Financing Policies for Inclusive Education Systems

Final Summary Report

FPIES

EUROPEAN AGENCY
for Special Needs and Inclusive Education

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The European Agency for Special Needs and Inclusive Education (the Agency) is an independent and self-governing organisation. The Agency is co-funded by the ministries of education in its member countries and by the European Commission via an operating grant within the European Union (EU) Erasmus+ education programme (2014–2020).

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CONTENTS

INTRODUCTION

The *Council Recommendation on promoting common values, inclusive education, and the European dimension of teaching* argues that:

> Ensuring effective equal access to quality inclusive education for all learners, including those of migrant origins, those from disadvantaged socioeconomic backgrounds, those with special needs and those with disabilities – in line with the Convention on the Rights of Persons with Disabilities – is indispensable for achieving more cohesive societies (Council of the European Union, 2018, p. 6).

Research shows that financing mechanisms are critical in determining the type of school placement offered to learners from disadvantaged groups (OECD, 2012). The systems of funding education play a crucial role in ensuring that all learners – including those who are marginalised because of gender, religion, ability, sexual orientation, social status or ethnicity – have access to an inclusive education system at all levels of lifelong learning (UNESCO, 2009). While countries face different challenges regarding funding to support inclusive education, it is important to ensure that available resources – human and other – are used to the best effect (UNESCO, 2017).

The premise of the **Financing Policies for Inclusive Education Systems** (FPIES) project is that policy-makers across Europe recognise that financing mechanisms are a critical lever in reducing disparity in education. However, they require more detailed information on the impact of financing mechanisms on inclusive education, which can be used to guide their policy developments.

The FPIES project is a response to this identified policy need. Running from 2016–2018, the project builds on a previous project by the European Agency for Special Needs and Inclusive Education (the Agency): **Financing of Inclusive Education – Mapping Country Systems for Inclusive Education** (European Agency, 2016). FPIES is co-funded by the Agency and the European Commission's **Erasmus+ Key Action 3 'Forward-Looking Cooperation Projects'** framework. This short report presents a summary of the FPIES project.

A partnership project

The project is based on direct co-operation between eight partners: the Ministries of Education in **Italy, Lithuania, Netherlands, Norway, Portugal** and **Slovenia**, the Agency and **Universitat Ramon Llull**. The latter acts as the external evaluator of the project, with a focus on project activities and outcomes.

The FPIES project aims to systematically examine different approaches to educational financing and identify an effective funding policy framework that works towards reducing disparities in education.

The starting point of the FPIES project is that the current resource allocation frameworks in all countries are based upon education systems that aim to be increasingly inclusive. Countries have developed these resource allocation frameworks to enable stakeholders to implement the principles of inclusive education more effectively.

The project activities specifically focused on examining the resource allocation systems in the six partner countries.

PROJECT ACTIVITIES AND METHODOLOGY

The FPIES *Project Conceptual Framework* (European Agency, in press-a) builds on existing research knowledge (notably European Agency, 2016). The conceptual framework's role was to guide project information collection and provide a frame for analysing the collected information.

The methodology underpinning the information collection in the FPIES project was the peer-learning approach. This has potential for facilitating self-review and experience-exchange to support long-term policy development and implementation in participating countries.

The main peer-learning activities were six Country Study Visits: one to each of the partner countries. Each Country Study Visit involved a wide range of relevant stakeholders from ministry, municipality and school levels in the host country and ministry-level visitors from three of the other five partner countries. Participants in the Country Study Visits engaged in a series of pre-agreed activities and discussions as they examined in depth each country's system of financing special needs and inclusive education. The aim was to

identify features, challenges and opportunities within the current model. These country-level policy exchanges produced meta-level information sources that served as the basis for the project analysis activities. They were recorded as follows:

• **Country Reports**: The Country Reports identify the main strengths and challenges regarding financing, governance and capacity-building underpinning countries' systems for inclusive education. The Country Reports were prepared before the Country Study Visits. They were finalised after the Country Study Visits had taken place, based on information and discussions in the Country Study Visits.

• **Country Study Visit Reports**: The Country Study Visit Reports document the main discussion and learning points from each visit. They give a summary of the visit and a comprehensive analysis of discussions.

Information about the Country Study Visits and the reports are available on the partner pages for **Italy, Lithuania, Netherlands, Norway, Portugal** and **Slovenia**.

The FPIES project **Synthesis Report** (European Agency, 2018) brings together the findings emerging from all the project activities, Country Reports, Country Study Visits and Country Study Visit reports. It highlights funding issues, factors and critical levers for reducing disparity in education through efficient, cost-effective and equitable funding mechanisms.

Building on the project findings presented in the Synthesis Report, a main output of the FPIES project is the *Policy Guidance Framework* (European Agency, in press-b).

The intended target audience and potential users of this *Policy Guidance Framework* are policy- (decision-) makers for inclusive education working at different system levels – national, regional and local. The *Policy Guidance Framework* includes:

• an overview of the **policy elements** underpinning a comprehensive policy for financing inclusive education systems;
• a presentation of a **policy framework**, highlighting the cross-sectoral policy issues, as well as policy goals and objectives that constitute a comprehensive financing policy for inclusive education systems (summarised in the next section);
• a **self-review tool** that builds upon the proposed framework. This has been developed to support policy-makers in reflecting on and discussing financing policies for inclusive education.

The overall intention behind this financing *Policy Guidance Framework* is to support future discussions between policy-makers working at national, regional and local levels in countries regarding financing policies for inclusive education systems. All Agency members understand that such discussions are crucial for improving implementation, accountability and governance in relation to these systems.

A FRAMEWORK OF POLICY ISSUES, FACTORS AND DRIVERS

Within a comprehensive policy framework for financing inclusive education systems, financing must not be understood as an end in itself. Rather, it is a tool for promoting and ensuring inclusive education systems that provide quality educational opportunities for all learners.

The FPIES project findings connect funding mechanisms for inclusive education systems to important levers that support the implementation of efficient and cost-effective inclusive education policies. Countries' inclusive education policies are embedded in multi-level and multi-stakeholder systems for inclusive education, covering mainstream and specialist provision. These systems involve cross-ministerial and cross-sectoral mechanisms and include non-educational aspects that affect learners' access to high-quality inclusive education. Thus, the efficiency and cost-effectiveness of funding mechanisms depend on essential levers for resourcing that embed means and resources in an integrated framework for inter-institutional co-operation and co-ordinated provision (European Agency, 2016; 2018).

These fundamental topics connect funding mechanisms for inclusive education systems to four cross-sectoral issues. These **issues** frame the quality of inclusive education and its cost-effectiveness as important topics or policy dimensions to be considered when implementing effective high-quality and cost-effective inclusive education policies.

These issues are linked to a number of critical resourcing **factors** that determine equitable, efficient and cost-effective inclusive education. The factors are, in turn, linked to key funding **drivers** that are considered essential for implementing effective financing policies (European Agency, 2018). Together, the issues, factors and drivers are an indicative framework for the provision of funding and resources necessary for inclusive education systems.

Cross-sectoral issue 1: Ensuring learners are effectively included in appropriate educational opportunities

Exclusionary strategies that deny learners their right to education and inclusive education, and/or unnecessarily label learners as requiring an official decision of special educational needs, should be prevented. The main message underpinning this issue is the need to finance strategies that lead to educational inclusion, not exclusion.

The critical resourcing factors and inter-connected key drivers behind this issue are:

Main Critical Resourcing Factors	Key Drivers
A political commitment to the right to education for all learners	• Financial commitment towards inclusive education • Commitment to excellence for all • Investment in developing diverse support measures for learners
Embedding inclusive education in local contexts within a community-based approach	• Embedding inclusive education as a key task and area of responsibility at all decision-making levels • Promoting schools' social responsibility towards inclusive education
Promoting a school-development approach	• Ensuring a sustainable balance between whole-school (throughput) funding approaches and needs-based (input) funding approaches • Resourcing mechanisms that encourage the development of inclusive learning communities

Cross-sectoral issue 2: Promoting a school-development approach to inclusive education

Financing mechanisms that act as a disincentive for inclusive education must be avoided. Flexible financing systems must ensure a school-development approach that builds learning communities through the development of innovative and flexible forms of teaching that combine performance and equity. The main message underpinning this issue is supporting school teams to take responsibility for meeting all learners' needs.

The critical resourcing factors and inter-connected key drivers behind this issue are:

Main Critical Resourcing Factors	Key Drivers
Providing incentives for a supportive learning environment	• Financial support for schools and learners at risk of underachievement • Resourcing mechanisms that foster learning networks
Promoting school autonomy	• Flexible use of public funding • Organisational flexibility
Embedding inclusive education in supportive quality assurance mechanisms at school level	• Support for distributed leadership • An adequate combination of means for supportive, innovative learning environments

Cross-sectoral issue 3: Providing innovative and flexible learning environments

Ineffective funding mechanisms act as an incentive for segregation and exclusion when teaching and support in mainstream settings are perceived as inadequate for meeting learners' needs. This may lead stakeholders to perceive that special settings (i.e. separate schools and classes) provide better educational support to some learners. The main message underpinning this issue is that effective funding mechanisms are an incentive to inclusive education when they promote capacity-building mechanisms that empower stakeholders to develop innovative and flexible mainstream learning environments for all learners.

The critical resourcing factors and inter-connected key drivers behind this issue are:

Main Critical Resourcing Factors	Key Drivers
Enabling capacity-building strategies	• Empower local communities, schools or learners
Enabling special settings to act as a resource for mainstream settings	• Incentives for special settings to act as resource centres • Embedding inclusive education issues in pre- and in-service training/education of specialists working in special settings
Embedding inclusive education in professional development	• Embedding inclusive education in teacher training/education opportunities • Promoting leadership capabilities in developing inclusive schools • Including parents in training/development opportunities

Cross-sectoral issue 4: Ensuring transparent and accountable systems of inclusive education

Resource allocation mechanisms that promote the labelling of learners, instead of identifying areas for development within educational support and provision, are cost-inefficient in the long term, as well as inequitable. Ineffective cross-sectoral collaboration (i.e. with health and social protection services) can result in duplication of services and inconsistent approaches. The main message underpinning this issue is that funding and resourcing systems that balance efficiency, effectiveness and equity issues are clearly linked to regulatory frameworks focusing on overall system governance, accountability and improvement.

The critical resourcing factors and inter-connected key drivers behind this issue are:

Main Critical Resourcing Factors	Key Drivers
Network governance strategies promoting integrated systems for inclusive education	• Embedding governance in school and local networks, in an inter-disciplinary and inter-ministerial framework
Moving from procedural control mechanisms to accountable systems for inclusive education	• Connecting the funding with evidence-based resource planning • Developing monitoring mechanisms that go beyond administrative compliance • Mapping funding data against the goals of inclusive education • Embedding inclusive education in reporting and dissemination mechanisms
Embedding inclusive education policies in a quality assurance system	• Developing existing evaluation procedures by considering inclusive education issues as key drivers for a quality assurance system • Developing a clear inclusive education quality assurance framework

CONCLUDING COMMENTS

The findings drawn from the Financing of Inclusive Education project and all the FPIES project activities (European Agency, 2016; 2018) show that there is no ideal way to fund inclusive education. Indeed, as the *Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions* emphasises:

> There is ... no guarantee that increasing public spending yields automatically better results. In fact, comparing the results of PISA [Programme for International Student Assessment] and the level of public spending on pre-school and school education reveals large differences in how efficient Member States make use of their resources. This evidence points to the critical importance of increasing efficiency, i.e. to make best possible use of limited resources to ensure quality, equity, and performance (European Commission, 2016, p. 3).

Countries' inclusive education policies are embedded in multi-level and multi-stakeholder systems for inclusive education, covering mainstream and specialist provision. In their current form, these systems for inclusive education are far more complex than the general education system. They frame the journeys that countries take towards inclusive education.

As suggested by the Council of the European Union (2017), covering all aspects of education from a lifelong perspective requires the involvement of cross-ministerial and cross-sectoral issues. It also requires the inclusion of non-educational aspects that affect learners' access to high-quality inclusive education (ibid.).

In conclusion, the findings drawn from all the FPIES project activities connect efficient and cost-effective inclusive education systems with four cross-sectoral issues. These cross-sectoral issues, supported by policy goals and policy objectives, are the major facilitating factors underpinning the development of efficient and cost-effective inclusive education systems, which can reduce disparity in education.

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