Literature Review:

THE SYSTEM OF POST-COMPULSORY EDUCATION IN NETHERLANDS

2009.
THE SYSTEM OF POST-COMPULSORY EDUCATION IN NETHERLANDS

Introduction

7.1 The ultimate responsibility for education in the Netherlands rests with parliament and government. The legal framework of responsibility is provided in a number of Acts, which include the Higher Education and Research Act 1993 and the Adult and Vocational Education Act 1996.

Government

7.2 The Ministry of Education, Culture and Science, controls and regulates education. Its prime responsibilities are the structuring and funding of the system, the management of public-authority institutions, inspection, examinations and student support. The Ministry also promotes innovation in education and is responsible for the coordination of science policy and cultural and media policy.

7.3 Control may be exercised by imposing qualitative or quantitative standards relating to the educational process or results, by means of arrangements for the allocation of financial and other resources, and by imposing conditions to be met.

7.4 Autonomous administrative authorities play a role in the administration of post-school education and are not part of the Ministry of Education, Culture and Sciences. The Information Management Group is an autonomous administrative authority with which the Ministry has a formal statutory relationship. This Group is responsible for implementing the Student Finance Act (WSF) and the Study Costs Allowances Act. Other duties include the collection of school and course fees, the provision of administrative support for examinations, the placement and registration of prospective students, the evaluation of diplomas and the implementation of benefit schemes for education personnel. The Information Management Group is governed by public law and funded directly from the budget of the Ministry of Education, Culture and Science.

7.5 The other autonomous administrative authorities in the education, culture and science sector include the Staff Replacement Fund and the Collective Redundancy Payments Fund. These 2 funds are governed by private law and funded by the educational establishments from the payment included in the central government grant for this purpose.

7.6 The Dutch education system of primary secondary and higher education begins with primary education at age four. Secondary education is compulsory between the ages of 12-16. For the structure of the education system in the Netherlands, see Appendix 2.6.

HIGHER EDUCATION IN THE NETHERLANDS

Parliament and Government

7.7 As with education in general, Government and Parliament share the overriding responsibility for higher education and research. The Minister of Cultural Affairs, Science and
Education is responsible for higher education, which consists of universities of professional education (HBO) and research-intensive universities (WO). The Minister of Agriculture is responsible for agriculture related higher education.

7.8 The 1993 Act contains the general provisions applicable to the entire higher education sector and provisions that apply specifically to higher professional education, the universities or the Open University. The Act also sets parameters relating to the organisation of teaching, e.g. entry requirements.

7.9 Regulations were set in the Act in relation to examinations, students, participation in decision-making, staff, planning and funding and provisions for the cooperation between institutions.

Main implementing regulations

7.10 The Funding Decree provides regulation for the central government grant to public and private higher education institutions.

7.11 The Implementation Decree provides detailed regulation for the functioning of higher education. The extent of specific regulation is moderated by the autonomy of the individual institutions.

The Ministry of Education, Culture and Science

7.12 The Ministry is headed by the Minister of Education, Culture and Science and his two State Secretaries, each of whom has specific areas of responsibility within the general policy lines laid down by the Minister. The chief civil servants together form the Executive Board, which has overall executive responsibility for the running of the Ministry and the preparation and implementation of policy, for which the minister and state secretaries are politically accountable.

7.13 In addition to the Executive Board, the ministry comprises 21 core departments plus ten semi-independent executive agencies. These include the Central Funding of Institutions Agency, the Education Inspectorate, the Education Council and the Science and Technology Advisory Council. There are six departments responsible for developing policy on science and on the various sectors of education. These are the Primary Education Department, the Secondary Education Department, the Adult and Vocational Education Department, the Higher Professional Education Department, the University Education Department and the Research and Science Policy Department. Each is responsible for a particular field of education and maintains contact with the institutions in that field. Other departments like the Information and Communication Technology Department, the Legislation and Legal Affairs Department and the Labour Market and Personnel Policy Department are responsible for matters affecting all areas of education.

The Central Funding of Institutions Agency (CFI)

7.14 This is an executive agency responsible for funding educational establishments, research institutes and education support organisations on the basis of legislation and regulations and in accordance with the established financial frameworks. Its duties include gathering, managing and supplying information on these institutions for policymaking and funding
purposes. The CFI is also responsible for the ministry's own accounts. Since 1996 when the CFI acquired agency status, it has formed an autonomous part of the Ministry of Education, Culture and Science.

The Higher Education System

7.15 The Dutch higher educational system is a binary system with universities of professional education (HBO), providing professional education, and research-intensive universities (WO), concentrating on academic teaching and scientific research. The universities of professional education are all incorporated by law, but are otherwise private bodies. Most of the research-intensive universities are public bodies. Since 1991 university research schools have provided a focus for the centralisation of research activities. Universities have relative autonomy within the limits of various internal and external control mechanisms. They are dependent upon state funding and compete on programmes offered rather than price. There are 47 Universities of professional education and 14 Research-intensive universities including one Open University (See Table 7.1).

7.16 Each university has a Supervisory Board and an Executive Board responsible for the internal management of the institution concerned. Higher education institutions have autonomy in areas such as ownership of buildings, borrowing funds, spending of the budget to achieve objectives, the setting of the academic structure, in terms of course content (partially), staff salaries, the number of students and some control over tuition fees.

7.17 Until 2002, the first major degree in the Netherlands before the doctorate was an integrated degree known as the Doctoraal. Academic programs leading to the doctoraal were not divided into undergraduate and graduate cycles. In some countries this qualification would be considered comparable to a master's degree. The doctoraal programs require four years of study in most fields, and five years of study in engineering, mathematics, natural sciences and agriculture.

7.18 In September 2002, the Law on Higher Education and Research was amended to include the two-tiered, bachelor/master's structure. Institutions of higher education are currently introducing new programs leading to bachelor and master's degrees. However, some institutions pre-empted the new law and had already begun offering the new two-tiered structure long before legislation was passed.

7.19 Universities have restructured most of their traditional integrated (doctoraal) programs to conform to the new two-tiered system. However, for the time being, the old long, first degree programs still exist in parallel with the new programs in the fields of medicine and dentistry.

7.20 The hogescholen (colleges of higher education) have likewise restructured their professional and technical programs to fit the bachelor-master format. Since the summer of 2003, HBOs have been eligible to seek accreditation and recognition for their master's programs. New master's programs are to be promoted in the fields of education, architecture, health and fine arts. In contrast to the universities, HBO master's degree programs will not be financed by the government, but rather through tuition fees.

7.21 The nature of the program, rather than the type of institution offering it, will now determine whether the program is accredited as "higher professional" or "academic". The
differentiation between the two types of degrees is made by adding "of arts" or "of science" to the academic master's degrees.

7.22 Implementing the master's degree has been more gradual than the bachelor's. It is hoped that the new master's degree structure will be in place by 2005. Until that time, the traditional four-year integrated doctoraal is being maintained for those students who are currently enrolled in a university program.

**Open University**

7.23 The Open University of the Netherlands offers modular open higher distance education at both UPE and university level. Established in 1984, it has developed into an institution that serves the continuing education needs of well-qualified people.

7.24 Universities and UPE's also offer courses in the form of post academic education in the post initial stage e.g. HE for Older Adults, etc. Most of these are, in practice, organised by para-university organisations e.g. foundations, etc.

7.25 The Dutch Open University is not a research-intensive university. As the other universities are also active in reaching new groups of students, the OU has lost its unique position. It has now a special role in the development of ICT programmes and its future is not clear. It may be merged with another university.

7.26 A separate category exists for approved institutions which do not receive government funding.

7.27 The Central Register of Higher Education Study Programmes (CROHO), provides a central database on courses run by HEI's. After accreditation by Nederlands en Vlaams Accreditatie Orgaan (NVAO), courses will be registered in the CROHO.

7.28 Registration provides:

- Entitlement to funding of the particular HEI,
- Eligibility for funding for students on registered courses,
- Legitimacy for HEI's to award certificate and official academic titles.

**Accreditation Procedure 2002- 2006**

7.29 The NVAO has an official accreditation function. It can use different recognised reviewing agencies or external quality assessment committees.

**Table 7.1 Universities of Professional Education and Research-Intensive Universities in The Netherlands**

<table>
<thead>
<tr>
<th>Universities of Professional Education</th>
<th>Research-intensive Universities</th>
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<tbody>
<tr>
<td>1. Amsterdamse Hogeschool voor de Diep</td>
<td>16. Hogeschool Diedenoort,</td>
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<tr>
<td></td>
<td>32. Hogeschool Zeeland, Vlissingen</td>
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<tr>
<td>1. Universiteit Leiden, Leiden</td>
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<tr>
<td>Kunsten, Amsterdam</td>
<td>Wageningen</td>
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<tr>
<td>2. Christelijke Agrarische Hogeschool Dronten, Dronten</td>
<td>17. Hogeschool Domstad, katholieke lerarenopleiding basisonderwijs, Utrecht</td>
</tr>
<tr>
<td>7. Dr. Gerrit Rietveld Academie, Amsterdam</td>
<td>22. Hogeschool IPABO Amsterdam</td>
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<tr>
<td>9. Gereformeerde Hogeschool, Zwolle</td>
<td>24. Hogeschool Rotterdam</td>
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<tr>
<td>15. Hogeschool, Delft</td>
<td>29. Hogeschool voor de kunsten Utrecht,</td>
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<td></td>
<td>30. Hogeschool voor Economische Studies, Amsterdam</td>
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<td></td>
<td>31. Hogeschool voor Muziek en Dans Rotterdam</td>
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<tr>
<td></td>
<td>Larenstein, Velp</td>
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<tr>
<td></td>
<td>33. Hogeschool Zuyd, Heerlen</td>
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<td></td>
<td>34. Hotelschool Den Haag, 's Gravenhage</td>
</tr>
<tr>
<td>35. Internationale Agrarische Hogeschool</td>
<td>36. Iselinghe Educatieve Faculteit, Doetinchem</td>
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<tr>
<td>37. Katholieke Pabo Zwolle</td>
<td>38. Marnix Academie P.c. hogeschool</td>
</tr>
<tr>
<td>41. Pedagogische Hogeschool De Kempel, Helmond</td>
<td>42. RK Technische Hogeschool Rijswijk,</td>
</tr>
<tr>
<td>43. Saxion Hogeschool, Enschede</td>
<td>44. Stichting ArtEZ, Arnhem</td>
</tr>
<tr>
<td>45. Stoas, Wageningen</td>
<td>46. The Design Academy, Eindhoven</td>
</tr>
<tr>
<td>48. Van Hall Instituut, Leeuwarden</td>
<td>49. Open Universiteit, Heerlen</td>
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</tbody>
</table>


**Adult education**

7.30 The binary system in Dutch education has influenced the development of post initial HE. The statutory framework for adult education in Holland is provided in the Adult Education Framework Act 1996. This Act was designed to harmonise adult education provision.
Adult Education Providers

7.31 In 2001/2002, the total number of institutions offering adult education numbered 61. There were 43 regional training centres (ROCs) operating in the 2001/2002 school year, offering a complete range of adult and vocational education courses, both full-time and part-time. In January 1998, institutions which were not part of a ROC ceased to be eligible for government funding (with the exception of 13 specialist colleges providing training for a specific branch of industry). Two other institutions have been granted exemption on religious grounds, two are attached to institutions of higher professional education and two are attached to institutes for the deaf.

7.32 Agricultural courses are now provided at agricultural training centres (AOCs). Vocational education courses in the agriculture and natural environment sector are the responsibility of the Ministry of Agriculture, Nature Management and Fisheries.

7.33 The purpose of adult education unlike vocational education is not to train students for a particular occupation, but to provide a solid foundation for vocational and secondary education courses and enable adults to participate in society promoting basic skills and self-reliance.

7.34 Since the introduction of the Adult and Vocational Education Act (1996), adult education courses have been provided by the regional training centres (ROCs). These include; Adult Vocational Training Centres, Centres for Vocational Orientation and Training and Women's Training Centres, which provide training under the Manpower Services Act and have the option of either becoming part of a ROC or working closely with them as independent institutions.

7.35 The 1996 Act reflected a shift towards greater emphasis on the requirements of the labour market. It included a number of measures designed to improve the alignment of education and employment, including a separate qualification structure for adult education with improved scope for transferring to vocational education.

7.36 Adult education is geared to furthering the personal development of adults and their participation in society by developing their knowledge, understanding, skills and attitudes in a way that fits in with their needs, potential and experience and the needs of society.

Vocational Education

7.37 The Occupational Education Act 1919 was the initial legislation governing vocational education. This legislation was a consequence of the growth in vocational schools and throughout the twentieth/twenty-first century expansion has continued. The 1963 Secondary Education Act brought secondary and vocational education together under one Act. Between 1966 and 1993 the apprenticeship system was regulated separately in the Apprenticeship Act and from 1993 to 1996 the Part time Vocational Education Act regulated apprenticeships.

7.38 Between 1986 and 1993, Higher Professional Education was regulated separately; however, from 1993 this was regulated by the Higher Education and Research Act. With the introduction of the Adult and Vocational Education Act in 1996, greater unity was brought to the system of adult and secondary vocational education.
7.39 Nevertheless, the 1996 Act covers only a part of adult education in the Netherlands. Other forms of provision include Teleac (the television academy), in-company training, and a huge commercial sector. In addition there are folk-universities and informal adult education providers.

Life Long Learning

7.40 The 1996 Act also regulates life long learning. The provisions of the Act and the formation of regional training centres have created the conditions necessary to perform this broad social function. The Act includes a number of measures designed to improve the alignment of education and employment, including a clear qualification structure for vocational education with an integrated system of courses and considerable emphasis on practical training. Employers' organisations and trade unions in the relevant sector of employment are represented in the national vocational education bodies, which formulate the exit qualifications. Industry therefore influences the structure of exit qualifications.

7.41 During 1997 a new qualification structure for Adult education, KSE (Kwalificatiesysteem Educatie) was introduced, with four types of courses and six levels of qualification ranging from basic skills to secondary education. The purpose of adult education, unlike vocational education, is not to train students for a particular occupation but to provide a solid foundation for vocational and secondary education courses.

Technocentres

7.42 Cooperation between education and industry was strengthened in 1999 with the creation of a number of technocentres. These intermediary organisations were set up at a regional level by educational institutions (including the regional training centres and higher professional education institutions), local businesses, local authorities, manpower services and other relevant partners. The role of these centres is threefold: to improve the alignment of education and employment, to further the diffusion and application of knowledge, and to allow the joint use of advanced equipment.

Training in industry

7.43 Post secondary courses offered by privately owned institutions in business and industry are numerous and varied in their admissions policy.

Governance

Government Responsibility

7.44 Since 1993, the constitutional position of Dutch higher education has been regulated by the Higher Education and Research Act. The Act provides the universities with a statutory framework within which they have to work. The Minister of Education and Cultural Affairs is responsible for the higher educational system (funding, quality, acts, etc.) as a whole, except for agricultural disciplines. They are the responsibility of the Minister of Agriculture.

7.45 The Ministers are not responsible for the individual universities and their specific managerial problems. However, the ministers have to approve the programs that the universities offer. The attention of the government is mainly directed towards control of
procedures and processes of the system as a whole. Key elements are the efficient use of state funds, accessibility and coordination between the education offered and the demands of the labour market.

7.46 The Ministry of Education defines a framework based on a general policy paper, which is written once every four years. This general policy paper is a medium-term planning called the Higher Education Policy Paper (HOOP). HOOP is written with regard to all parties directly and indirectly involved in the educational arena. The board of the universities of professional education set their own institutional policies within this framework.

7.47 Following the 2000 Education and Research plan, the Minister for Education, Culture and Science published two policy memoranda, which had implications for legislation Two new amendments were passed covering (a) accreditation and quality and (b) the implementation in the Netherlands of a completely new Bachelor/Master system. The latter has radical implications for the universities because the previous four or five years course is being split into a separate BA and MA, and new research masters degrees are being developed.

**Institutional Control Mechanisms**

7.48 Institutional control is undertaken by supervisory boards and a representative advisory body. Overall control is the responsibility of government Ministers, via accreditation panels and trusts such as Stichting Vangnet HBO - the latter is an independent trust which functions as an early warning system. It was set up in 1997 by the universities of professional education.

7.49 The Stitching Vangnet and the Ministry of Education signed an agreement in which the mutual responsibilities with reference to Vangnet are described. The importance of fine-tuning the activities of the Ministry of Education, Stichting Waarborgfonds HBO and Vangnet in order to prevent unnecessary interference became clear. Vangnet can be seen as an external supervisor comparable to a rating agency. The Early Warning System (EWS) is an information system, a complex of preventive measures or instruments, designed to monitor the financial development of universities of professional education. The objective of the system is to identify risks and opportunities as early as possible, on the basis of yearly information given by the universities.

7.50 Vangnet deals with the universities of professional education, not with the research-intensive universities. These universities have their own internal methods to forecast problems related to future financial positions. It will inform Boards of Directors if the financial situation in the long term gives cause for concern. If they persist, the Minister of Education may also be informed. In all other cases the exchange of information between Vangnet and the universities is confidential.

7.51 Each year universities are obliged to deliver financial information, which is registered in the early warning system. Based on defined financial indicators (referring to solvency, profitability and liquidity) and strategic information derived from the annual report, Vangnet describes universities of professional education as being "going concerns", "on alert" or "on high alert". If necessary, Vangnet assists universities to improve their financial position. By acting as an external support mechanism, Stichting Vangnet HBO has created distance between the universities of professional education and the Minister of Education. In the past,
universities with a financial problem asked the Minister for financial support. This may have been in the direct interest of the university but undermined the sector as a whole (one university might be assisted at the expense of the budget available for the whole sector).

7.52 Stichting Waarborgfonds HBO monitors the quality of loans obtained by the universities of professional education in order to finance real estate. Stichting Waarborgfonds HBO was founded in 1993 in reaction to the government's decision to transfer ownership of real estate to the universities. Every year, Stichting Waarborgfonds evaluates the running budget and the annual report of the universities of professional education they guarantee. If necessary, Stichting Waarborgfonds will contact the Board, or in the worst case, the Minister.

7.53 The universities appoint an auditor whose role is to audit the financial statements at the end of the year and in some cases, the annual rolling forecast for four years. The auditors are aware of the specific demands of the universities set by the government.

7.54 Special guidelines according to Dutch commercial law are applied for the financial control. The Ministry of Education, Cultural Affairs and Science also have their own auditors who audit the annual accounts.

**Education Inspectorate**

7.55 Under various education acts, the Minister of Education, Culture and Science is charged with the inspection of education, which is carried out under the Minister's authority by the Education Inspectorate. The Education Inspectorate is a semi-independent agency. Its self-governing status is regulated in a ministerial order dating from 1998: the Education Inspectorate (Status) Order. A discussion document published in 1999 set out options for reinforcing the independent status of the Inspectorate and drawing up the new regulations that would be required. Further details were laid out in a follow-up document which was published in 2000.

**Education Inspection Act**

7.56 The Education Inspection Act (WOT) enables the Inspectorate to operate professionally and independently and give institutions guidance as to how they can improve standards on the basis of their own quality assurance systems. The Minister remains fully responsible for the Inspectorate's work, and is entitled to issue instructions, though not on the assessments contained in inspection reports.

7.57 Inspections are always based on self-evaluations, and target institutions that require them most (proportional inspections). Annual inspections are carried out at every institution but they are less intensive where teaching is of a high standard and quality assurance systems are well developed.

7.58 Under the Act, institutions may receive financial support to improve standards, which may be used, for instance, to pay for an external expert to advise management. Penalties (withholding of funding and withdrawal of rights) continue to apply, albeit that funding can only be withheld if an institution fails to comply with statutory regulations. The Inspectorate is responsible for proper supervision. In developing its quality assurance system it is assisted by an advisory board.
7.59 The Law on Higher Education and Research came into force on 1 September 2002, and initially applied to the primary, secondary and adult and vocational sectors only. With the introduction of the Higher Education Accreditation Act, its main principles will also apply to the higher education sector. In these sectors, the Inspectorate will monitor the accreditation organisation responsible for assessing the quality of courses.

7.60 Some of the tasks of the Inspectorate have been shifted to the Nederlands en Vlaams Accreditatie Orgaan (NVAO), the Netherlands and Flemish Accreditation Organisation, originally NAO. Accreditation is the task of the NVAO. This organisation uses the reports of visitation committees or external quality assessment reviews.

_Institutional Responsibility_

7.61 The universities are responsible for admissions, organisation, quality and content of programs offered, though in some disciplines, such as medicine, the government can limit student numbers. Universities of professional education and the research-intensive universities have become increasingly autonomous. This has resulted in more responsibility being placed on the institutions and also in more operational risks. These side effects have resulted in the implementation of more instruments of internal and external control to monitor quality, efficiency and access. These monitoring systems have improved the implementation of the planning and control system at universities of professional education. Research-intensive universities have implemented their own planning and control systems.

_Institutional governance_

7.62 Before 1997, the president of the board was appointed by the Minister. However the outcome of the University Modernisation Act (1997) was to split leadership between the Rector with executive responsibility, and the President of the Supervisory Board who is drawn from outside the university. The new governance structure is shown in Table 7.2.

_Table 7.2 The New Model of Governance (1997)_

<table>
<thead>
<tr>
<th>Pre 1997</th>
<th>Post 1997</th>
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<tbody>
<tr>
<td>Joint decision making by Administrative Board and Academic Council</td>
<td>Supervisory Board</td>
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<tr>
<td></td>
<td>5 external members appointed by Minister.</td>
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<tr>
<td></td>
<td>Supervises and appoints members of</td>
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<tr>
<td></td>
<td>executive Board</td>
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<td></td>
<td>Executive Board</td>
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<td></td>
<td>3 Internal members including the Rector.</td>
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<tr>
<td></td>
<td>Accountable for governance and</td>
</tr>
<tr>
<td></td>
<td>administration to Supervisory Board</td>
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<tr>
<td>University and Faculty Councils</td>
<td>University Councils</td>
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<tr>
<td></td>
<td>Academic administrative staff plus students</td>
</tr>
<tr>
<td></td>
<td>mainly advisory function</td>
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<tr>
<td>Disciplinary Research Groups</td>
<td>Abolished</td>
</tr>
<tr>
<td></td>
<td>Previously powerful</td>
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</tbody>
</table>

_Quality Assurance_

7.63 If the NAO withholds accreditation of a course, the Minister may withdraw state funding, but state funding can also be withdrawn for other reasons. The external quality audit relies to a considerable extent on the internal quality assurance mechanisms. Panels review
the aims set by the university for a particular program and evaluate the effectiveness and the outcomes of the internal quality system.

7.64 The universities have two kinds of quality assessment committees: for teaching, (usually consisting of a committee of (ex-) professors), and for research, a panel with international experts in the research areas. The professional universities have external quality assessment panels composed of representatives of the profession and some experts in the field of the curriculum.

Access

7.65 Dutch national policy is that higher education should be accessible to all those who have the necessary secondary school qualifications. There should be sufficient capacity to meet demands from minority groups including immigrants and refugees.

7.66 Studies where student numbers are controlled nationally have a complicated system of access based on a combination of marks achieved at secondary school level and a lottery. Higher Art academies and conservatories have their own selection procedures. Masters courses have to accept those with a Bachelor's degree from the same institution and in the same subject, but students can be selected when they come from other disciplines or other universities. The main allocation mechanism for teaching is diplomas, and for research is Ph.D's.

Advisory Bodies

7.67 There are advisory bodies both for universities of professional education and for research-intensive universities. The advisory bodies support the universities in their policies with codes of conduct and schemes, for example for outsourcing and franchising.

7.68 Universities of professional education also have Advisory Councils (consisting of students and employees, comparable to the 'works council' in the Anglo-Saxon context).

7.69 The Central Financial Institution (Cfi) provides comparative information on universities mostly based on the annual accounts. Costing comparisons of activities are still problematic because of differences in costing and allocation systems.

7.70 The HBO-Raad is an association for all professional universities which covers three-quarters of the higher education system in the Netherlands in terms of students. The association is the main interlocutor of professional universities. The HBO-Raad negotiates the collective terms of employment on behalf of the professional universities. However, the HBO-Raad does not bear any responsibility for the allocation of funds. In the absence of funding councils, the Dutch government allocates the funds directly to the universities on the basis of general funding mechanisms. The VSNU is the advisory body for research-intensive universities, which promotes the interests of Dutch research-intensive universities towards politics, government and societal organisations. The association is also the employers' organisation and develops supporting activities for universities. Moreover, the VSNU organises the quality systems of universities.

7.71 The Netherlands universities of professional education have an internal and an external quality control system. Educational quality is evaluated on a regular basis by external,
independent visitation panels. These evaluations are based on a framework formulated by the professional universities. In addition to the National Accreditation Organization (NAO) and the internal quality assurance systems of the universities, the Higher Education Inspection supervises this process in the higher education sector. It is an independent body within the Ministry of Education. Such Inspection generally assesses the ways in which universities and NAO ensure quality assurance and quality control.

7.72 The research-intensive universities have their own quality system, besides the visitation panels. The quality system entails a systematic assessment of the academic quality of university research program. Part of the quality system involves self-study. This self-study is a reflection of an internal evaluation of the university programme, which takes place before the visitation.

The Glasz Committee 2000

7.73 Comparable to the Nolan Committee in the UK, this committee investigated corporate governance in education.

7.74 The main recommendations made by the Glasz Committee were:

- The Minister of Education should have more clearly defined responsibilities.
- The criteria set by external supervisors should be reported in the annual report.
- Information should be given about the extent to which objectives/goals are met and what actions will be taken to influence the outcome positively.
- Universities of professional education should clarify the difference between the responsibilities of the Board of Directors and the Supervisory Board.

Funding of Post Compulsory Education

Funding Higher Education

7.75 Since 2000, funding has been based on the so-called "Performance Funding Model". This means that state funding is now dependent on university results. The budget is composed as follows: 50% is based on achievement; and on the basis of first-year enrolments, 13% of the teaching budget is allocated. The third component is a constant allocation per university, representing 37% of the total teaching budget (in 2000). This element is designed to provide stability in funding for the universities.

7.76 With regard to state funding for scientific research, some funding is project based. The second flow of funds for research intensive universities comes from NWO, the Dutch Organisation for Scientific Research. This institution pays the salaries of researchers and support staff working either in NWO-universities (40%) or in research-intensive universities (60%). It also contributes to other costs or investments but the larger part of material and overhead costs are to be paid by the receiving university. The universities pay these costs out of the funds they have received for commercial contracts. NWO acts as an intermediary in granting funds for separate research proposals submitted by individual researchers seeking funds for their projects.

Funding of Advanced Vocational Education
7.77 The 1996 Act regulates the funding of adult education. Vocational Education courses are funded directly by the Ministry of Education, Culture and Science. This is based partly on the number of students per course and partly on the number of certificates awarded per institution. The national vocational education bodies, LOBS, are funded by the Ministry on the basis of the number of qualifications devised, the number of training companies recognised and the number of practical training places filled.

7.78 The central government budget for adult education is allocated to the municipalities based on the number of inhabitants over 18 years of age, people from black and minority ethnic backgrounds and the number of adults with educational disadvantages.

7.79 For integrated courses for ethnic minorities, the municipalities receive a separate budget for which the Ministry of Justice is responsible. Students also pay course fees to institutions and students on vocational training courses, BOL, pay fees to the Minister and are eligible for student finance. Finally institutions also receive income from contract activities, companies and private individuals.

**Future Skills**

7.80 The developments in the labour market are an important opportunity for higher education. Increasing internationalisation of the Dutch economy requires international comparison and recognition of educational programs. The introduction of the Bachelor-Masters structure makes an agreement on international standards possible. A shortage of people educated to a higher level and a knowledge-driven economy requires a more active attitude within higher education, in order to attract more students. Instruments available to realise this goal are dual or sandwich programs, and the Bachelor-Master structure.

7.81 During the latter years of the 1990's interest in the need to develop education to reflect the needs of the labour market, was recognised with employability recognised as a dominant goal. The subsequent national action programme in 1998 proposed new funding during the next government's period of office. This action plan placed great importance on life long learning in relation to the labour market:

- Emphasis was placed on reducing barriers to the unemployed re-entering the labour market.
- Responsibility for learning was placed with the individual.
- Government initiated an *Investors in People* quality label for organisations that invest permanently in their human resources.
- Government appointed employability advisers to inform and advise employers and employees.

7.82 Life long learning expenditure appeared to be directed at the young rather than adults. This involved lowering the age of compulsory education to four. 'Learning to learn' - meaning that initial education has to offer the meta-cognitive skills and attitudes to learning in later life is to be promoted. Potential dropouts from secondary and vocational education are to be given intensive and individual guidance.

7.83 The 1999 budget statement recognised life long learning as a necessary component in a rapidly changing society if the goal of a knowledge intensive economy was to be achieved.
The need to offer citizens an opportunity to continue to develop skills had to be established. The structure of courses and student finance systems had to change in line with the principles of recurrent education. This course of action was intended to meet the demand for greater flexibility in learning pathways through higher education, involving new full-time and part-time dual models of participation. In 2000-2001 some progress was made, dual higher education i.e. job integrated curricula in higher education, was introduced. This type of education was originally developed in UPE where periods of work alternate with periods of study. Knowledge skills and experience learned in the work place are part of the curriculum. The dual trajectories were strongly advocated, but at the moment they do not seem to be very successful, with problems being identified within the demand side of the labour market.

7.84 A recent survey by Hoger Beroeps Onderwijs (HBO) - the Board of Professional Universities and Vereniging van Samenwerkende Nederlandse Universiteiten (VSNU) - the Association of Dutch Cooperating Universities - concluded that one in five employers were experiencing serious problems due to a lack of higher educated employees. Within the labour force there exists a lack of knowledge on business and management and a loss of innovative capacity. The biggest shortages are visible in health care, government, business services and the building industry. To address these shortages the Minister of Education is trying to make higher education more attractive by offering sandwich courses.