



FINANCING POLICIES FOR INCLUSIVE EDUCATION SYSTEMS

Country Report: Lithuania





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INTRODUCTION

Political aspirations

The National Education Strategy for 2013–2022, approved by the Seimas on 23 December 2013, sets out four main goals, including to ‘develop and strengthen non-formal education for children and young people to ensure that pupils, students and young people have the best opportunities to fulfil their true potential’.

The Ministry of Education and Science (MoES) is currently developing the Implementation Plan for achieving the aforementioned goal. The Draft Implementation Plan describes the following inclusive education targets:

- to enhance inclusive education for learners with special educational needs (SEN);
- to include learners in education and develop their individual capacities;
- to develop the variety of inclusive education’s environments.

These targets are built on concrete quantifiable result indicators.

The Government Programme for 2012–2016 states that special attention to the development of inclusive education is a country priority in the field of education:

development of flexible, open and high-quality education system accessible to everyone, which corresponds to the individual needs and the needs of the country’s economy in an open civil society; make lifelong learning and development possible. (Decree of the Seimas of the Republic of Lithuania, 13/12/2012, No XII-51).

Measures for the development of inclusive education are outlined in the Activity Plan for 2014–2016 for Strengthening and Developing Inclusive Education in General Education Schools Implementing Primary and Basic Education Programmes. However, the progress indicators of this Plan are not yet achieved as EU-funded projects developed to implement the planned measures were delayed (National Audit Office, 2016).

General education system

Under the Law on Education, public schools are divided into general education schools, vocational schools, and higher education institutions. Currently, there are five types of general education schools: primary, basic, pre-gymnasium, secondary, and gymnasium.

Table 1. Key education statistics for 2016–2017

Type of institution	Number of institutions	Number of pedagogical staff	Number of learners
Primary	159	2,072	21,893
Basic	458	10,557	76,490
Pre-gymnasium	125	5,866	72,021
Secondary	11	329	2,880
Gymnasium	398	15,697	157,586
General education institutions (total)	1,151	34,592	330,870

Source: *Education Management Information System (EMIS)*

There are also 75 vocational training schools that implement either the primary, basic or secondary curriculum.

The primary curriculum corresponds to ISCED 1. The basic curriculum corresponds to lower secondary education (ISCED 2). By the end of the second phase of the basic, learners will have attained basic education or, if in the vocational stream, basic education and a professional or vocational qualification or certification. The secondary education curriculum corresponds to upper secondary education (ISCED 3). By the end of the secondary curriculum, learners will have attained secondary education or, if in the vocational stream, secondary education level and a professional or vocational qualification or certification (National Agency for School Evaluation, 2015).

Autonomy of public schools and government-dependent private schools

In Lithuania, the category of private (non-state) schools includes only institutions founded by a legal person that is not the state or a municipality. These schools may have the status of a public establishment and are eligible for ‘student basket’ funding (this funding method is described in more detail in the next section) from the state. They receive substantial government funding and are therefore referred to as ‘government-dependent’ private schools, but their school maintenance funds come from the school’s founders or the learners themselves (National Agency for School Evaluation, 2015).

However, schools in Lithuania lack financial autonomy, as their legal form is a budgetary body. This implies that the budget is planned and implemented in accordance with the Law on Budgeting. At the end of the year, the budget funds in accounts controlled by appropriations managers and subordinate bodies and other entities are returned to the budget (except for unused appropriations for financing specialised programmes and for completing construction works).

Equity in education

The Law on Education entitles any citizen of the Republic of Lithuania and any foreigner who is a permanent or temporary resident of the Republic of Lithuania the right to education.

Access to education for people at risk of social exclusion is ensured through social services and educational support, by implementing targeted social and educational programmes directly or via schools. State and municipal authorities establish the numbers and educational needs of drop-outs and implement targeted programmes to involve socially excluded children in education.

Equity in education for learners with SEN is ensured by adapting the school environment, providing psychological, special pedagogical, special and social pedagogical support, and providing technical assistance and special learning tools at school as stated in the Law on Education. Depending on the parents' (foster parents, guardians) wishes, learners with SEN may be provided with the opportunity to study at an early childhood or general education school, vocational training school, or any state or municipal (regional) school for learners with SEN that is located closer to their place of residence. Providing access to education for learners with SEN is the responsibility of the municipality of their residence (National Agency for School Evaluation, 2015).

Since 2011, mainstream general education schools have had an obligation to provide necessary educational assistance to address a range of learning needs. In 2014, 11% of learners had SEN, 90.8% of whom were enrolled in mainstream general education schools. In 2015–2016 there were 335,000 learners in education, of which around 10% had SEN (National Audit Office, 2016).

Table 2. Learners with special educational needs (SEN) in educational institutions

School type	No. of learners with SEN (2011)	% of learners with SEN (2011)	No. of learners with SEN (2012)	% of learners with SEN (2012)	No. of learners with SEN (2013)	% of learners with SEN (2013)	No. of learners with SEN (2014)	% of learners with SEN (2014)
General education schools	42,782	91.7	42,782	90.3	36,025	91.0	35,580	90.8
Special education schools	3,868	8.3	3,878	9.7	3,545	9.0	3,615	9.2
Total	46,650	8.3	40,025	9.7	39,570	9.0	39,195	9.2

Source: *Education Management Information System (EMIS)*

Learners residing in villages and towns three kilometres from school who are enrolled in pre-primary and general education are provided with transport to and from school.

The estimated number of Roma living in Lithuania ranges from 2,000 to 2,500, with the largest communities in and around Vilnius and Kaunas. In an attempt to promote the involvement of Roma in public life, reduce social exclusion and raise awareness of the Roma community, Lithuania developed the new Action Plan for Roma Integration into the Lithuanian Society 2015–2020. In the field of education, the Action Plan contains several measures concerning pre-primary, school and adult education, including community outreach work, teacher training and the provision of further support in education settings, such as teaching assistants (ECRI, 2016). The Action Plan contains three measures to address the particularly low enrolment rates of Roma children in pre-primary education: outreach to Roma families, promoting the right to pre-primary education, and organising pre-primary education in the Roma community centre in Vilnius. Unfortunately, as stated in the ECRI assessment (2016), ‘the need to increase possibilities for Roma children to attend non-segregated pre-school facilities is not part of the Action Plan’.

The education policies regarding the integration of children with migrant backgrounds in the Baltic States (with no exception for Lithuania) focus on specific measures targeted to accommodate the needs of children with a migrant background rather than overall comprehensiveness and implementation of an

inclusive approach (Mägi and Siarova, 2014). In Lithuania, there is no guidance available for teachers on providing support for learners from a migrant background, nor is there a systematic preparation of language teachers working with non-Lithuanian speakers, with small exceptions within the framework of specific projects.

In meeting the educational needs of children from national minorities, the focus is put on encouraging schools to teach in national minority languages, on enriching general national culture programmes with cultural content from national minorities living in Lithuania, and on developing educational materials for national cultures in a participatory way, involving national minority communities themselves (National Agency for School Evaluation, 2015).

Integration of children with SEN in general education schools

Learners with SEN are educated in all schools providing compulsory general education. In Lithuania, practically all mainstream general education schools may be referred to as inclusive (except for special schools and sanatorium schools) as they are prepared to accept learners with various educational needs (National Agency for School Evaluation, 2015). The general curriculum is adapted for learners with SEN. Learners with special needs are provided with necessary learning tools and technical aids. The educational environment is adapted, aiming to ensure equal access to education. Schools provide educational assistance in two ways: they employ support staff or they contract relevant specialists from the Pedagogical-Psychological Service (hereinafter referred to as the PPS) that services the school. Transport services are also provided to learners with SEN to and from school, using specially adapted buses.

The goal is to include children with SEN in mainstream education as much as possible, but there are also special educational institutions for learners with major or severe SEN.

Special education schools

These provide general education curricula to learners with SEN in adequately adapted learning environments. Special schools may be specifically designed, staffed and resourced to provide appropriate special education for children with additional needs. These schools provide a wide range of necessary educational assistance. In 2014–2015 there were 47 special schools providing education services to 3,615 learners. Municipalities ran 43 of the 47 special education schools. There are few large special schools educating 200 learners, making learners with SEN isolated from

their peers and society.

In addition, there are 11 so-called ‘youth schools’ that provide a basic education curriculum combined with practical activities and social rehabilitation programmes for learners aged 12 to 16 who have learning difficulties and lack motivation and/or social skills. Municipalities manage the youth schools. Learners in youth schools or classes may complete the basic education curriculum within six or seven years and may then return to the relevant grade in the mainstream school. Pre-vocational training at youth school is optional.

In 2013–2016 the number of learners with SEN educated in special educational establishments increased from 35% to 38% of all learners with SEN. Respectively, the number of learners with SEN decreased in mainstream schools from 65% to 62% (National Audit Office, 2016). The increasing tendency to direct learners with SEN to special education schools is not in line with inclusive education development in the country. The key reasons include, but are not limited to, the following:

- 1) It is financially profitable for municipalities that own special schools, as the state allocates funding for education and maintenance purposes that is dependent on the number of learners in the school;
- 2) Learners attending mainstream schools who do not receive sufficient assistance opt for special schools as they provide a solid education assistance capacity.

It may also be partially attributed to the fact that special schools have dormitories available for education and living for learners from care homes and/or children from families at risk.

Graduation rates

Most learners in Lithuania acquire basic education in general education schools. Only 0.6 % of all learners completing basic education in 2013 were in vocational schools.

Table 3. Graduation rates in general and vocational schools, and in urban and rural areas (2013)

School type	No. of graduates (urban areas)	% of graduates (urban areas)	No. of graduates (rural areas)	% of graduates (rural areas)	Total no. of graduates	Total % of graduates
General education – primary	19,799	97.3	6,314	97.0	26,113	97.2
General education – basic	28,343	95.5	7,143	95.0	35,486	95.4
General education – secondary	25,660	95.0	3,906	95.8	29,566	95.1
Vocational education – basic	203	85.3	0	0.0	203	85.3
Vocational education – secondary	5,083	84.9	609	80.2	5,692	84.4

Source: *Centre of Information Technologies in Education (National Agency for School Evaluation, 2015)*

The proportion of learners with SEN successfully completing primary education in 2013 was about 10 percentage points lower in comparison with other learners. A significantly lower proportion of learners with SEN (around three out of five learners) successfully complete basic and secondary education.

Table 4. Graduation rates for learners with SEN (2013)

Type of education	Number of learners	Percentage of learners
Primary	4,165	87.4
Basic	1,481	63.5

Type of education	Number of learners	Percentage of learners
Secondary	267	60.8

Source: Education Management Information System (National Agency for School Evaluation, 2015)

Table 5. Graduation rates by the language of instruction (2013)

School type	No. of graduates (Lithuanian)	% of graduates (Lithuanian)	No. of graduates (Polish)	% of graduates (Polish)	No. of graduates (Russian)	% of graduates (Russian)
General education – primary	24,047	97.3	933	97.8	1,117	98.7
General education – basic	33,141	95.4	1,087	96.6	1,246	96.4
General education – secondary	27,333	95.3	1,017	97.8	1,201	93.7
Vocational education – basic	189	84.4	0	0	18	100
Vocational education – secondary	5,594	84.2	71	94.7	27	87.1

Source: Education Management Information System (National Agency for School Evaluation, 2015)

Addressing the needs of learners with SEN in vocational schools

Since 2011, after completing the basic education programme, learners with severe and complex SEN because of learning disabilities may:

- continue their education in general education establishments;
- be enrolled into vocational training programmes adapted to their needs;
- pursue a three-year Social Skills Education Programme. These programmes

belongs to the secondary education programmes group, although secondary education is not attained after completing this programme.

The Social Skills Education Programme may be run by any special or mainstream school, however there are few general education schools that implement the Social Skills Education Programme. The requirements to allow learners with learning disabilities to continue their education in general education schools are therefore not met at a satisfactory level.

Thirty percent of all vocational training establishments offer vocational training programmes for learners with SEN, while SEN learners with vision, hearing or physical disabilities are educated in an integrated way.

Learners with hearing disabilities have the best opportunities to study together with their peers in vocational training schools, although these schools face a shortage of sign language interpreters.

As of March 2017, there were 1,221 learners with SEN in vocational schools; 472 of them have mild learning disabilities, 102 have moderate learning disabilities, 100 have general learning difficulties and 63 have complex disorders and other special needs.

Support staff in schools

Pursuant to the Law on Education, learners, their parents/guardians, teachers and education providers can be offered education assistance, which aims to increase the effectiveness of education (psychological assistance, social pedagogical assistance, special pedagogical and special assistance, assistance to the school and the teacher).

There has been considerable investment in support structures for learners with SEN, mostly through the funding allocated as part of the EU Operational Programme 'Promotion of Cohesion' 2007–2013. In 2013, 459 pedagogical support staff were employed in general education schools (Shewbridge et al., 2016). The number of pedagogical support specialists has increased in schools in recent years; in 2014, there were 739 psychologists and 2,287 special educators, compared to 763 psychologists and 2,289 special educators in 2015. In 2007, one education assistance specialist served an average of 223 children. In 2014–2015, this number decreased to 124 children per specialist (data provided by the MoES).

However, support structures are not yet implemented nationwide. In 2014–2015, there were only 82 psychologists, 96 social educators and 98 special educators working in 645 pre-primary education institutions. There are many rural and pre-

primary schools that do not have any education assistance specialists. In 2013, 43% of pre-primary schools, 35.4% of primary schools and 22% of basic schools did not have an education assistance specialist. Schools lack psychologists in particular, while pre-primary schools have a shortage of psychologists and social educators.

The lack of support staff in schools was also evidenced by the National Audit Office, which assessed whether early rehabilitation services and inclusive education respond to the needs of learners with SEN and ensure their successful integration/inclusion. During the assessment in 2013–2015, the auditors stressed that there was a shortage of special pedagogy specialists and special assistance specialists (teaching assistants) in more than half of the educational institutions assessed across six municipalities.

Groups and individuals receiving additional support

The provisions for special education are integrated in the Law on Education. Groups of learners with SEN are determined and their SEN are divided into minor, moderate, major or severe, based on the 11 criteria for learners (eight criteria for children of pre-primary age) outlined in the procedure laid down by the Minister of Education and Science, the Minister of Health, the Minister of Social Security and Labour (Law No. Nr. V-1265/V-685/A1-317). SEN are determined using the following criteria for assessing a learner's needs:

- scope of adaptation of general education curriculum;
- level of adaptation of general education curriculum;
- adaptation of education plan;
- adaptation of learning methods;
- selection of text books and teaching tools and adaptation, preparation and development of learning materials;
- selection of place of education and its accessibility and/or adaptation;
- need for technical aids in education process;
- need for special pedagogical assistance;
- need for special assistance;
- need for psychological assistance;
- need for social pedagogical assistance.

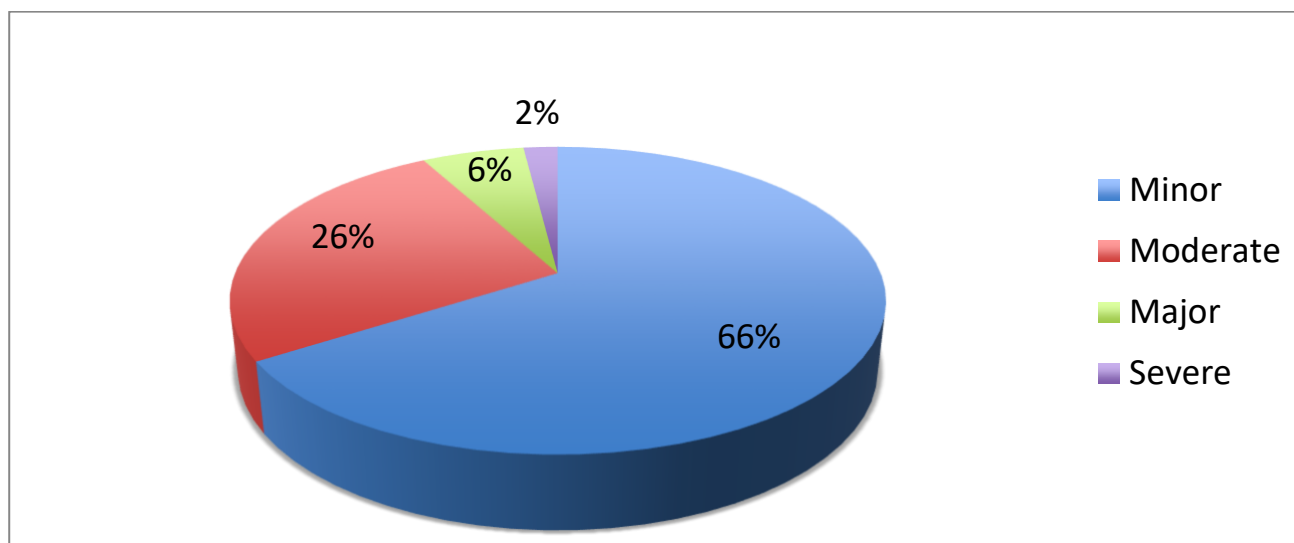


Figure 1. Groups of learners with SEN, as of April 2017

Source: *EMIS*

Learners with major and severe SEN may be educated in mainstream general schools (classes) up to 21 years of age.

Categories of disabilities, disorders and difficulties are distinguished according to the nature and duration (permanent, long-term, temporary) of educational difficulties (Eurydice, 2014; Minister of Education and Science, Minister of Health, Minister of Social Security and Labour, 2013):

- disabilities (mental, vision, hearing, cochlear implants, motion and positional, neurological disorders, various developmental disorders and other disabilities);
- disorders (learning, behavioural and/or emotional, speech and language, complex disorders);
- learning difficulties (learning a second language or living in another cultural/linguistic environment, with a slowdown in development, health problems, suffering from the adverse effects of environmental factors, experiencing emotional crisis, non-realisation of exceptional abilities);
- other disorders.

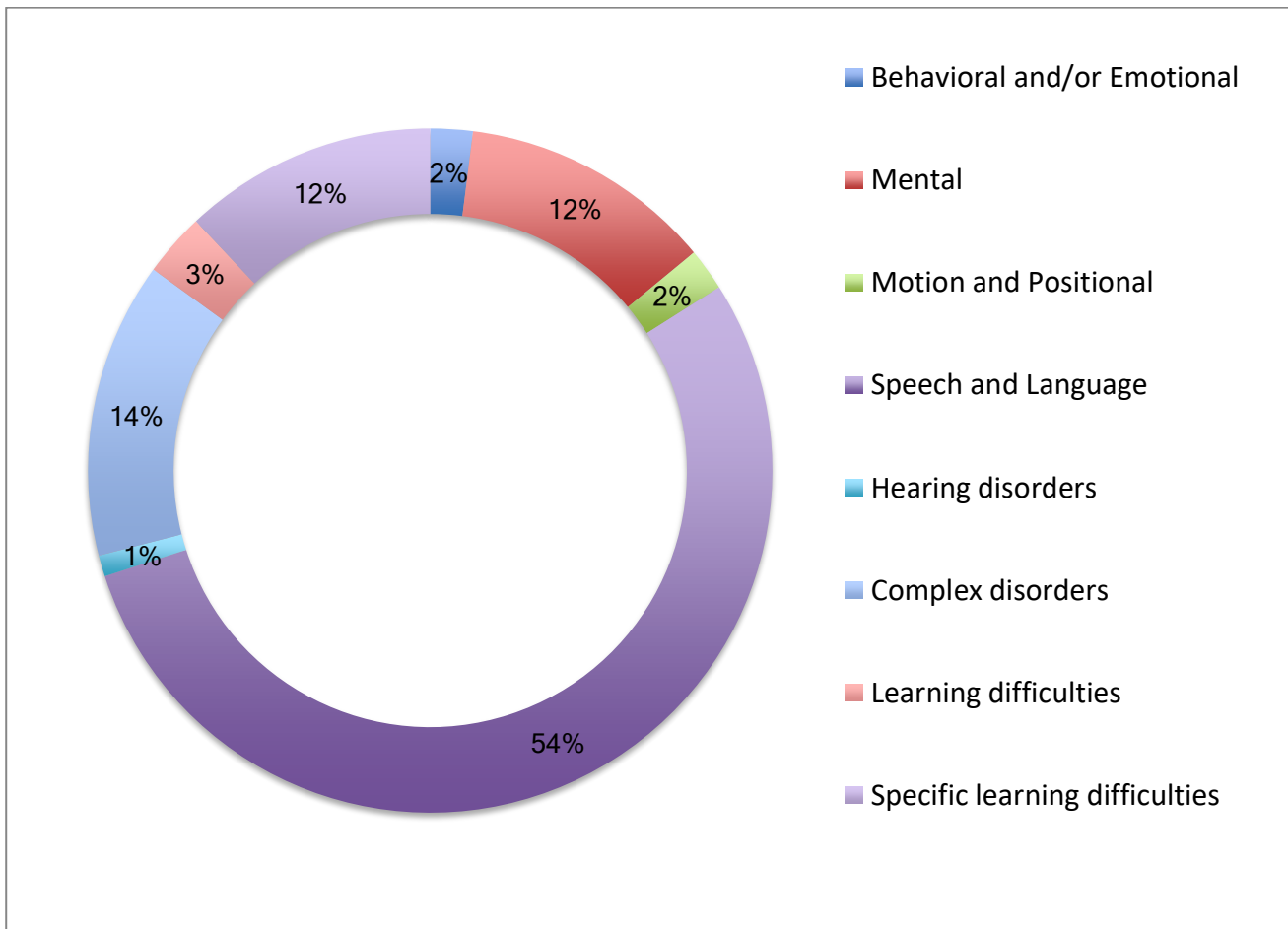


Figure 2. Learners’ distribution according to type of SEN, as of April 2017

Source: EMIS

Note: Specific learning disorders refer to a group of heterogeneous disorders that manifest themselves in lower reading, writing or mathematics achievements than expected based on intellectual abilities (IQ is 80 or over) and provided education is appropriate to the learner’s age. Disorders are specific, as while learning achievements caused by unsuccessful cognitive processes or disorders do not meet the competences of general learning achievements, they are not the result of intellect, sensory disorders or inappropriate education or socio-cultural conditions (Minister of Education and Science, Minister of Health, Minister of Social Security and Labour, 2013).

Speech and language disorders make up an astonishing 54% of special education needs. This could be explained by the fact that, when assessing SEN at school level, disorders may be assigned to specific learning disorders and to speech and language at the same time, thus resulting in duplicate information (the assessment

procedures for admissibility to special education is discussed in more detail in the next chapter). The recipients of duplicated results do not qualify for a bigger ‘student basket’ (see chapter two for more information). The Pedagogical-Psychological Services (PPS) identify special needs through a more in-depth assessment and often identify more complicated speech and language disorders in combination with other disorders. There is a strong feeling that the disorders statistics may be duplicated and certain disorder categories overlap.

Assessment procedures for admission to special education

There is a three-dimensional educational assistance system in Lithuania (school, municipality and national levels):

- At the school level, a Child Welfare Commission (hereinafter referred to as the Commission) consisting of a representative from the school administration and educational assistance specialists (psychologists, special educational needs teachers, speech therapists, specialists in surdo-pedagogy and typhlo-pedagogy, specialists in social pedagogy and teaching assistants), observes and consults learners and their parents. Their task is to create and maintain a safe and healthy environment. The Commission brings together school staff, parents, local communities and support specialists to provide educational assistance; they organise minimum and moderate assistance for children who need it and undertake other activities related to child welfare.
- At the municipal level, a Pedagogical-Psychological Service (hereinafter referred to as PPS) identifies special needs and determines their causes; the educational unit of the municipal administration provides assistance for children and families residing in the municipality.
- At the national level, the National Centre for Special Needs Education and Psychology designs learning aids and implements national projects and programmes.

This three-dimensional model means that education assistance specialists work in schools, PPS or Education Assistance Services in the municipalities, while methodical assistance to schools and the PPS is provided by the National Centre for Special Needs Education and Psychology. The main idea behind this model is to ensure that children get the maximum assistance close to their home.

A teacher initially identifies learning difficulties and provides relevant assistance to the learner, as per the rules established at school level. When teaching assistance is not sufficient and the learner’s achievements are lower than their peers’, the

teacher informs the learner's parents and the Child Welfare Commission, asking for an identification of learning difficulties by completing a special standardised document. The Child Welfare Commission carries out a primary assessment and prepares an Assessment Certificate. Aiming to make more in-depth educational needs assessment, the Commission may ask parents or carers to provide relevant additional documentation on the learner's health status. After identifying the learner's SEN, the Commission may agree on providing educational assistance comprising special pedagogical, psychological, social pedagogical or special assistance services. The assessed learner with SEN is listed in the educational assistance recipients' list. This is done in close co-ordination with the school's PPS. The head teacher signs the final educational assistance recipients' list.

If the learner who is provided with educational assistance services cannot cope with school requirements and achieves low results, the Commission recommends that parent apply for further assessment to be provided by the local PPS, which is present in almost every municipality.

If, after carrying out the initial identification of the learner's SEN, the Child Welfare Commission decides that the learner needs adapted learning programmes and special education provision, it approaches the local PPS for a more thorough assessment, with the parents' consent. The Commission provides the PPS with the Certification of the Initial Assessment, samples of drawings and written exercises and, if needed, documents on the learner's health status. Learners' special education needs (exclusive of the needs of exceptionally gifted children) are evaluated from the point of view of educational, psychological, medical and social educational aspects by the PPS and special education provision is assigned by the Head of the Service or, in particular cases, by the school head teacher, with the parents' consent, according to the procedures established by the Minister of Education and Science (MoES).

Education assistance specialists work with teachers to adapt tasks or teaching programmes based on the result of the assessment. In cases of major or severe SEN, an individual learning plan may be prepared.

Special education provision may be permanent or temporary. Special education provision is considered permanent if the PPS does not issue any instructions about the mandatory re-assessment term. If a re-assessment date is indicated, the learner's SEN should be re-assessed and re-evaluated.

If parents or carers do not agree with the assessment carried out by the PPS, their child's special needs are assessed at the National Centre for Special Needs Education

and Psychology.

In some cases, parents or carers directly approach the PPS after noticing that their child needs additional support. When parents manage the Child Welfare Commission Certification issued by the PPS, the Commission works together with teachers to find ways to assist the learner with SEN.

Learners recognised as having special education needs receive education in the following ways:

- through complete integration (learners with special needs are educated in mainstream classes in mainstream schools);
- through partial integration (learners with special needs are educated in developmental, remedial or special classes in mainstream schools);
- through home education;
- in special schools (Eurydice, 2014).

A school which is unable, for objective reasons, to guarantee psychological, special pedagogical, special or social pedagogical assistance in compulsory education programmes to a learner will propose that the learner moves to a different school, with the consent of the learner's parents or carers, as well as the pedagogical psychological and children's rights protection services. The PPS will recommend a school that has the capacity to address the SEN of the individual learner.

Quality of special needs education

School owners (the state, municipalities, or private entities) and education providers are responsible for the quality of education, but operate within a quality assurance system established by the MoES.

At the school level, the inclusive education policy for learners with special needs is the responsibility of the school management, but the teaching staff are involved in ensuring the quality of education. The key provisions for the education of learners with SEN include:

- specific support measures to respond to the needs of children with limited mobility;
- provision of objectives and ways to meet the needs of children with disabilities in the school activities;
- compliance with the equality of rights principle;

- creation of conditions for teachers' continued professional development in the field of special education needs provision;
- involvement of the parents of children with disabilities in the education process, etc.

Early school leavers policy

Lithuania has one of the lowest rates of early school leavers among European countries (5.5% in 2015, compared with the EU average of 11%) (Eurostat, 2017). Vocational training institutions are available to early school leavers. Early school leavers are also re-engaged in education through training for the unemployed, which is organised under formal vocational training curricula in vocational training institutions.

The majority of Lithuanian schools have social pedagogy specialists which address the issue of absence from school. Schools co-operate closely with inspectors for juvenile affairs from the territorial unit and the staff of municipal children's rights protection units.

To address the issue of drop-outs, national programmes were implemented, namely the Child and Youth Socialisation Programme (2004, 2010–2014) and Re-Engagement of Drop-outs (2010–2011).

The third goal of the National Education Strategy 2013–2022 is to 'develop and strengthen non-formal education for children and young people to ensure that pupils, students and young people have the best opportunities to fulfil their true potential'. In the Draft Implementation Plan for achieving this goal, concrete targeted measures are outlined to prevent early drop-outs and to maximise the inclusion of those learners who have already left school too early (with earmarked funding of EUR 3.765 million).

DESCRIPTION OF THE COUNTRY'S FINANCING POLICY

Public expenditure on education

Compared to OECD countries, Lithuania has a comparatively low national income (as measured by GDP per capita), which is an indicator of potential resources available for education (USD 18,022 compared to USD 33,732 on average) (Shewbridge et al., 2016).

It is important to note that, because of significant decrease in the school age population, education funds per learner are growing. However, the experts that carried out the *OECD Reviews of School Resources* (Shewbridge et al., 2016) consider that public expenditure per learner remains among the lowest in EU countries and cumulative expenditure per learner up to age 15 is lower than in almost all OECD countries. Spending per learner aged 6–15 is also extremely low in international comparison and indicates a comparatively low level of resources actually invested in education (USD 44,963 compared to USD 83,382 on average).

In 2013, the Government allocated the equivalent of 5.6% of GDP from the state budget to education and science. Sixty per cent of this amount was used on education classified as ISCED levels 0–4. Almost all state funding for education was allocated to state schools, since private schools (which also receive education resources from the government) attracted only 1.7% of the learner population.

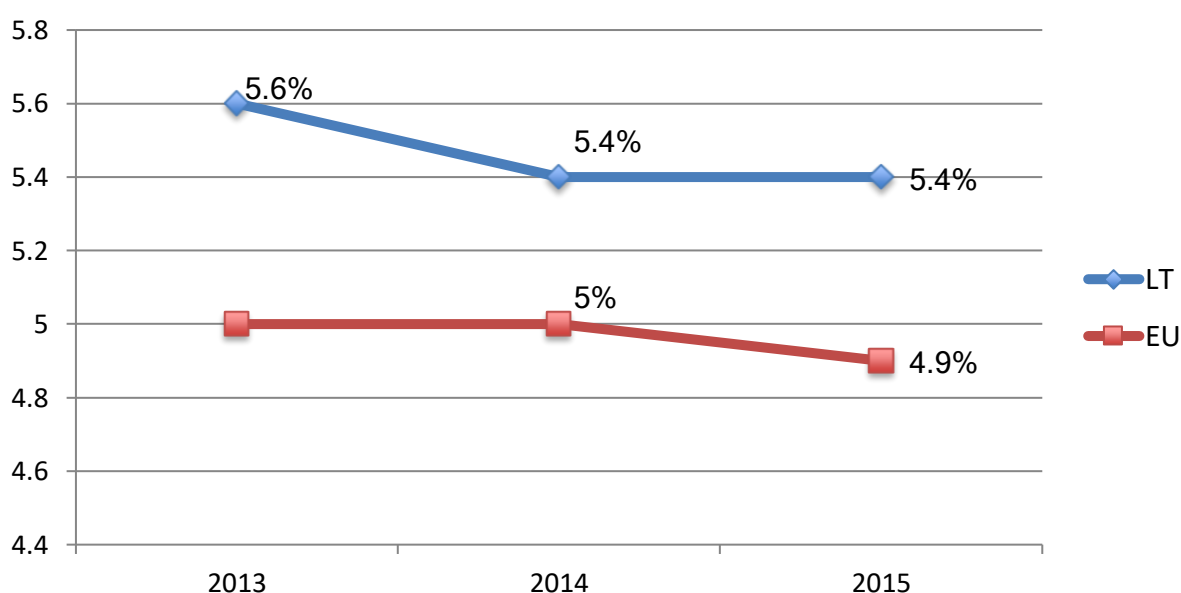


Figure 3. Public expenditure on education (percentage of GDP)

Source: Eurostat

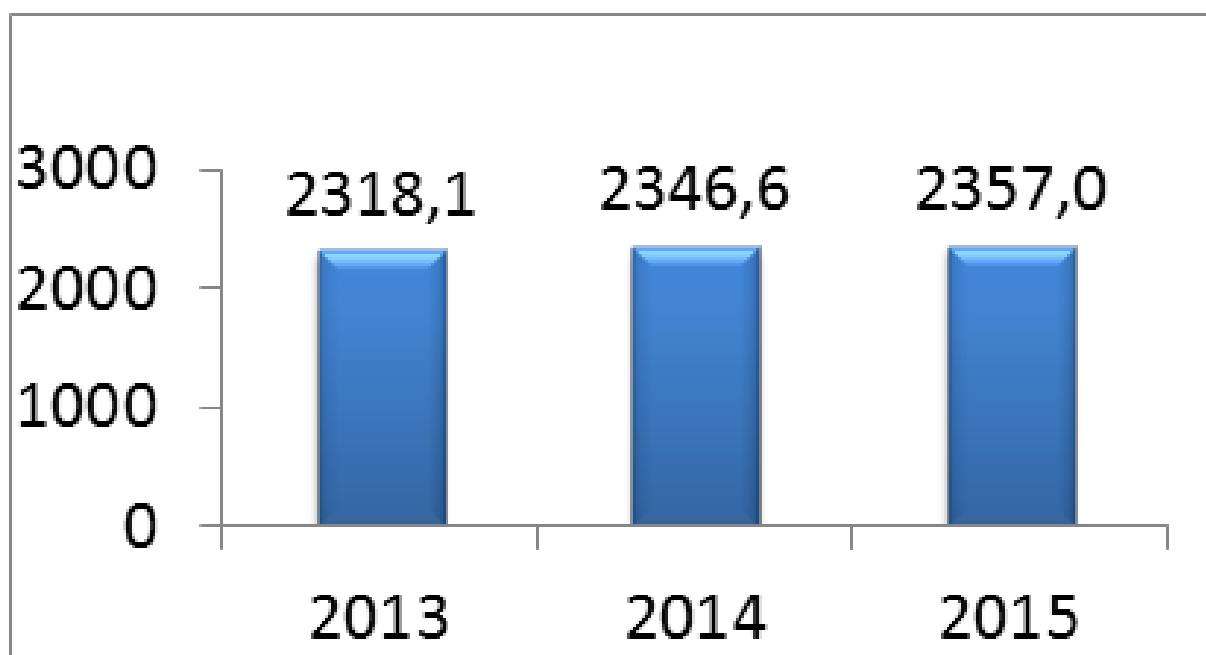


Figure 4. Public expenditure on education (million, EUR)

Source: *Department of Statistics (Lithuania)*

In 2015, general government expenditure on education in the 28 EU member states amounted to 4.9% of GDP, while in Lithuania it stabilised at 5.4% of GDP.

The Resource Allocation Framework (Annex 1) developed for the FPIES project differentiates between funding from the Ministry of Education and Science (MoES), the Ministry of Health (MoH) and the Ministry of Social Security and Labour (MSSL) as well as municipalities. In the sections below, the different funding systems are explained more in detail.

Sources of revenue for schools are:

- State budget
- Municipal budgets
- Other resources (EU structural funds, supporters' resources accumulated in school funds).

The state budget is the main funding source for public education in Lithuania. The local governments are also assigned a role to play in contributing with additional funding and influencing the disbursement and use of the resources allocated for schools (Shewbridge et al., 2016).

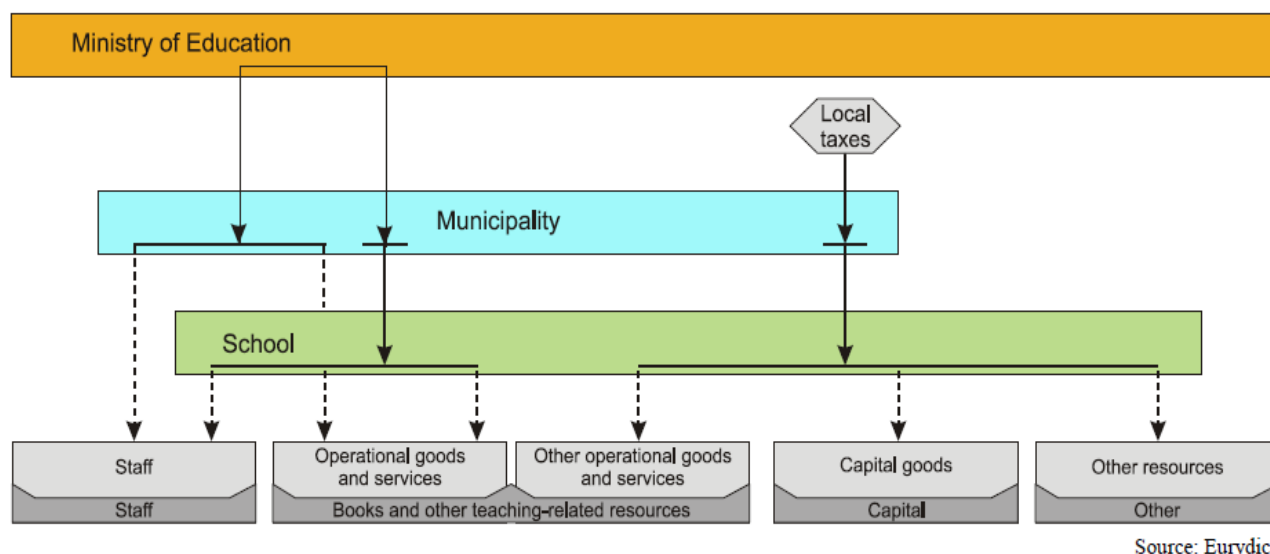
As a result of the Education Finance Reform of 2001 (introduced in 2002), resources for schools are distributed using three channels:

- a central formula funding scheme for teaching costs (the so-called ‘student basket’, in which the funding follows the learner). Resources for the student basket may not be re-allocated for other, non-educational purposes. The Government establishes the amount for the basket;
- local government funding for school maintenance costs (communal and communication costs, learner transportation costs, repair works, maintenance staff salaries and similar);
- specific grants for the development of educational facilities (construction or renovation of buildings and large-scale procurement).

Table 6. ‘Student basket’ amount per learner

Year	‘Student basket’ EUR per learner
2014	969.64
2015	980.00
2016	1,014.00
2017	1,059.00

Additionally, schools may receive funding from other resources, such as 2% of income tax transferred from a taxpayer, tuition fees in private schools and voluntarily contributions. Other contributions for funding education account for around 15% in pre-primary education, 3% in basic education and 6.5% in vocational education (National Agency for School Evaluation, 2015).



Source: Eurydice

Figure 5. Education Finances in Lithuania (for general education schools)

‘Student basket’ funds distributed by schools

The resources allocated to ‘teaching costs’ and ‘school maintenance costs’ are mutually exclusive and are allocated for an agreed purpose only.

Teaching costs comprise teachers’ salaries, salaries for school management, administration and librarians, textbooks and other teaching aids, in-service training and pedagogical and psychological services provided by local government. The ‘student basket’ funds are allocated by central government to municipalities or other school owners as targeted grants. The grant is calculated for each school and provides the local government with the liberty to redistribute 7% of the funds, allocated using the central formula, among the schools in a given municipality. Municipalities of the nine biggest cities distribute 6% of the funds in the ‘student basket’ for identified educational needs, with the remaining 94% distributed by the schools themselves.

It is important to note that local governments supplement ‘student basket’ funds for pre-primary education institutions, as the ‘student basket’ only covers four hours of pre-primary education provision. When the concept of the pre-primary ‘basket’ was introduced in 2011, pre-primary education coverage dramatically increased. The amount of state funds per child was therefore reduced. In order to further increase early childhood education coverage, full-time education should be financed.

The tariff salary is established for teachers (except for teachers of general education subjects at vocational training institutions) for 18 pedagogical working hours per week. For teachers of general education subjects at vocational training schools, the

number of pedagogical working hours is established per school year. Teachers' monthly salaries are calculated in accordance with the tariff list. The coefficients of the monthly tariff pay range from 8.9 to 16.4 depending on a teacher's education, work experience and qualification category. The head of the institution, in agreement with staff representatives, establishes the coefficient of the tariff pay. Principals and teachers in youth schools are paid supplements to the tariff pay ranging from 5% to 20% (National Agency for School Evaluation, 2015).

The 'student basket' funding scheme allocates funds to cover teaching costs based on an exact formula, and the number of learners in the school is a major determinant of funding. The grant is calculated as a fixed amount per learner (the 'student basket'), based on a standard conventional learner. Taking into account individual learner characteristics, the funding scheme assigns extra weighting using additional coefficients. The calculation of a coefficient considers the following factors:

- type of school (primary, basic, secondary, etc.);
- level of education (Grades 1–4, Grades 5–8, Grades 9–10, Grades 11–12);
- location: rural or urban;
- size of school;
- learners with special needs;
- migrant status;
- learners from national minorities;
- specific educational conditions (adults, learners in hospitals, learners studying at home, etc.);
- and other indicators.

The formula for calculating the 'student basket' takes into account cases where more funding is required for national minority or migrant learners or learners with SEN. The 'student basket' for learners studying in a national minority language is 20% bigger than the basic 'student basket'; for migrants it is 30% bigger and for learners with SEN it is 35% bigger.

Most funds are therefore attributed to rural municipalities with small schools and classes with a large percentage of learners from national minorities or with SEN. In small schools in rural municipalities, in which the language of instruction is a national minority language, the cost of education per learner may be twice as big as

the national average.

As evidenced by the coefficients, equality of opportunity in the current funding mechanism is focused on whether learners have SEN and/or study in national minority languages, while learners' socio-economic background is not reflected. As evidenced by the OECD Review (Shewbridge et al., 2016), the inequality of opportunity measured by learner achievement differences related to family background stands at medium level in European comparisons. Inequalities between learners with different socio-economic backgrounds therefore do exist and should be addressed by the education policies and funding mechanisms.

To calculate the amount of funds to be allocated for education in a particular school, the number of conventional learners in the school are multiplied by the amount of the 'student basket'. In calculating conventional learner's coefficient (learners enrolled in any programme, school or region, with no SEN), the formula includes a coefficient for an education plan (teaching staff salary), management and educational assistance. When only one specialist's assistance is needed to address minor SEN at a school, the larger 'student basket' is not assigned, as not less than 3% of the development and management part of the learner's basket funds must be used for psychological, special pedagogical, special and social pedagogical support. Thus, when a school only has to address minor SEN, there is only a requirement to prepare and agree a list of the educational assistance recipients.

When a PPS issues an official decision on moderate, major and severe SEN, the 'student basket' funds allocated to learners with SEN in mainstream classes and special schools or classes are increased by 35%. The 'student basket' for learners with SEN is made of teaching/training funds and special education funds that are allocated for special pedagogical and psychological assistance. Staff also receive a pay supplement for teaching learners with SEN.

The key principles of fund distribution depending on individual learning needs are defined in the methodology for calculating and distributing funds in the 'student basket'. The methodology provides ratios for learners with SEN in special schools or classes varying from 2.2 to 4.4 (depending on the scope of needs).

Table 7. 'Student basket' funds allocated per learner with SEN in mainstream schools in 2016 (EUR)

School (class, education form, programme)	Grades 1–4	Grades 5–8	Grades 9–10	Grades 11–12
Learners in mainstream classes in a small city or rural place				
Basic school, up to 40 learners	2,625	–	–	–
Basic school (pre-gymnasium), up to 80 learners	2,500	3,100	3,756	–
Primary school, 41–50 learners	2,142	–	–	–
Basic school (pre-gymnasium), 81–120 learners	2,142	2,614	–	–
Secondary school (gymnasium), up to 300 learners	1,702	2,091	2,193	2,281
Primary school, 51–80 learners	1,702	–	–	–
Basic school (pre-gymnasium), 121–200 learners	1,702	2,091	2,631	–
Secondary school (gymnasium), 301–500 learners	1,340	1,736	1,945	2,017
Primary school, 81 or more learners	1,364	–	–	–
Basic school (pre-gymnasium), 201 or more learners	1,702	2,091	2,193	–
Secondary school (gymnasium), 501 or more learners	1,340	1,651	1,927	1,964
Learners in mainstream classes in a city				
Primary school	1,364	–	–	–
Basic school (pre-gymnasium)	1,295	1,651	1,927	–
Secondary school (gymnasium)	1,295	1,543	1,927	1,964
Learners in special classes				
Special classes	2,315	2,733	3,478	2,534
Special classes for blind, visually impaired, deaf or hearing impaired learners (preparatory classes)	3,278	3,791	4,071	3,969

School (class, education form, programme)	Grades 1–4	Grades 5–8	Grades 9–10	Grades 11–12
For learners with moderate, major and severe learning disabilities (developmental classes) For learners enrolled and studying in Social Skills Programmes (no longer than 3 years, up to 21 years of age)	4,093	4,093	4,093	–
For learners with complex disabilities, including a learning disability	4,502	4,502	4,502	–
Pre-primary				
Special groups	2,945	–	–	–
Special pre-schools and pre-school classes	1,212	–	–	–

Learners with speech, language and other communication disabilities do not receive larger ‘student basket’ funds.

Support staff funding in schools

Learners with SEN in general education schools are eligible for an extra 35% of the basic ‘student basket’, however this funding is not sufficient to establish support staff posts in small schools. This is due to large schools expecting more ‘student baskets’ than smaller schools. As learners with SEN account for 10–20% of all learners, schools with more learners expect more ‘student baskets’ with the additional 35%.

A significant number of schools therefore do not have support staff. Despite this fact, a school has an obligation to respond to the SEN of the learners enrolled. A school that has no support staff will make a contractual agreement with the PPS that serves the respective school. This agreement is established, however it is not effective when the PPS itself is understaffed.

‘Student basket’ funds distributed by municipalities

All municipalities are subject to the same ‘student basket’ calculations and, as such, learners meeting the same criteria should be given the same amount, irrespective of which municipal school they attend.

Municipalities as school founders finance school maintenance needs as prescribed

by the Law. A municipality's financial responsibilities related to education provision include:

- covering wages (maintenance staff);
- organising pedagogical psychological assistance;
- organising and carrying out final exams;
- financing professional modules;
- financing modules in non-formal education schools;
- financing non-formal children's education programmes ('non-formal education basket');
- for textbooks and other teaching materials;
- for learners' educational activities and professional orientation;
- improving qualifications of teachers and other stakeholders involved in the educational process;
- providing IT services.

The local government contribution to schools is not limited. A municipality's budget is used for:

- Hygienic and stationery equipment (EUR 45 per year, per child)
- Utilities
- Emergency building works
- Mandatory medical examinations
- Communication services
- Wages for all technical personnel (e.g. teaching assistants).

The actual amount of financial contributions from the municipalities to education and school maintenance is not known by the MoES, therefore comparative analyses are not performed. The Ministry of Finance receives data on municipal spending on education.

Private schools enjoy the same 'student basket' scheme as central or local government founded schools, with the school maintenance fees being covered by the owner of the private school, tuition fees or other resources.

Additional funding for schools with particular or greater needs is allocated using EU Structural Funds, supplemented by local government funding or via the National

Investment Programme. However, the majority of these funds was used for the development of vocational training centres.

Allocation of teacher resources to learners

As per the Law of Education, a child with SEN who is educated in the pre-primary education group using an inclusive approach is equal to two children in the group.

Special pre-primary education groups are formed as follows:

- up to ten children per group for visually impaired children or children with severe speech or other communication disabilities;
- up to 8 children per group for children with movement/position disabilities;
- up to 6 children per group for blind or deaf children, children with hearing impairments or children with intellectual and complex developmental disabilities;
- up to 3 children per group of children with complex developmental disabilities (including movement and position).

A learner with major SEN studying in a general education school is equal to two learners of the same grade. The maximum established number of learners in the class may be reduced accordingly. No more than three learners with major or severe SEN may be put in one class (mainstream or joint) in a general education school.

Schools are highly autonomous in spending the 'student basket' funding, although there are some central government regulations that specify a recommended amount of expenditure for described use – financing educational needs (please see Table 8).

These expenses make up only a minor proportion of the 'student basket' funds. The vast majority covers staff salaries, both in school and municipality spending. In 2013, the largest share of the funds (95.7%) was spent on teachers' salaries, administrative and library staff and support staff. In 2013, 2% of the funds were used for textbooks and other learning tools, while only 0.6% of the funds were used for organising pedagogical psychological assistance and for informal education.

Table 8. 'Student basket' funds: Educational needs financed by the 'student basket' as of 30 March 2016

Educational needs financed by the 'student basket'	Recommended amount from the 'student basket' per learner (EUR)
1. Funds distributed by municipalities:	
1.1. For organising pedagogical psychological assistance	6.64 per year
1.2. For organising and holding matriculation examinations	1.69 per year
1.3. For vocational modules in informal education schools	1.11 per year
1.4. For informal child education programmes	1.46 per month
2. Funds distributed by schools:	
2.1. For course books and other learning tools	20.37 per year 23.28 per year in national minority schools
2.2. For cognitive activities and vocational guidance for learners	3.03 per year
2.3. For professional development of teachers and others involved in the educational process	5.53 per year
2.4. For implementing and using ICT	5.82 per year

Costs for building accessibility, transportation, pedagogical-psychological services and extra-curricular activities are covered by the municipalities' responsibilities as described below.

The school network is built to offer diversity in educational provision, aiming to ensure accessibility of education to all learners, including those with SEN, with different linguistic backgrounds and others.

Vocational training providers who also implement a basic and/or secondary education programme also receive funding for their general education programmes from this system for the following purposes:

- vocational training: the methodology for calculating these funds is presented in Figure 6;
- school maintenance funds: these funds are intended for non-pedagogic staff salaries, building maintenance, etc. These funds should be no less than EUR 130.30 per learner per year;
- general education for vocational school learners alongside vocational training (the methodology for allocating these funds is the same as in general education).

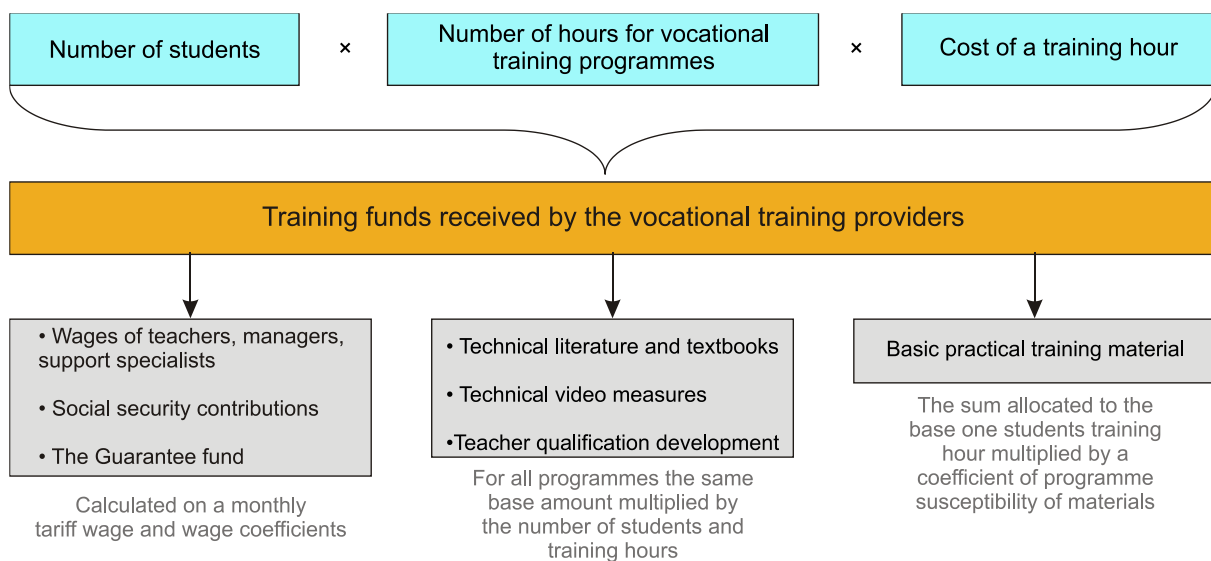


Figure 6. Calculation of funding needs for educational purposes in a vocational training school using the ‘student basket’ methodology

At the beginning of each school year, not later than 15 September, each school informs its founder about the number of learners with SEN. The founder informs the Centre of Information Technologies of Education (established under the MoES) accordingly, which is primarily responsible for compiling a database of all learners.

As per the provisions set, if learners transfer from one founder’s school to another, the ‘student basket’ fixed by the state follows the learner and the accounts are settled between the two founders concerned when the register is updated annually on 1 January.

‘Class basket’ funding scheme

The previous Government included an objective in its programme to substitute the ‘student basket’ with the ‘class basket’, allocating funding as a function of number of classes. The ‘class basket’ experimental methodology is being piloted in five

municipalities from 1 January 2016.

However, the experts who carried out the OECD Review (Shewbridge et al.) warned that ‘a universal class basket scheme could help smaller schools, but would undermine incentives for efficiency and presumably would result in smaller class size on average’ (2016, p. 116).

The pilot is on-going and the impact of the experimental methodology of the ‘class basket’ has not yet been evaluated.

Municipalities’ responsibilities

Municipalities are responsible for the accessibility of buildings, extra-curricular activities and special school settings.

a) Financing the accessibility of school buildings

An important pre-condition to allow learners with SEN to be integrated into mainstream schools is adequate infrastructure in educational buildings. The National Audit Office (2016) revealed that, in the period from 2000–2015, investments of EUR 503 million were made from different sources into the infrastructure of municipal educational facilities. However, the Audit Report that covered the period from 2013–2015 discovered that not all the municipal educational establishments were fully or partially adapted to the needs of learners with SEN. More precisely, the infrastructure was only fully adapted for learners with SEN in two out of six municipalities. In the other four audited municipalities, it was less than 56%.

b) Financing the Pedagogical-Psychological Service

The Pedagogical-Psychological Service (PPS) is financed by the ‘student basket’ and the municipality’s allocated funds (municipalities allocate EUR 6.64 per contractual learner per year from the ‘student basket’ for PPS). The PPS is also co-funded by the National Investment Programme and the European Social Fund (ESF). However, this funding is very often insufficient. It results in a shortage of specialists in the PPS that causes long waiting periods. The funding for PPS is also dependent on the municipality’s approach to administration. It may use the funding set aside for PPS for other needs, as educational funding is not strictly allocated.

c) Transportation

Learners are also entitled to reduced transport charges, in accordance with the Law on Reduced Transport Charges. Lithuania is implementing the Yellow Bus

programme for transporting learners to school. This aims to improve transportation conditions for learners living in rural areas and learners with SEN and to ensure safe transportation of learners from reorganised and liquidated schools to other schools nearby.

d) Non-formal education basket

The ‘non-formal education basket’ was introduced on 1 October 2015 in the form of a targeted state grant to municipalities. The municipalities approve the order on resource allocation and use. The state recommended amount per child is EUR 15, although this amount may vary in different municipalities, ranging from EUR 10 to EUR 20. According to MoES planning, at least 75% of all children should benefit from the ‘non-formal education basket’ by 2020.

Only children attending accredited non-formal education programmes may receive this funding. Only one chosen non-formal education programme may be financed by the state funding. The funding is provided by the municipality where the child is attending the non-formal education programme. As such, a child may attend school in one municipality but pursue a non-formal education programme in another municipality.

In 2016, EUR 9.7 billion was allocated from the state budget for financing the ‘non-formal education basket’, however, this amount was reduced to EUR 7.1 billion for 2017. As a result of this reduction in funding, the Vilnius municipality established a priority list, favouring children from at-risk families or families in receipt of social assistance, adopted children or children from shelter homes or large families, instead of reducing the amount per child (municipalities have the right to change the amount paid per child by a third). Vilnius municipality’s decision was followed by harsh public debates and a search for additional funding.

Extra resourcing: ‘Student basket’ and funding

1. In pre-primary education, parents pay fees for each child’s educational needs. This fee may vary between municipalities. For example, Vilnius City municipality set the fee at EUR 0.72 per day, per capita and EUR 0.29 per day, per capita for socially disadvantaged families (fees exclude weekends and festive days). Children with SEN get a 50% pay reduction on meal costs.
2. Environment (economy) funds: a municipality’s budget funds that are paid to organisations owned or shared by the municipality. These funds can be spent on school staff salaries (excluding salaries covered by the ‘student basket’),

goods/services, communication, transportation, travel and daily subsistence, property repair costs, experts and consultancy services and similar. Only two municipalities (Vilnius and Šiauliai) have established rules (methodology) on how these funds are calculated. Transportation to and from school and catering services for learners with an official decision of SEN are also covered by these funds.

3. Economy (maintenance) funds are distributed to municipalities in the form of special targeted grants from the state budget to schools (classes or groups) teaching learners with SEN. These funds are targeted for:

- Classes in mainstream schools
- Special schools (classes)
- Special educational centres
- Special schools – multi-functional centres
- Youth houses
- Schools in sanatoriums
- Schools in hospitals (classes)
- Schools in youth correctional facilities
- Schools providing pre-primary education to a majority of learners with major and severe SEN, at least 25% (but not less than five children) of whom come from other municipalities that cannot provide the relevant specialist assistance and pre-primary educational services for learners with SEN.

Table 9. The economy funds allocated per learner per year (2014)

Type of education establishment	Economy funds allocated per learner per year (EUR)
Special schools, special education centres, special schools – multi-functional centres for learners with visual or hearing impairment, motion and positioning problems, emotional and behavioural disabilities, speech and language disabilities, learning disabilities, diverse developmental disabilities or health problems, youth homes	4,270

Type of education establishment	Economy funds allocated per learner per year (EUR)
Special classes for learners with visual or hearing impairment, motion and positioning problems, emotional and behavioural disabilities, speech and language disabilities, learning disabilities, diverse developmental disabilities or health problems	1,400
Pre-primary groups	3,394

Economy funds can be spent on staff salaries (excluding salaries covered by the ‘student basket’) and for goods/services not directly related to the educational process, such as medication, catering services if eligible, communication services, transport, communal costs, contracting external experts and similar.

The grant is formula-based and calculated as a per capita cost of economy funds needed per learner, per year. Weighting factors are used to take into consideration the type of educational establishment and the number of learners in the school or class. Municipalities have the right to re-allocate up to 10% of assigned funds among schools within their municipality. However, there is no regulation on how these funds are spent.

- Schools providing social care services for learners with identified severe SEN may receive a state grant, paid in the form of a special targeted grant to municipalities. As per the rules established by every municipality, schools that are founded by a municipality submit a monthly request for payment, based on eligible social care services (day care, short- or long-term care services) provided for learners with severe SEN.

Spending by the Ministry of Health and the Ministry of Social Security and Labour

The assessment of the disability and working capacity level is delegated to the Disability and Working Capacity Assessment Authority, under the Ministry of Social Security and Labour. The level of disability is determined for people up to 18 years old (excluding those covered by the state social insurance) through a complex assessment of health, level of independence in daily activities and the extent of the loss of educational opportunities. Parents and carers of children aged 4–18 participate in the disability assessment process by completing a questionnaire on their activities and skills needed for participation. Working capacity level is determined for people under 18 years old covered by state social insurance and

people from 18 to retirement age.

Having assessed the needs of the individual, the municipality makes a decision regarding assessment and how to meet the individual's needs. Individuals who are classed as having a high, average or low level of special needs are certified as disabled, entitling them to legal privileges (Medaiskis and Čaplikienė, 2010).

Children with an official decision of SEN, individuals recognised as fully or partially incapable for work below the age of 24 (below 26 in some cases) qualify for social assistance pensions, as they are not entitled to social insurance rights for various reasons (mainly due to non-participation in the labour market) (ibid.).

Target compensations of nursing costs are also paid to children with severe disabilities.

The Ministry of Social Security and Labour implements the programme for the provision of residents with technical aids. The programme includes the supply and repair of technical aids. The main responsibility for carrying out these functions lies with the Centre of Technical Aid for Disabled People under the Ministry of Social Security and Labour.

At the beginning of 2016, 45 health care institutions in 34 municipalities provided early rehabilitation services. In 2015, early rehabilitation services were provided to almost 13,000 children at a cost of EUR 4 billion from the Mandatory Health Insurance Fund (National Audit Office, 2016).

DETAILS ON KEY FACTORS IDENTIFIED WITHIN THE FPES PROJECT CONCEPTUAL FRAMEWORK

Co-ordinating funding systems for inclusive education, enabling stakeholders at territorial, local and school level to act inclusively

The system for financing inclusive education enables stakeholders at local level to act inclusively by realising political commitments to:

- providing integrated services, entailing education, social and health assistance, to all children up to 18 years old (up to 21 years old in cases of major and severe SEN) and their parents and carers in, or as close as possible to, their area of residence;
- improving education for learners with SEN;
- reducing social exclusion and the risk of school drop-out.

Early comprehensive assistance is being developed by setting up Co-ordinator positions in municipalities to provide educational, social and healthcare assistance. Since 2011, children up to seven years old have been entitled to receive comprehensive assistance, as per the Regulation on Integrated Provision of Education Assistance, Social Assistance, Health Assistance Services to Children of Pre-school Age. In implementing this regulation, a Coordinator for Inter-institutional Co-operation should have been established, or the role assigned to a competent municipality staff member. However, the municipalities reported in December 2014 that only 12.25 posts were established across 22 municipalities. In the remaining 38 municipalities, the Co-ordinator's duties were assigned to other specialists as an additional role that was not fully implemented due to reported workloads.

New measures aiming to improve regulations by legally anchoring provision of integrated assistance to all children up to 18 years old (21 years old in cases of major and severe SEN) are planned to be implemented in 2017 (discussed more in detail in the chapter on Identification of future developments in the country's system of funding inclusive education).

Tracking mechanisms for funding

Responsibility for the distribution and use of educational resources is shared as follows:

The Finance Department at the MoES is responsible for resource allocation to political priorities, allocation between education levels and setting up budgeting and

accounting systems.

Monitoring of resource use is performed via EMIS, municipal reports on the status of education are produced by the Education Quality and Regional Policy Department at the MoES, in addition to national statistics.

Supervision (inspection) of education is assigned to the MoES. In order to implementing this, MoES specialists carry out planned and unplanned inspections in schools. The key focus of these inspections is compliance with regulations, in line with strategic education goals. The inspection results are used to make recommendations for new and amended legal acts (Ministry of Education and Science, 2016).

At a local level, municipal education departments ensure municipal school supervision, initiate periodic assessments and implement preventative measures. Municipal audit services perform external and performance audits in municipal schools.

As the 'student basket' expenditures account for the majority of staff salaries (95.7%), tracking at the municipal level also controls the number of posts, the pay tariff and the number of support staff employed in every municipal school. The number of learners in school, the number of learners with SEN and the level of SEN as well as the budget availability according to the school's needs are all taken into account. The Municipal Board acting as allocation manager approves the list of posts in every school.

Municipalities employ a programmatic budget planning method that allows school expenditures to be controlled as authorised categories (programmes). A document control system is also put in place at municipal level. Every invoice issued by school has to be approved by the municipal allocation manager.

At school level, the head teacher monitors performance and resources management. They are responsible for its performance.

The National Audit Office of Lithuania examines and evaluates the legitimacy of the use of funds allocated to education. It also evaluates the performance of individual organisations or the entire system. For example, in 2016, the National Audit Office assessed if early rehabilitation services and inclusive education respond to the needs of learners with SEN and ensure their successful inclusion.

In general education, the specific role of economic regulation is performed by the 'student basket' methodology that includes recommendations on the amount of funding to be allocated. The National Audit Office of Lithuania ensures compliance

with these norms.

Every year, the ‘student basket’ data is collected and analysed and the causes of funding surplus or deficit are identified. The methodology for ‘student basket’ calculation and allocation is adjusted annually, in order to reduce the disparity among different municipalities, schools and groups of learners.

Evaluation of special education programmes is carried out regularly. The main criteria are the formulation of the expected programme outcomes and the degree of achievement of the expected outcomes.

External evaluation of the quality of school activity is based on the assessment of school processes, providing information for revision of school activity and improvement of results. In 2017, the evaluation system includes 25 indicators, although equality indicators are not yet part of the system.

Funding capacity building mechanisms related to professional development

Pursuant to the Law on Education, teachers are obliged to engage in professional development. Teachers are entitled to attend professional development events for at least five days per year. A teacher may seek a performance evaluation and acquire a qualification category. Consistent professional development leads to a higher salary and better career opportunities.

Professional development institutions provide their services for a fee. Most professional development events are financed by state and municipal budgets. Municipal budgets cover the expenses of first aid, work safety and fire security training and similar. Teachers themselves may finance certain training events. Funding for professional development is provided as part of the school’s budget and is dependent on the number of learners at the school.

The 2012 *Concept on Teachers’ Professional Development* establishes that teacher professional development is financed by the state budget and other sources. Teachers are allowed to accumulate the funds allocated by the state for their professional development over a few years. A new function (not a position) of professional development consultant will be introduced in schools. The consultant will be responsible for assisting teachers in planning their professional development (Shewbridge et al., 2016).

Teachers are also entitled to a regular professional development traineeship of up to one year, every eight years, without losing their salary.

The Education Development Centre was implementing the EU-funded project

‘Development of Teachers’ In-Service Training and Retraining System (Phase III)’. Over the course of the project, long-term traineeships for teachers were tested. These traineeships allowed teachers to enjoy social guarantees and holidays while retaining their main job position and receiving a scholarship, without performing any functions at their workplace.

Mechanisms for monitoring of spending

The MoES and its authorised institutions are responsible for national-level education and science monitoring. The monitoring is carried out by the manager of EMIS and other authorised bodies, but is mostly based on performance monitoring and not funding.

At the local level, municipality education bodies monitor general education for children, young people and adults, vocational training, the education of learners with special needs, pre-primary education, non-formal education, the provision of educational assistance, child and youth engagement and the implementation of children’s minimum care measures.

The Centre of Information Technologies in Education manages the register in which all learners are registered. The register provides information on effective education system management and accounting at national and local levels.

Schools place their performance and expenditure reports on their respective webpages, and are held accountable to school and local communities in the annual accounting meeting.

Quality control mechanisms

The funding scheme assigns additional funding for the education of learners with SEN, migrant learners and national minority language learners. However, there is no systematic evaluation of the actual costs (Shewbridge et al., 2016).

Comprehensive and empirical analysis of the exact cost differences would lead to evidence-based policy-making.

Information on education efficiency is provided to stakeholders via EMIS, national and regional reports on education status and analysis of education policy problems.

The school council is the school’s elected self-governance body, representing learners, teachers, parents and the local community. It is well-placed to contribute to quality control, although quality control in special education funding is determined by the school council’s level of pro-activity.

Discussion about specific funding issues

According to the European Agency Statistics on Inclusive Education (EASIE) data, 89% of learners in Lithuania are enrolled in mainstream education for 80% of the time. In 2014, 11% of learners had SEN, 90.8% of whom were enrolled in mainstream schools. However, inclusion is directly connected with an official decision (Table 10). As a result, Lithuania counts more than twice as many learners with an official decision than the European average of just below 5%.

With the aim of ensuring greater inclusion, the policy focus will be on the ability of existing funding schemes, support and capacity building mechanisms to enable stakeholders at municipal and school level to act inclusively without unnecessarily labelling learners as requiring an official decision.

The key factor explaining differences in the percentage of learners with an official decision between ISCED level 1 and ISCED level 2 is the timing of the re-assessment in cases of temporary special education provision. As usual practice, the PPS sets the mandatory re-assessment term between primary education (ISCED 1) and basic education (ISCED 2). Speech and language disorders account for 54% of all SEN in Lithuania. If assisted in time, speech and language skills improve during the primary education period to the extent that educational assistance is often no longer needed. Learners with SEN who are directed to special schools or special classes in mainstream schools also account for the difference.

Table 10. Learners with an official decision of SEN

Type of learners	ISCED 1, 2012–13	ISCED 2, 2012–13	ISCED 1, 2016–17	ISCED 2, 2016–17
Learners with an official decision of SEN	20,924	18,120	20,768	16,006
Learners with an official decision of SEN who are educated in formal mainstream educational settings with their non-disabled peers of the same age for at least 80% of the time	19,412	15,224	19,748	14,754
Learners with an official decision of SEN who are educated in separate special classes in mainstream schools	267	472	932	700
Learners with an official decision of SEN who are educated in separate special schools	1,245	2,424	1,020	1,252

As in most European countries, the Lithuanian system for inclusive education is a multi-stakeholder and a multi-level system. The Ministry of Health provides learners with rehabilitation services and finances public health specialists in schools. The Ministry of Social Security and Labour provides learners with technical aids, social assistance pensions and target compensations for nursing costs. Municipalities are responsible for the accessibility of buildings, extra-curricular activities and special school settings. The PPS which support schools are co-financed by the municipalities, the National Investment Programme and the European Social Fund (ESF). In 2011, the Lithuanian Government (MoES, MH, MSSL) signed and started implementing the Regulation on Complex Provision of Education Assistance, Social Assistance, Health Assistance Services to Children of a Pre-school Age and their Parents. The aim was to foster co-ordinated and integrated systems for inclusive education and effectively address all the dimensions intervening in learners' education. The step forward was the Inter-Institutional Plan on Integrated Assistance, Special Schools/Centres and Children's Socialisation Centre's Activities Quality Advancement for 2015–2017. This involved two additional ministries, the Ministry of Interior and Ministry of Justice. More detailed explanations of co-ordination efforts are described in the chapters on Details on key factors identified within the FPIES project conceptual framework and Identification of future developments in the country's system of funding inclusive education.

As in most countries, Lithuania's journey to inclusive education depends on the transformation of special schools into resource centres. Lithuania currently has two resource centres governed by the MoES and financed by the state budget. This enables them to act in the capacity of National Resource Centres, with Education Assistance Services in some regions (Lithuanian Education Centre for Blind and Visually Impaired; Lithuanian Education Centre for Deaf and Hearing Impaired). Four special schools were transformed into resource centres between 2007 and 2013 (Panevezys Sviesos Special Educational Centre, Gelgaudiškis Šaltinio Special Educational Centre, Diemedis Educational Centre and Plungė Special Education and Autism Centre). The transformation was financed by the EU-funded Operational Programmes for the Development of Human Resources and for Promotion of Cohesion (total budget: EUR 1,448,100). By 2013 it was reported that only 25% of the allocated EU funds were absorbed by this priority. The delayed delivery of allocated funds was caused mainly by the appeal procedures related to public procurements and delayed construction processes. The municipalities run these centres.

It is important to stress that the resource centres are established as subdivisions of

special schools, where the priority remains on the education of learners with SEN. The investment was not sufficient in terms of developing the capacity of newly established resource centres to enable them to act as methodical consultation centres for their respective region, or nationwide. An investment into the competent building of specialist resource centres is therefore planned, using the EU funding from the 2014–2020 budget. More information about political priorities related to the transformation of special schools into resource centres is provided in the chapter on Identification of future developments in the country’s system of funding inclusive education.

SUMMARY OF PERCEIVED STRENGTHS AND CHALLENGES OF THE CURRENT FUNDING MECHANISMS

Strengths:

- There is a strong and continuous commitment to inclusive education and the will to reflect on the system and to reshape financing mechanisms in order to promote inclusion.
- Financial investment in education is increasing, improving the equity, performance and stability of means dedicated to learners' needs, despite a significant decrease in learner population.
- The funding scheme assigns more funding for the education of learners with SEN, migrant learners and national minority language learners to ensure vertical equity (the same quality education for different learners).
- The Ministry of Education and Science, together with the municipalities, ensures an adequate network of state and municipal vocational training institutions and general education schools for learners with SEN across the country and regions. In the development of the school network, particular efforts are put on creating conditions for learners with SEN to attend a school close to their place of residence.
- Current work and procedures can be built upon to develop more effective cross-sectoral working (Regulation on Integrated Provision of Education Assistance, Social Assistance, Health Assistance Services to Children of a Pre-school Age and their Parents in 2011; Inter-Institutional Plan on Integrated Assistance, Special Schools/Centres and Children's Socialisation Centres' Activities Quality Advancement for 2015–2017).
- The new Government has a strong political commitment to empower mainstream schools by transforming special schools into resource centres for mainstream education (more detail in the chapter on Identification of future developments in the country's system of funding inclusive education).

Challenges:

- The complexity of the resource allocation mechanism may be a disincentive for inclusion in terms of efficiency, equity and cost-effectiveness.

- The narrow understanding of inclusive education leads to a focus on learners with disabilities and/or national minorities, which can be detrimental to other types of educational needs.
- Current resource allocation mechanisms do not empower stakeholders at local or school level to promote inclusion.
- The current financing system maintains the special school system (47 schools) and acts as a barrier to special schools being able to provide services efficiently as resource centres.
- Current financing mechanisms promote competition driven by the ‘student basket’ methodology instead of co-operation between schools. Such a policy may have contributed to exclusionary strategies and increased costs.
- Resource allocation mechanisms may foster the labelling of learners hampered by a prevailing input approach based on learners’ difficulties.
- Resourcing mechanisms may fail in providing learners with adequate support while mostly covering salaries and may not be cost effective.
- Governance mechanisms need to be strengthened and levels of expertise and responsibility in the system need to be clarified.
- There is a need to shift from highly centralised (control-based) governance mechanisms to a more decentralised (autonomy and trust-based) approach.
- Undue labelling at school level may be prevented by a decision-making process which starts with a needs evaluation body that is independent from schools.
- More support staff are needed in mainstream schools to address the needs of learners with SEN.
- The increasing enrolment of learners with SEN in special classes and special schools may highlight the need to develop capacity building mechanisms at all system levels, preparing stakeholders for autonomy and promoting flexibility through co-operation between system stakeholders.
- Governance mechanisms for long term planning and supporting innovation need to be promoted.

- Lithuania's governance and monitoring mechanisms need to be reviewed and developed, in order to reinforce co-ordinated and integrated approaches for effectively combining all dimensions involved in learners' education and to develop a data system to allow analysis of the efficiency, equity and cost effectiveness of the system.

IDENTIFICATION OF FUTURE DEVELOPMENTS IN THE COUNTRY'S SYSTEM OF FUNDING INCLUSIVE EDUCATION

Key priority directions from the new Government's Implementation Plan to ensure inclusive education are as follows (Government of the Republic of Lithuania, 2017):

- Strengthening the system for provision of education assistance: The number of specialists in the PPS is small, especially in certain municipalities, and education assistance specialists are not available in small rural schools because of limited financing. As a result, the assistance provided is often not intensive enough to be effective. The development of mobile specialists' assistance is therefore planned. This would ensure greater access to timely educational assistance.
- Development of a system for co-ordinated provision of education assistance, health and social services to children and their families at municipal level: Under the leadership of the Minister of Education and Science, the Inter-Institutional Plan on Integrated Assistance, Special Schools/Centres and Children's Socialisation Centres' Activities Quality Advancement for 2015–2017 (hereinafter referred to as the Plan) includes the activities of five ministries (Interior, Justice, Health, Education and Science, Social Security and Labour). The Plan primarily aims to improve regulations by legally anchoring provision of complex assistance to all children up to 18 years old (in cases of major and severe SEN, up to 21 years old). Besides implementing the Plan, new measures are planned to be implemented in 2017. These measures aim:
 - to improve legal acts on information exchange between institutions responsible for child protection and child welfare in all spheres of life;
 - to establish Inter-Institutional Co-operation Co-ordinator posts in all municipalities, legally regulating functions and activities to be carried out;
 - to strengthen the provision of integrated assistance and maximise access to these services;
 - to enhance the capacities of specialists providing integrated services and co-ordinating activities;
 - to establish monitoring and evaluation systems for integrated services provision.

Implementation of the Plan will result in all municipalities establishing Inter-

Institutional Co-operation Co-ordinators who will be responsible for ensuring multi-level and multi-stakeholder co-ordination of complex assistance to children and their parents, enhanced expansion of community services to children and families and established posts for case managers who work with a team of specialists addressing concrete problematic issues of each family/child.

- Improving education financing for learners with major and severe SEN: The abovementioned Plan aims to improve education financing for learners with major and severe SEN by changing the ‘student basket’ methodology so that it calculates the supplement learners with SEN, differentiating between different severities and complexities of SEN.
- Considering the financing of schools on the basis of the number of class sets (class basket): The current principle of the ‘student basket’ is criticised. Small schools cannot survive on the ‘student basket’ funds and are forced to make savings at the expense of education quality.
- Developing the competence of teachers, other specialists participating in education process and specialists from municipal education assistance services and municipality administrations to enable them to work with different groups of learners with SEN. To achieve this goal, EUR 14.414 million is allocated until 2022.
- Development and implementation of the ‘all-day-school’ concept: an operational modality and financing scheme is planned for the second quarter of 2018. The MoES, MSSL, MoH and the Ministry of Culture should be jointly implementing this priority. In response to research evidence, other countries’ best practices and ongoing discussions about whether schools should also be providing social services, educational assistance and taking care of children’s physical, mental and social health to address socio-economic inequalities in education, the new Government will be pioneering an ‘all-day-school’ concept.
- The improvement of education, culture, social security and employment systems for people with special needs.
- Additional learning time for learners with learning difficulties and methodological materials for individual learning needs.
- EUR 10.5 million has been allocated for the transformation of special educational and socialisation centres, which is planned between 2017 and

2019. The vision is to reduce the number of special schools from the current number of 47 to 20, while ensuring the transformation scenario (case management) of individual special schools by:

- closing a special school and integrating learners into mainstream schools: special classes are considered to be the most feasible alternative to special schools;
 - establishing a network of general education schools with special needs education divisions and providing them with yellow school buses which are adapted for learners with SEN;
 - transforming special schools into resource centres for educational support (at least 10 regional resource centres) that would provide methodical and counselling/consultation services in the region or countrywide.
- In the remaining special schools, there should be ensured provision of complex health, social, education assistance and education services using joint finances.
 - The integration of foreigners into the Lithuanian education system.
 - The creation of a school autonomy model and its implementation.
 - The ultimate goal is inclusive education while providing education and education assistance services close to a child's area of residence.

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ANNEX 1

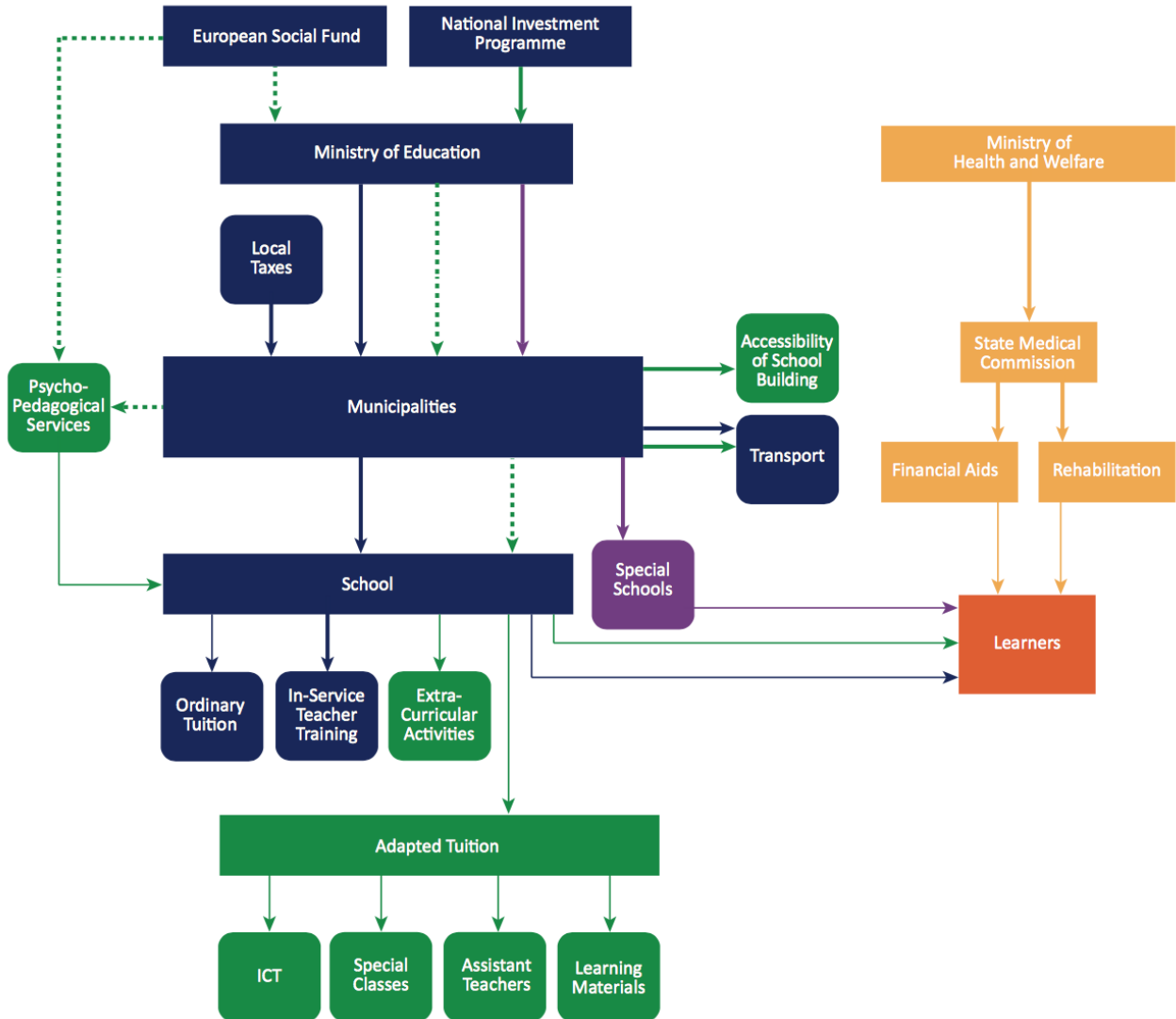


Figure 7. Resource allocation framework for the compulsory inclusive education system in Lithuania