instance, the Ministry of Economic Affairs pays for agricultural education, local authorities contribute to educational facilities and the Ministry of Health contributes to costs for health and welfare in education (through the learners rather than through the schools).⁷

Although most private schools are funded by the government, a small number of schools are privately funded. The number of learners in private, non-government-funded primary education (ISCED 1) is marginal (0.3%). In general secondary education (ISCED 2/3), a small number of learners are enrolled in non-government-funded, private education (3.4%).

Different kinds of funding

The Resource Allocation Framework, developed for the FPIES project, differentiates between funding from the Ministry of Education, the Ministry of Health and municipalities. The different kinds of funding are explained in more detail in the sections below.

General funding provided by the Ministry of Education

The Ministry of Education provides general funding for general education for all learners. As stated before, this kind of funding is provided to school boards as a lump sum. The lump sum consists of two parts: one part (approximately 80%) covers staffing costs and the other part (approximately 20%) covers the material costs of running a school. Both parts are based on a fixed price and a variable price, depending on the number of learners (Figure 1). The price per learner is different in primary and secondary education. Primary education prices are lower than secondary education prices, and prices depend on the average age of the teachers in the school. In the secondary education system, the price per learner depends on the type of school (vocational or general track) and the corresponding size of a class (to the type of school). Besides the lump sum, schools in both primary and secondary education can receive funding through arrangements, such as funding for children from certain socio-economic backgrounds. This can be seen as throughout funding.

⁷ The Ministry of Economic Affairs' contribution to secondary agricultural education is equivalent to approximately 4% of the budget that the Ministry of Education pays for secondary education.

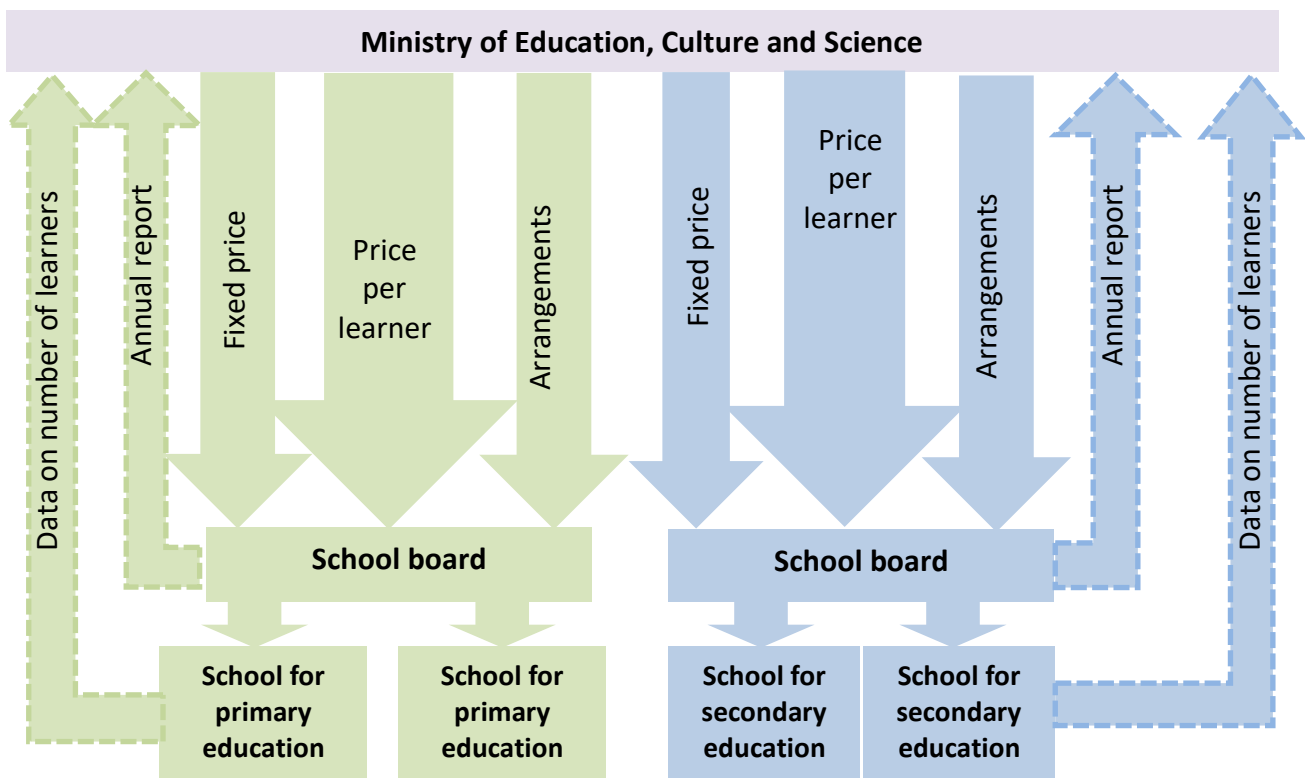


Figure 1. System of lump sum funding by the Ministry of Education, Culture and Science

The school boards allocate the resources to schools for primary and secondary education, as represented by the lower arrows in Figure 1. In return, school boards are required to deliver an annual report in which they account for their spending, actions and policy. Schools digitally register each learner enrolled in the school at a centralised registry, called BRON. Through BRON, the Ministry receives all the information it needs to fund the school boards. School boards are also responsible for human resource development of their staff, i.e. the teachers, and provide professional training programmes. Additionally, the Ministry encourages teachers to obtain a (professional) master's degree, such as a master's in SEN, by providing scholarships. The scholarships allow teachers to study for two days a week when (funding for) replacement is arranged.

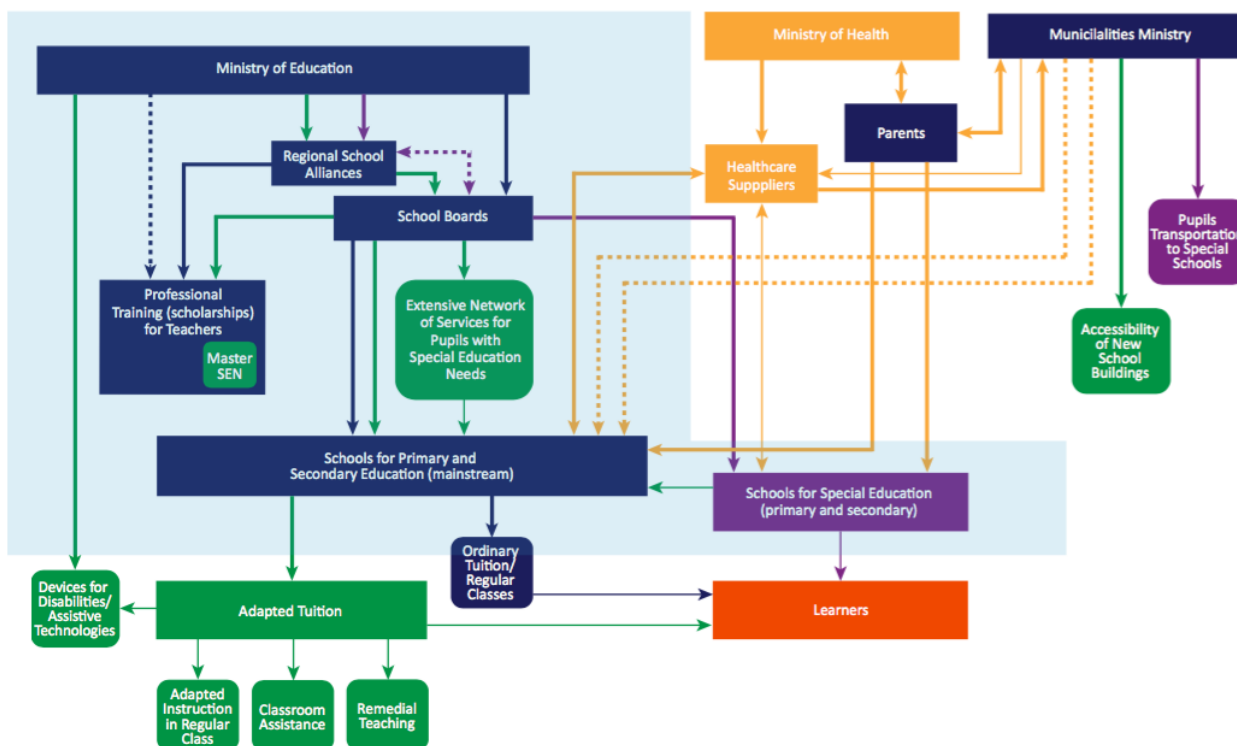


Figure 2. General funding, special school related funding and inclusive education related spending by the Ministry of Education, Culture and Science

Additional general funding for tackling disadvantages

Primary schools receive targeted (throughout) funding for each disadvantaged learner through an arrangement. The extent of the funding is determined by the learner weighting system for primary education. Funding for tackling language disadvantage is given to primary schools in specific neighbourhoods with a high proportion of low income and/or benefits-dependent households. This is designated by postal code. Funding amounts to around EUR 1,700 per target learner. The children of newcomers to the Netherlands, such as asylum seekers, often have language difficulties at school. They need effective coaching, for instance through specially-designed programmes. Schools with at least four registered learners in this category can apply for extra funding.

Secondary schools can obtain extra (throughout) funding if they have a relatively high proportion of learners from deprived neighbourhoods (between 30% and 65%). This funding enables schools to tackle educational disadvantage and prevent school dropout. Schools can receive extra funding for ensuring that recently-arrived immigrant learners learn Dutch quickly. The size of the grant depends on how long the learner has already been living in the Netherlands. It is up to the school to spend

the extra funding as it sees fit and to select the most suitable type of education for the new learner.

For immigrant learners who have been in the Netherlands for less than a year, schools can apply for extra (throughout) funding of up to EUR 4,500 per learner. The money provides extra language training for a full school year. Schools can apply for this extra funding three times a year. Schools that organise initial reception for newly-arrived immigrant learners can obtain a one-off grant of EUR 16,000. This enables them to engage extra staff and set up special teaching programmes.

Additional budgets are available for disadvantaged learners in pre-vocational education who are struggling with language and/or arithmetic (identified by a test). Since 2016, these budgets have been distributed through the regional school alliances based on the number of learners who are struggling.

Facts and figures: general education related spending

Table 2. General funding by the Ministry of Education, Culture and Science (EUR)

Education level	2015	2016	2017
Primary education	9,362,138,000	9,570,658,000	9,486,866,000
Secondary education	7,503,239,000	7,762,060,000	7,791,583,000

Table 3. General funding per learner by the Ministry of Education, Culture and Science (EUR)

Education level	2015	2016	2017
Primary education	6,100	6,400	6,400
Secondary education	7,968	8,148	8,157

Table 4. Number of learners in mainstream schools

Education level	2015	2016	2017
Primary education	1,443,300	1,431,400	1,422,000
Secondary education	966,100	966,700	959,500

Source: [State Budget](#)

Special education-related spending by the Ministry of Education

With the introduction of the Appropriate Education Act (*Education that Fits*) in 2014, regional school alliances were formed by school boards in primary and secondary education. From that moment on, regional school alliances were provided with the funding for special needs education by the Ministry. Part of this funding is allocated directly to school boards, which in turn allocate the resources to special schools, as represented by the purple arrows in Figure 2. This can be considered as more general funding for special schools, comparable to the general resources allocated to mainstream schools.

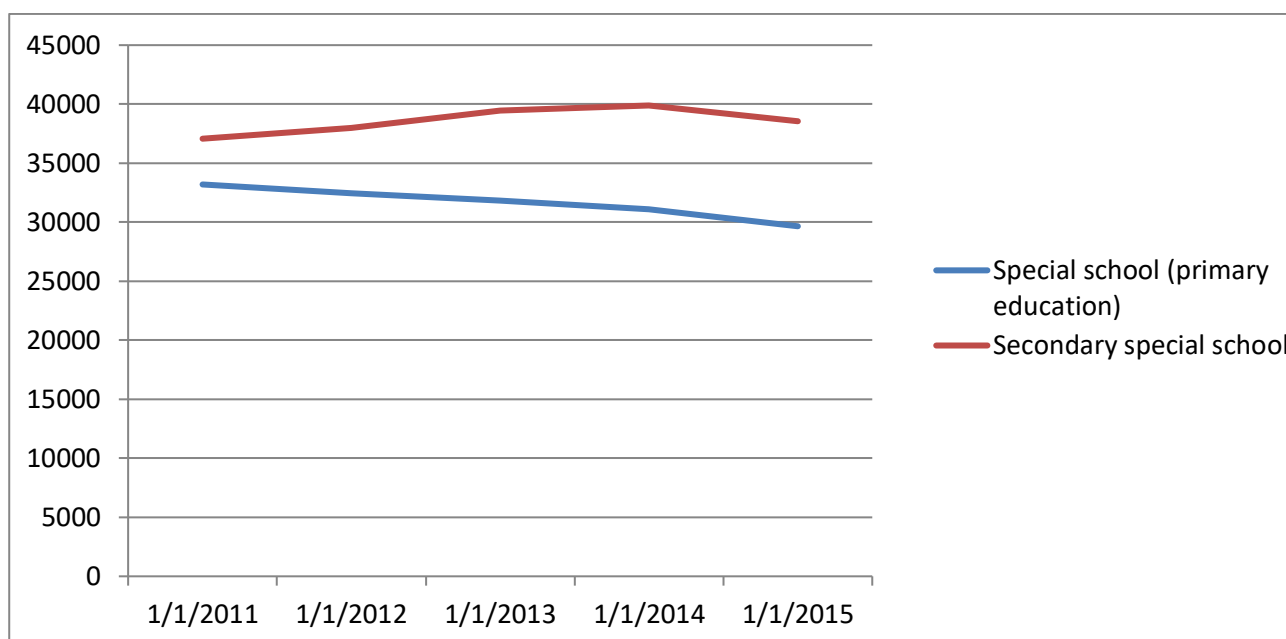


Figure 3. Number of learners attending special schools

Inclusive education-related spending by the Ministry of Education

The other part of the funding provided to the regional school alliances by the Ministry of Education includes the former individual budgets for learners with an official decision of SEN ('backpack financing'). As stated before, the school alliances decide whether to maintain the individual budgets or to provide the budget to mainstream or special schools or other services (throughout funding), or both. This is represented by the green arrows in Figure 2.

There are various ways for regional school alliances to allocate their budgets, but three models can be roughly differentiated:

- 1) The school model

- 2) The expertise model
- 3) The student model.

In the first model, regional school alliances allocate the resources for inclusive education directly to school boards (which in turn allocate them to schools), based on the learner ratio per school or school board. In the second model, the resources are allocated to a network of services. In this case, SEN specialists are often employed by the regional school alliance. In the third model the regional school alliance maintains the individual budgets. Schools, both mainstream and special, can apply for individual arrangements. Research shows that regional school alliances usually use a combination of these models (Ledoux, 2016).

It is possible to apply for devices for disabilities or assistive technologies for learners, as shown in Figure 4. Sign language interpreters and adjusted furniture are examples. These devices or services are funded by the Ministry after application (input funding). Special school staff can help mainstream schools to support their learners with SEN. Other ways to support learners with SEN include through adapted tuition, for example, adapting the instruction in mainstream classes, or through remedial teaching or classroom assistance.

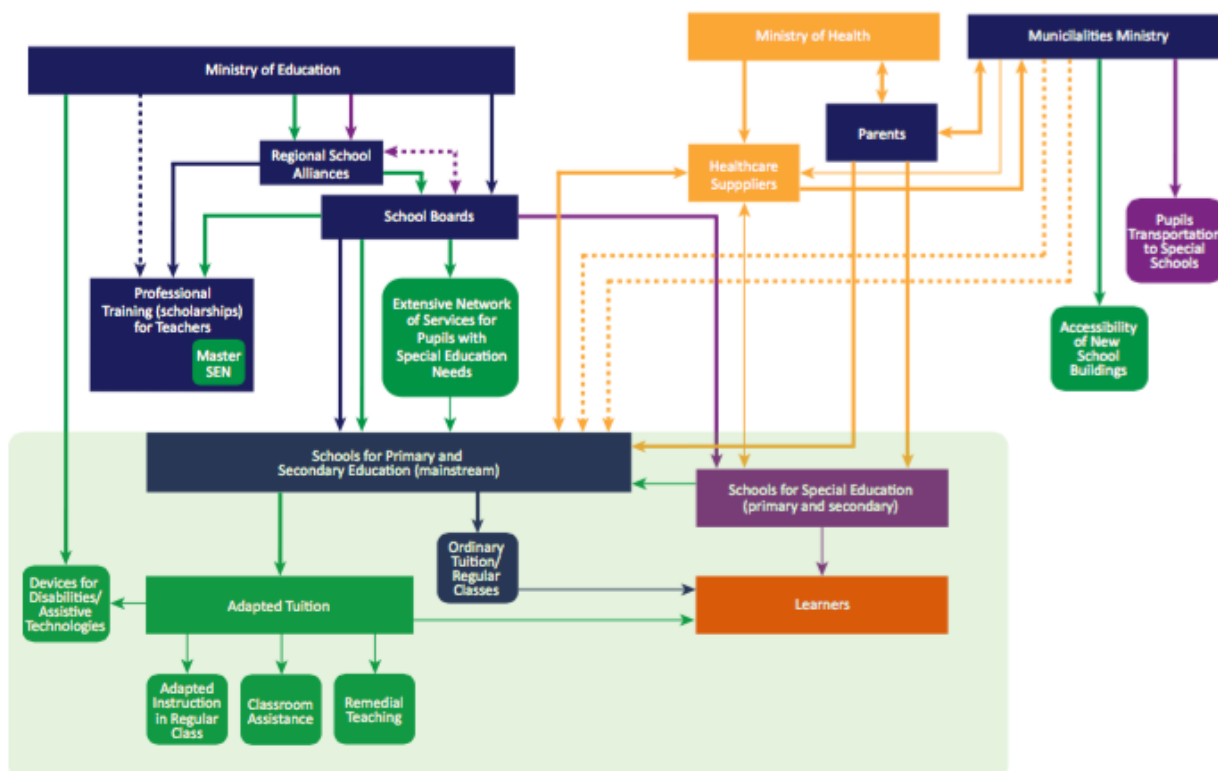


Figure 4. Inclusive education spending related to learners

Healthcare-related spending in education by the Ministry of Health, Welfare and Sports

The Ministry of Health, Welfare and Sports provides care-related funding to three parties: care agencies, health insurance agencies and municipalities. The care agencies are responsible for facilitating the support of learners with multiple severe disabilities, among other things. The health insurance agencies facilitate curative care and the municipalities are responsible for the execution of the Youth Act (described in more detail below). These three parties facilitate different types of healthcare suppliers, which in turn provide care in agreement with schools. When children need healthcare, their parents apply for either a personal budget (input funding: free choice of health care suppliers) or ‘care in kind’ (contracted health care suppliers). Both the personal budget and ‘care in kind’ are provided through care and health insurance agencies and municipalities. For instance, municipalities can provide ‘care in kind’ by arranging a meeting with a local care team or via the care agencies.

Healthcare is provided in agreement between the regional school alliance and the municipality. Appointments are made to arrange the co-ordination and the types of healthcare provided. Regional school alliances take care of the (financial) support of

the school in providing the SEN for the learner. Healthcare suppliers provide care in schools, and are funded in cash from parents' or learners' personal budgets or in kind through contracts with municipalities, the health insurance agencies and the care agencies.

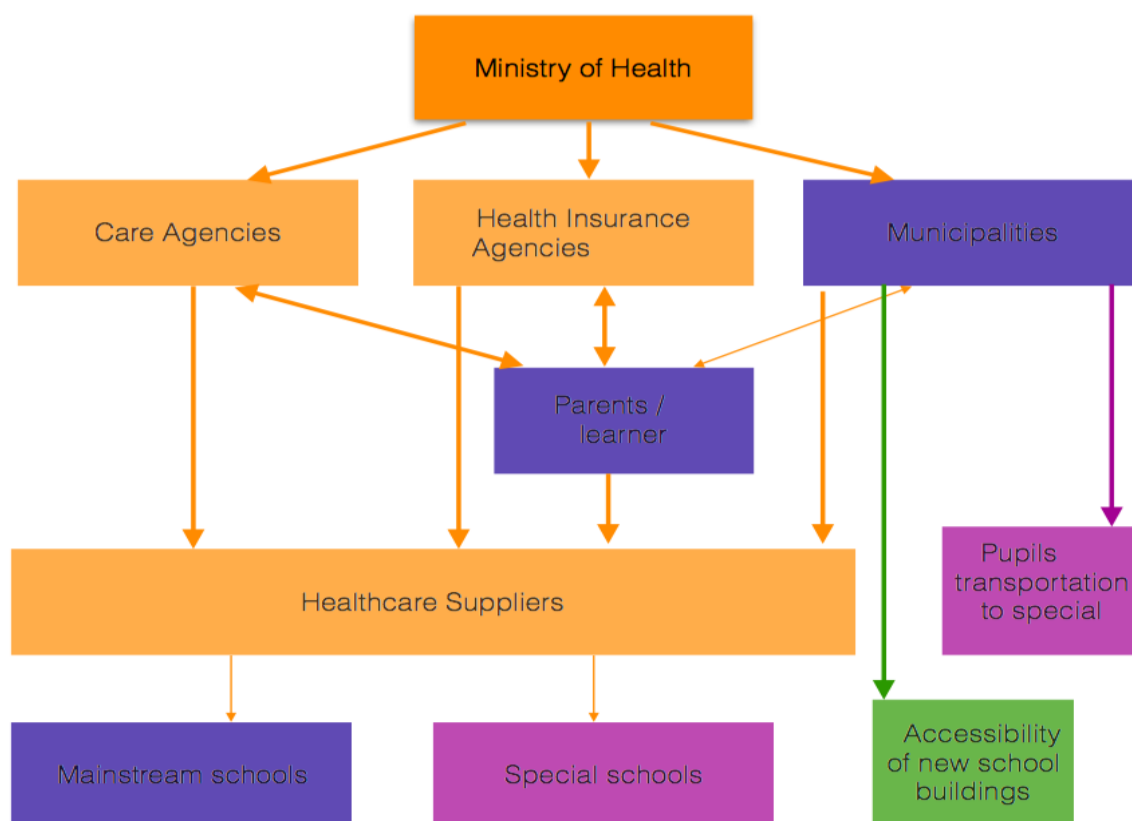


Figure 5. Youth- and healthcare-related spending by the Ministry of Health

Schools are often the first to identify learners with special needs. When an educator suspects that a learner needs professional help, they can contact a Care and Advice Team. Care and Advice Teams, consisting of teachers, youth care professionals, social workers, police and (depending on the situation) other professionals, try to address these problems at an early stage.

Municipalities are responsible for youth care

Since the beginning of 2015, all 393 Dutch municipalities are responsible for the whole range of care for children, young people and families in need of support and assistance. Before 2015, the youth care system was the responsibility of the country's 12 provinces. Local municipalities were only responsible for universal and preventive services. With the new Youth Act, this 'split' in the system no longer

exists. The transition relates to all types of services, including mental health provisions. The municipalities now manage a wide range of services for children and families, ranging from universal and preventive services to specialised – both voluntary and compulsory – care for children and young people from birth to 18 years of age (Netherlands Youth Institute, 2017).

The Dutch youth care and welfare system consists of different services: universal services, preventive services and specialised services. Examples of universal services include youth work, child care and schools. Preventive services include child health care, general social work and parenting support. Specialised services include youth care services, youth mental health care services and child protection services.

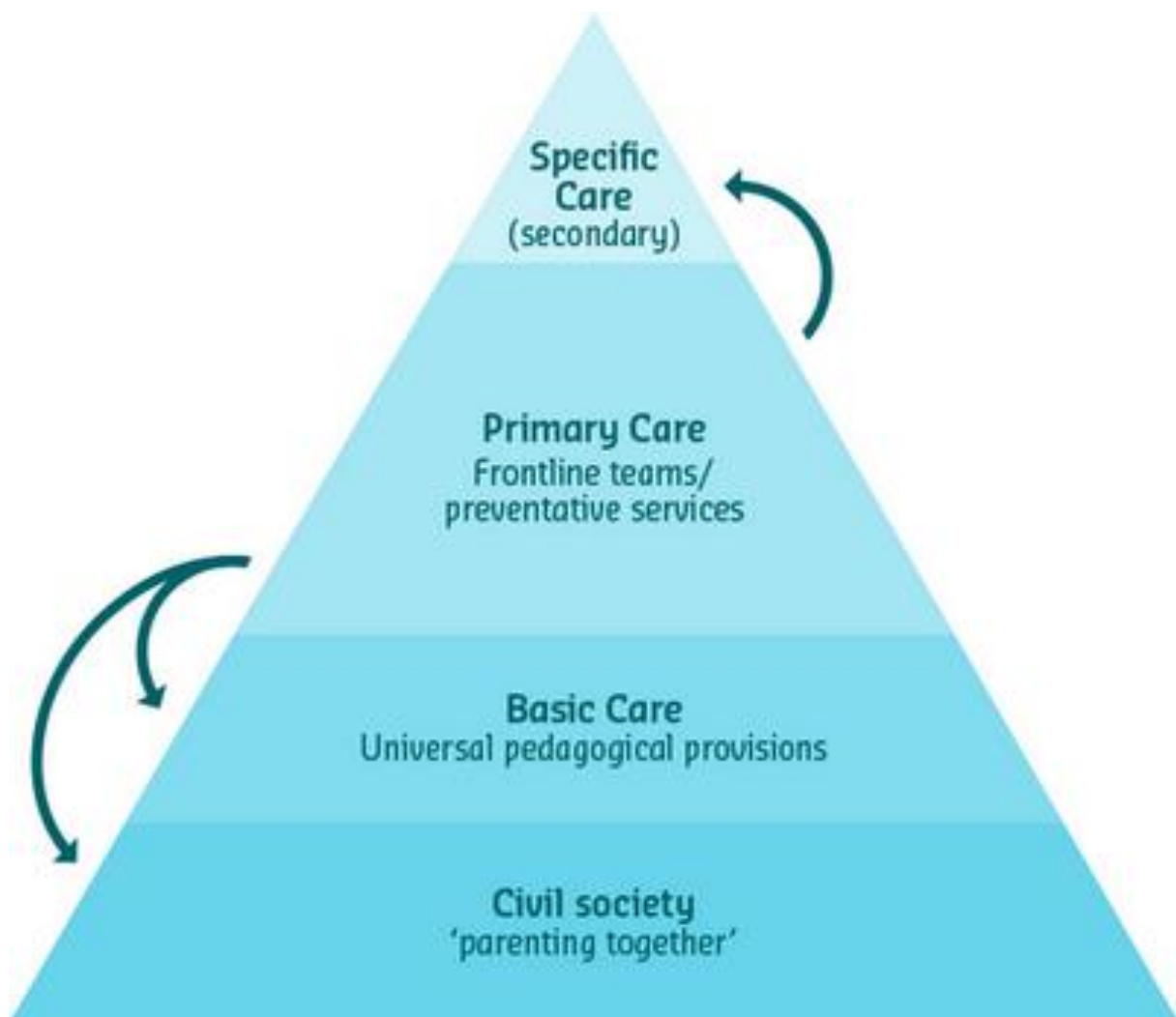


Figure 6. Types of Dutch youth care

Municipalities are also responsible for building new schools while school boards are responsible for maintaining existing school buildings. Municipalities should make sure that buildings are accessible for learners with disabilities. Learners who attend special schools are eligible for a transport service from their municipality. The transport service consists of transport by taxi or bus or re-imbursment of the costs for public transport. This also applies to learners attending secondary special education, but with the restriction that the learner is not able to travel independently.

Finally, municipalities receive a budget (EUR 261 million in total) from the Ministry of Education for providing services for learners from disadvantaged backgrounds. The municipalities are autonomous in spending this budget. However, the services mainly focus on pre-primary education and so most primary schools receive their budget from the municipalities.

Cross-sectoral policy

At a national level, the ministries described above are working together to connect education with health and youth care policies as much as possible. At a local level, municipalities are integrating their education and youth policies more and more, in order to optimise living conditions for learners with special (educational) needs (van Veen et al., 2017). Although this process of integration is under development, some progress has already been made in the case of learners with complex needs. The authorities involved are working together increasingly to find the right schools and support for these learners (van der Linden et al., 2017).

MECHANISMS FOR FUNDING SYSTEMS FOR INCLUSIVE EDUCATION

School alliances and the maximised budget

When the Appropriate Education Act (*Education that Fits*) came into force on 1 August 2014, a couple of fundamental things changed. The newly introduced school alliances became responsible not only for a regional network of additional support for all learners with SEN, but also for the funding of that additional support.

In order to do this, the school alliances receive a fixed budget that is based on the total number of learners attending school in their region. In 2016, a school alliance for primary education received EUR 354 and a school alliance in secondary education received EUR 546 for each learner.⁸ Because of this distribution system, the costs for additional support in mainstream and special schools have been maximised at a national level. Since 2014, the amount of funding a region receives for additional support has not been a result of the number of learners attending special schools or learners receiving a diagnosis or a decision of SEN. It is now strictly based on the total number of learners attending school.

The result of this system is that all regions in the Netherlands receive an equal amount of funding, relative to the number of learners attending school. This caused a big shift in budget allocation in respect to the situation before 2014. Before 2014, the east and the south of the country received more funding, due to having more decisions of SEN. More than EUR 100 million will be redistributed. To soften the redistribution effect, the Ministry introduced a transit period of five years (2015–2020). This is called the *verevening* (equalisation).

This system was introduced to prevent exclusionary strategic behaviour, because the total number of learners is not a variable that is easy to influence. There is no point in increasing testing for learners or encouraging diagnoses purely to increase a budget. It is also pointless to encourage exclusion in order to receive more funding.

In 2016, two more budgets were added to the funding received by the regional school alliances: the budget for the lowest track in mainstream secondary education (vocational training) and the budget for learners who are struggling with language and arithmetic in pre-vocational tracks (*vmbo* – lower-secondary vocational education). The idea behind this is that the school alliance becomes responsible for

⁸ The budget for all school alliances is approximately EUR 524 million in primary education and approximately EUR 494 million in secondary education. This is the total budget available for additional support, including support for special schools.

all learners, including those more likely to need support. It enables the school alliances to bundle the different budgets and provide better, tailor-made services.

Autonomy of the school alliances

The school alliances decide how to spend their budget. They decide whether to fund additional support in mainstream schools, to create centralised levels of support and/or to fund special schools. The first two examples are straightforward: the school alliance receives the funding from the Ministry and allocates it to the mainstream schools or uses it to hire staff to offer support to schools.

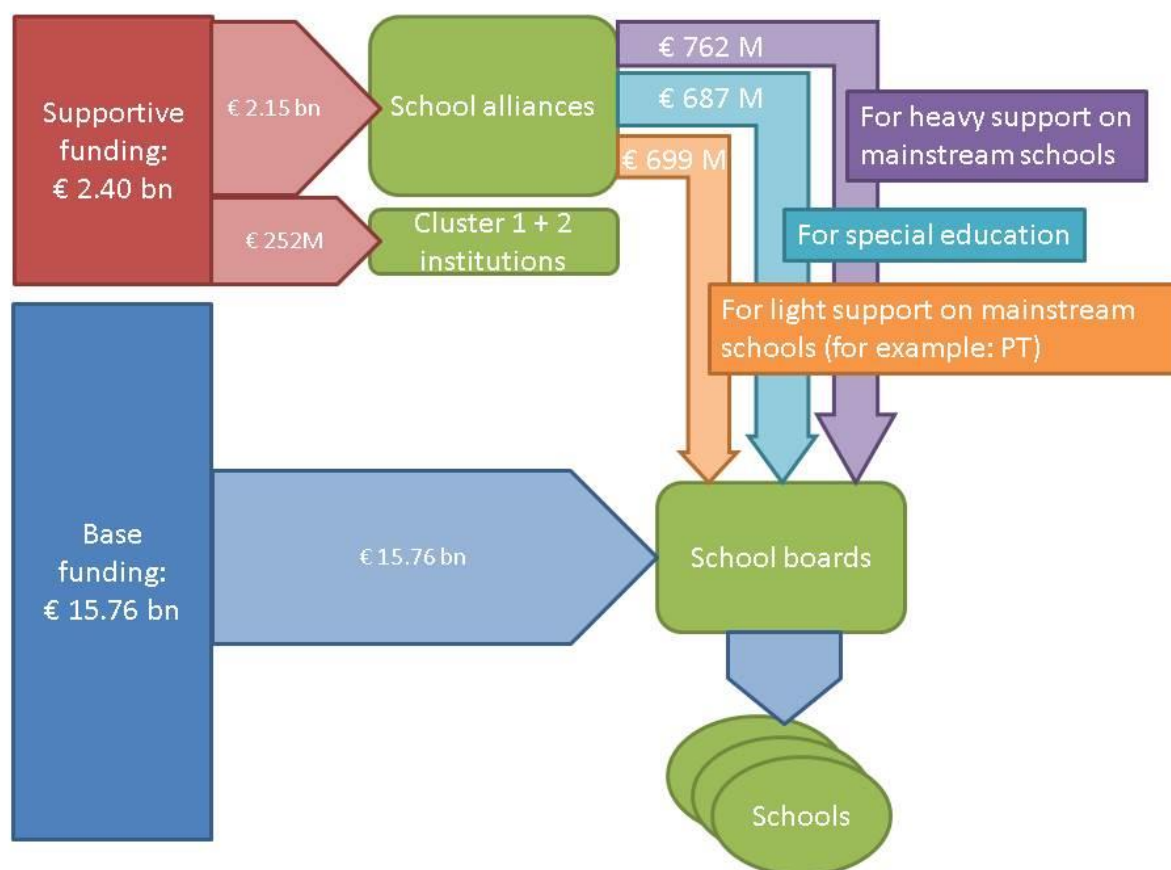
The funding of the special schools is different from the funding of mainstream schools and centres of expertise. Special schools receive a certain amount of funding for each enrolled learner. The funding consists of two parts: *basisbekostiging* (base funding), which is similar to the funding mainstream schools receive, and *ondersteuningsbekostiging* (supportive funding), which covers the additional costs for special schools.⁹ Schools for special education receive both the base and the supportive funding directly from the Ministry, although the supportive funding is deducted from the budget that the school alliances receive. This means that the more learners that attend special schools, the less funding the school alliance has to accommodate additional support for mainstream schools.

This report previously stated that a learner needs a decision (a declaration of admission) in order to enrol in a special school. These decisions are made by the regional school alliance and include the severity of the additional support a learner needs. The higher the level of support required, the higher the applicable cost category. Deciding on admission is the only way for the regional school alliances to control the supportive funding costs. Granting more or fewer declarations of admission applies a higher or lower cost category per learner.

This new system places the (shared) responsibility for the quality of additional support to the regional school alliances and decentralises the autonomy on funding. This should promote and support integrated and cross-sectoral services, and, therefore, inclusion. For example, special schools are relatively expensive. If a regional school alliance can organise the additional support needed in a mainstream school with less funding, the school alliance benefits financially and the education is more inclusive. In order to work, effort and commitment is needed from both the

⁹ There are three price categories for supportive funding: low (around EUR 10,000) for learners with learning and behavioural disorders, medium (around EUR 15,000) for learners with physical disabilities and high (around EUR 21,000) for learners with multiple severe disabilities.

mainstream and the special schools. This also promotes cross-sectoral thinking and co-operation. Regions with a negative income due to equalisation will particularly focused on finding alternative and more inclusive solutions to additional support problems. It takes a couple of years for the (negative) income effects to appear, at which point it will be evident whether the expected changes have occurred.



Source: Netherlands Court of Audit (The Hague, 2017)

Figure 7. Level of funding

Types of regional school alliance

Although all regional school alliances have the same legal tasks, each school alliance puts these into practice in a different way. There are two models: a centralised, 'expertise model' and a decentralised, 'school model'. Neither model is prescribed by law in any way. In the expertise model, school alliances organise their support for learners at a centralised level. Most of the funding is spent on staff working for the school alliance. School alliances also distribute funding to schools based on their applications for individual learners. On the other hand, school alliances following the school model tend to spend as little of the funding as possible at the central level.

They organise the support for learners in local schools and the funding is often distributed equally between schools. The responsibility for additional support lies more with the schools in this second model.

Monitoring and quality assurance

Because of the large autonomy of school boards, schools and regional school alliances, it is important to have internal and external checks on quality and finance. School alliances decide how to organise their internal supervision, although they are obliged to have a participation council which represents parents and employees. This council has the right to consent to the main policy plans, but not to the budget plans.

The main idea behind lump sum financing is that schools and school alliances are responsible for how they organise their education and their support. For example, the government does not determine how they should spend their money. The important question for the government is whether the schools and school alliances follow the rule of law and conform to quality levels. The Inspectorate is responsible for external checks on quality and finance. Regional school alliances are subject to investigation based on the quality standards formulated by the Inspectorate. Part of this investigation is a review of the annual report which the regional school alliances and school boards are obliged to file with the Inspectorate. The Inspectorate also visits schools and school alliances to investigate the quality of assurance and of the learning process. However, a large part of the annual reporting is focused on whether spending is legitimate, rather than cost-effective.

In theory, the annual report should contain all the information needed about how schools, school boards and regional school alliances are spending their budget, whether the spending is cost-effective and if the budget is adequate. However, this is not the case. Many regional school alliances transfer a large portion of their budget directly to the school boards, but the school boards fail to explain how they spend that budget either to the school alliances or in their own annual report. There are interesting initiatives from school alliances in which they ask schools to report their progress on their school support profile.

This problem has been evident for some time now and has a strong connection to the freedom of education in the Netherlands. The Ministry prescribes the level of quality of education, but not how that level should be acquired. That is the responsibility of the schools. In order to encourage more open and transparent processes of accountability within regional school alliances, the Ministry subsidises the development of an 'accountability dashboard'. Through this, regional school

alliances can benchmark their own results on input, throughput and output indicators with other alliances. The information from the dashboard can be used for management, such as adding graphics to the annual report, as well as for accountability purposes. Some of these indicators are accessible through open databases.

A distinction between learners with and without SEN in mainstream education can no longer be made. This is due to regional educational assessment procedures (rather than nationwide procedures) and budget autonomy for the regional school alliances. The National Education Council has recently pointed out that national data on learner levels is a boundary condition for policy evaluation purposes (Onderwijsraad, 2016). The flow of learners through the different types of education and, in particular, learners' transitions between mainstream and special education are monitored annually by the Ministry. These indicate the number of learners attending mainstream rather than special education, one of the goals of the *Education that Fits* policy. The next step is to evaluate the effectiveness of support. The Inspectorate examines (risk-based) whether school support leads to learners' continuous development and whether the learning targets are ambitious. It also examines whether schools have a quality monitoring system and how they carry out their school support profiles.

A National Evaluation Programme focuses on the long term (2015–2020) impact of the *Education that Fits* policy on educational practice. This large-scale research programme is conducted by seven research institutes/universities and targets primary education, secondary education, special education and upper-secondary vocational education. The main questions to be answered are:

- What are different stakeholders in different education levels doing to achieve the aims of the *Education that Fits* policy and how do these stakeholders interact with each other?
- Are there any unintended consequences of the policy?
- Which factors at the school and teacher level will positively influence educational support for learners with SEN? How do these factors influence the cognitive and social-emotional development of learners?

Through different types of research, such as monitoring, case studies, cohort studies, policy analysis, journalistic research and practice-based studies, the programme aims to evaluate not only the effects of the original policy, but also the development and changes within the policy during the period of implementation.



The [research reports](#) are presented publicly on a website and are sent to parliament bi-annually.



SUMMARY OF PERCEIVED STRENGTHS AND WEAKNESSES OF THE DUTCH FINANCING SYSTEM FOR INCLUSIVE EDUCATION

Each system has its strengths and flaws and the Dutch system is no different. These strengths and weaknesses will be the focus point of the Country Study Visit. They are introduced in this chapter using a SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis. In order to conduct this SWOT analysis, it was necessary to identify the internal organisation and the external environment. The key actors in the *Education that Fits* policy are the regional school alliances, the school boards and schools for mainstream and special education. These form the internal organisation or the internal system which has its strengths and weaknesses. All the other actors, including the national government, are part of the external environment, which presents opportunities and threats to the system of regional school alliances.

Strengths

Flexibility

The Appropriate Education Act introduced a decentralised system, where schools in the same region work together in regional school alliances. These alliances make their own policy on how to support learners with SEN. Regional school alliances receive roughly the same amount of funding per learner, whatever the real costs of the additional support are. This means that they can tailor the budget allocation to the needs of the individual learner.

As well as flexible budget allocation, the criteria which schools and regional school alliances use to decide the best course of action for each child are also flexible. This should lead to less diagnosis and labelling and more consideration of what children need in order to have a good education. The intensity and duration of the additional support can be adjusted when needed and different arrangements can be made by the regional school alliances. However, this decentralised system does not necessarily lead to less bureaucracy, as every region creates its own procedure for awarding official declarations of SEN.

Incentive for inclusion

The budget for additional support has been maximised for each regional school alliance. It is based on the total number of learners within the regional school alliance, not on the number of learners with an official decision of SEN. Schools are less inclined to diagnose more learners, because it will not lead to extra funding. It

does, on the other hand, create an incentive for inclusion. Schools for special education cost more than mainstream schools. The regional school alliances are therefore encouraged to increase the number of learners attending mainstream schools (therefore decreasing the number of learners attending special schools). In doing so, they create a margin which they can use to invest in capacity building in mainstream schools (and in turn attract and keep more learners with SEN in those schools).

Incentive for efficient and cost-effective use of the budget

The regional school alliance both determines and pays for the additional support granted to schools or learners. As such, the financial cost of support is an integral part of the decision-making process. This makes regional school alliances more aware of the costs of additional support, and therefore more willing to ensure the support is efficient and cost-effective.

Improved co-operation between mainstream and special schools

Before the *Education that Fits* policy, there was no necessity or incentive for mainstream and special schools to work closely together. The special schools assisted learners and teachers in mainstream schools in some ways, but it was not common practice. Now, both mainstream and special schools are obliged to work together in school alliances. They are both responsible for the regional coverage of the level of support. Since 2014, there has been an increase in symbiosis, where learners in special schools attend mainstream schools part-time (de Boer and van der Worp, 2016).

Weaknesses

Governance model and dependency on co-operation

The co-operation between schools and school boards is a strength of the Dutch system, but it is also a potential weakness. When it comes to funding education, school boards are the most important players in the system, because they allocate the budgets received from the national government to the schools. With the new legislation, a new official body was introduced: the regional school alliance. The board of the regional school alliance consists of members of the region's school boards. It receives separate funding for special needs education from the national government. The members of the board of the regional school alliance make the decisions about the policy and allocation of the budget for additional support in that region. This can be a conflicting role for board members as they have an interest in

gaining as much money as possible for additional support in their own schools. This could prevent them from allocating the budget efficiently and working together with other school boards to give all the learners across the region the additional support they need.

Another conflict of interest can emerge with the internal supervision of the regional school alliance. According to the law, regional school alliances must have separate bodies for management and supervision functions. Most regional school alliances started with a one-tier governance system, where members of the region's school boards supervised the regional school alliance management board. The problem is that the board was in fact supervising its own efforts to make the regional school alliance a success. Transparency is needed around the allocation of budgets for learners needing additional support. This is a sensitive issue from the perspective of competition between school boards. The one-tier model therefore only works if board members co-operate and put the interests of the regional school alliance and its learners ahead of their own school's interests. If this does not happen, it can result in a lack of trust and a non-functional governance system within the regional school alliances. In practice, several regional school alliances are already changing their models, searching for ways to have more independent supervisory bodies (Eimers et al., 2016). More regional school alliances are expected to develop their governance models in the next few years.

Limited view on spending

At both the local and national levels, the views and transparency around budget spending is limited. Teachers often have no idea how their school and regional school alliance are spending the budget for additional support. School alliances have trouble getting information about how the additional support is organised in schools. At the national level, the annual reports from the school boards and regional school alliances do not sufficiently give the full view on cost-effectiveness. The Ministry of Education knows that the budget is being spent legitimately, but not if it is being spent effectively and efficiently.

Support of teachers in mainstream schools

The distance between the school board and the classroom is often large. Board members feel more involved and in control as a result of the *Education that Fits* policy. However, this is not always the case for teachers. The number of learners with SEN in mainstream education has not increased much yet. Nonetheless, teachers often feel there are more and more learners in the classroom with more

difficult support issues. This is partly due to an increase in a variety of tasks. The shift towards inclusion demands a lot from teachers, but not all teachers feel equipped to give all the additional support that is needed. Teachers also complain about a lack of budget, as well as the lack of insight into how budgets are spent (Onderwijsraad, 2016; van der Meer, 2016).

There is also good news. It appears that teachers and school leaders have adopted a new approach to learners requiring extra educational support. They are actively asking for help from special education for these learners and school leaders report that teachers require a great deal of training and support (Inspectorate of Education, 2017).

Almost half of all primary school teachers would like training in new areas, particularly around behavioural and socio-emotional issues, as a result of *Education that Fits*. Within special secondary education, a lower percentage of teachers believe their development needs have changed since the introduction of the *Education that Fits* policy. Two thirds of primary school teachers believe that current and planned training activities are enough to meet these development needs (Inspectorate of Education, 2017).

Two thirds of school leaders indicate that the range of care provided by their school has changed since the implementation of *Education that Fits* policy. In addition, three quarters of school leaders believe their teachers' development needs have changed. Teachers want to know and understand more about learners' cognition, behaviour and social/emotional development. Most school leaders also indicate that teachers have participated in more training activities and the school has scheduled more training activities in the last two years. This is to enable optimum teaching of learners who require extra support. These training activities focus mainly on learners' cognitive, behavioural and social/emotional support needs. Two thirds of school leaders feel that the school alliances support them in their professionalisation activities (Inspectorate of Education, 2017).

The professionalisation of teachers is an on-going process and is supported by a national programme (*De Lerarenagenda 2013–2020*). One of the targets is for all teachers to have the skills and competence to adapt their lessons to the different needs of their learners by 2020. To reach that target, teachers can apply for a scholarship (*de Lerarenbeurs*) which most applicants use to obtain a Master's in Special Educational Needs. School leaders and teachers report that this Master's enables teachers to better analyse the different needs of learners and adapt their teaching to these needs.

Difficulty specialising and profiling mainstream schools

A case study shows that mainstream schools are having trouble specialising and profiling in a certain level of support (Eimers et al., 2016). One reason for this could be that teachers were not consulted enough when mainstream schools had to create plans for their specialism or profile. Mainstream schools may not want to profile, to avoid being labelled as a care school and therefore attracting more learners with additional support issues.

Capacity of mainstream schools

An important condition for the success of the *Education that Fits* policy is the capacity in which mainstream schools can handle learners with more demanding educational needs (van Leeuwen, 2007; van Leeuwen et al., 2008; Boswinkel and van Leeuwen, 2009). This issue requires more attention from school boards and regional school alliances, particularly in secondary education.

Opportunities

Less compartmentalisation of budget

School alliances are responsible for the budget for additional support. Municipalities are responsible for the budget for youth care. They must co-operate locally to ensure learners receive the care they need, both at school and at home. Combining the regional school alliance and municipality budgets for learners' needs will lead to a more integral approach on education and youth care at the local level.

More transparency on budget spending

Transparency on budget spending at different levels of the system can be boosted at a local level. Schools and school boards already present [information about school policy, results and finances](#) on a public website. A comparable website is under construction for the regional school alliances, which will contain a management dashboard. In time, there will be a public version. At a national level, interest groups of school boards are giving support to the annual reporting of SEN spending. This will be a part of the supervision conversations between school boards, regional school alliance boards and the Inspectorate of Education.

Each learner receives the support they need

By law, schools have a duty to care for learners who need additional support. They cannot refuse to admit a learner based on their required needs. If a school is unable

to provide the needed support, the school is obliged to find another school that can. Another school is often found within the regional school alliance. The school alliance is therefore obliged, by law, to cater for all the possible SEN within its region. Sometimes the additional support is offered in special schools inside or just outside the regional boundaries. Sometimes it is provided by a mainstream school with a specialisation. The theoretical result of these obligations is that each learner needing additional support should be able to receive it in a school within, or just outside, the school alliance. In practice, however, it is difficult to monitor whether schools are actually fulfilling their duty (Ledoux, 2017). The Inspectorate of Education provides better supervision of this part of the system. However, it is only able to act when parents report that a school is undermining its duty of care. Parents therefore need to be more aware of the responsibilities of schools in supporting SEN. Regional school alliances could be firmer with schools and mediate more actively when schools are unable to support learners' needs and have to find another school.

Threats

The equalisation of the budget

With the introduction of the *Education that Fits* policy, the budgets for additional support and special schools have been redistributed between the regional school alliances. Although the school alliances have five years to adapt to the new budgetary situation, there is a threat if school alliances do not fully commit to this new reality. Some regions are going to lose 30% to 40% of their budget. If they do not tackle this well, the school alliance could get in financial trouble. An example would be if the capacity of teachers and specialists in mainstream schools was expanded, therefore reducing the size of special schools. With a lack of financial means, it would no longer be possible to offer additional support in mainstream schools.

Difference in quality of additional support between school alliances

The decentralisation of the policy (criteria) and budget for SEN to the school alliances means that the additional support and the quality of support offered to learners may vary between regions. When reasoning in extremes, this variation could lead to tailor-made support for every learner, or to unequal opportunities for learners with the same needs. The challenge is to find a balance between the autonomy of the regional school alliances and the consequential variations in and the basic quality of the additional support (Onderwijsraad, 2016).

Risk of adjusting the model due to political pressure

The *Education that Fits* policy was introduced in August 2014 and must still prove itself. As noted earlier, the shift towards a more inclusive model requires a shift in culture, which takes time. Regional school alliances are still (re)designing and implementing their policies. Teachers are not yet completely equipped to provide all the additional support that is needed and school board members still need to adjust to the new setting. However, time is not freely available. With each incident or persisting problem, the politicians' call for adjustments to the policy becomes more evident. For example, politicians could request to withdraw the equalisation and redistribution of the budget, or to (re)introduce national budgets for learners with multiple severe disabilities. There is also a risk of narrowing down the success of the policy to one of its sub-goals: to reduce the number of long-term truants.¹⁰ These learners are often dealing with complex problems and have often been to several schools. It takes a lot of effort for schools and sometimes youth care to provide a safe school environment with the right additional support. Focusing on this very small group will detract from the large group of learners who are being supported according to their needs by mainstream and special schools (Onderwijsraad, 2016).

Demographic development

In the Netherlands, the birth rate is declining. As a result, there are fewer and fewer children going to school. This is a potential threat to keeping a certain level of support available, particularly in rural areas.

¹⁰ Long-term truants are learners who do not attend school for a period longer than three months, due to their need for additional support. This group consists of around 3,000 learners.

FUTURE DEVELOPMENTS

The implementation of the *Education that Fits* policy will have its mid-term review in the summer of 2017. After only three years of putting the policy goals into practice, its effectiveness cannot yet be measured. One of the most weighted interventions, the maximisation/equalisation of the budget for regional school alliances, will be effected in the next few years. The governance structures and professionalisation of the regional school alliances are still works in progress, as is the organisation of extra support in mainstream schools. As such, no major developments are foreseen at this time. There have been and will be small adjustments to laws and regulations. These include more tailor-made solutions for learners with complex needs and the independent internal supervision of regional school alliances. Co-operation between special schools and mainstream schools will be encouraged, and more and more special schools will become centres of expertise. Finally, attention will be given to accountability for resources, encouraging more uniformity and information about the ways money is spent on extra support.

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ANNEX

THE DUTCH EDUCATIONAL SYSTEM

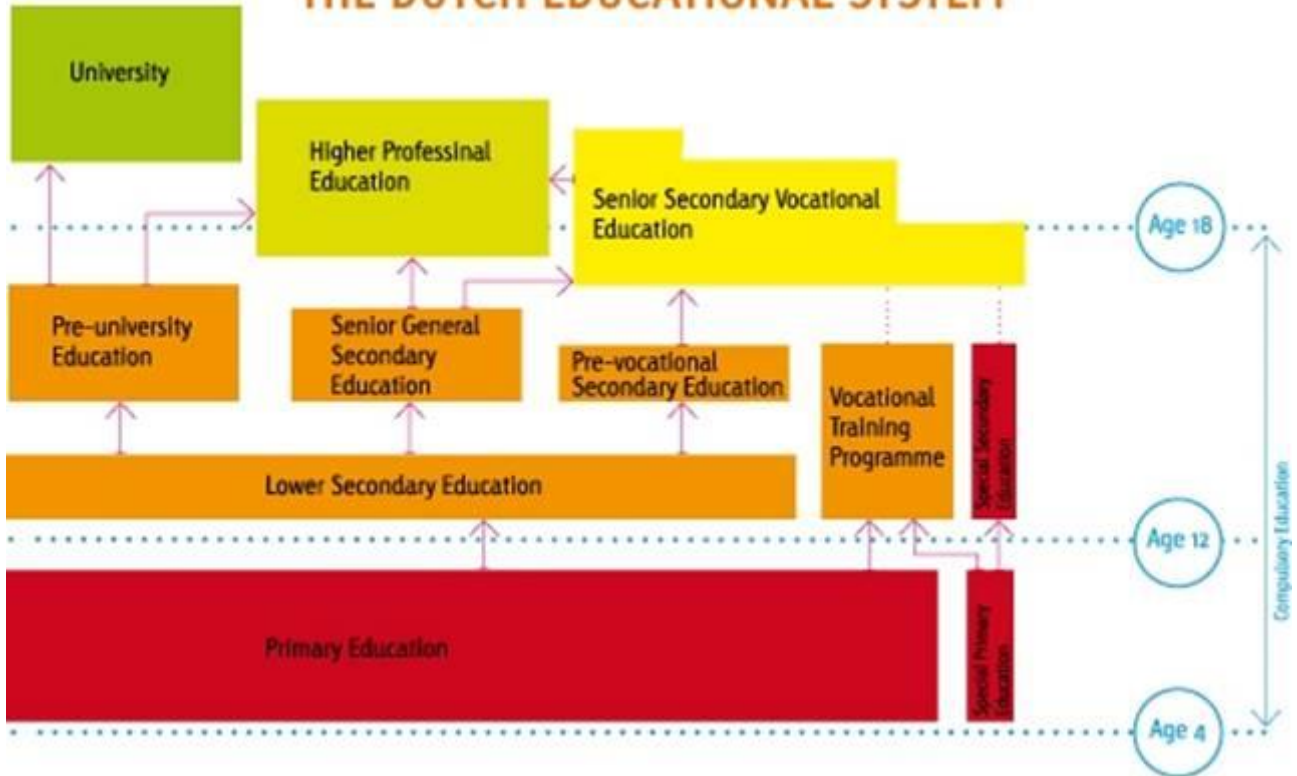


Figure 8. The Dutch educational system