

**COLLOQUIUM: CITY OF CAPE TOWN AND
CAPE HIGHER EDUCATION CONSORTIUM (CHEC)**

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This report provides a record of the issues, concerns and recommendations raised at a colloquium attended by the Executive Mayor of Cape Town and senior officials from the City and staff and representatives of the Cape Higher Education Consortium (CHEC) in November 2007. The agenda for the colloquium included addresses by the Mayor, the Chair of CHEC and its CEO, as well as presentations by three senior City officials. In addition, there were two opportunities for participants for raise questions and suggestions.

The proceedings were opened by Mr Mike Marsden, Executive Director for Service Delivery Integration in the City of Cape Town. He welcomed the Vice Chancellors and other institutional staff thanking them for their interest and participation in the colloquium. He also thanked Mr Andrew Borraine for his attendance and support and for fulfilling the role of facilitator.

Mayoral Opening Address – Executive Mayor: Cllr Helen Zille

The Executive Mayor, Cllr Helen Zille, also welcomed the Vice Chancellors and staff from the higher education sector as well as officials from the City of Cape Town.

In quoting from a report in *Newsweek*, the Mayor introduced the main theme of her address and of the colloquium as a whole – i.e. the need for collaboration and partnership between the City of Cape Town and the five higher education institutions in the region to ensure growth and development and access to the global economy. Cape Town was recently described by *Newsweek* as “one of the world’s rising urban stars”. One of the chief reasons for this status is the existence in the region of five academic institutions that produce knowledge and skilled graduates for the economy. It was acknowledged, however, that, at present, relationships between the City and the universities have not been optimized and that although considerable investments have been made in the areas of ICT and broadbanding, infrastructure development and human capital development, existing partnerships need to be extended.

Mayor Zille went on to refer to the work of Michael Porter who argues that a nation’s competitive advantage lies in its ability to develop “competitive cities” where clusters and networks can be established and utilised. She argued that globalization is “no longer a choice”, but “a fact of life” and that cities need to develop hubs in which to source skills for strategic collaboration. In pointing to international examples like Rochester where George Eastman established the Kodak technologies, the Mayor highlighted the value of partnerships and their contribution to the evolution of technology. Academic research, too, lies at the cutting edge of new knowledge and development, and research centres and units in universities build synergies that contribute to mutual benefits.

The Mayor explained that the concept ‘partnership’ in use at the colloquium was not one where the City would dictate areas of activity for universities to follow; rather, the concept of partnership used here takes into account the need for academic freedom in

higher education institutions and the complexities in the relationship between fundamental and applied research. Mayor Zille anticipated that, in time, it would also be necessary to get industry on board.

In referring to the presentations to be made by City of Cape Town officials later in the colloquium, the Mayor emphasized that partnerships need to be of mutual benefit and that these should address economic growth and address current skills shortages. She said that she looked forward to CHEC's response to these presentations and anticipated that the CHEC institutions would contribute different areas of knowledge for collaboration and partnership. Existing relationships and current networks were acknowledged.

The Mayor stressed the importance of academic partners visiting informal settlements, areas where service delivery is currently poor, to observe first-hand the challenges faced in these areas. In explaining how site visits are able to provide researchers and policy makers with useful data, Mayor Zille recounted a recent visit to Khayalitsha with an Eskom official. The need for connectivity has been prioritised by residents there ("one cannot even charge a cellphone without electricity"), but Eskom's rules and bureaucracy pose obstacles to delivery. On site, the official was able to observe the dangerously low wires criss-crossing overhead which made a mockery of the reasons given by Eskom for not providing electricity.

In concluding her address, the Mayor took issue with national government's view of "the developmental state" raising her concerns regarding the extent to which universities are being pulled into the "slipstream" of its control and current trajectory. In particular, her concerns regarding the "erosion of the independence of universities" were highlighted. She hoped that collaborative partnerships developed by the higher education institutions and the City would be open relationships of true collaboration aimed at providing the City of Cape Town with basic services and the necessary infrastructure to access the global economy.

Address by the Chair of the CHEC Board – Prof Martin Hall

Prof Hall began his address by outlining key features of CHEC and the four higher education institutions that form this body together with UNISA, an observer member. He said that CHEC is now the longest standing regional higher education consortium in the country – partly because it has enjoyed good leadership and made appropriate calls. It has remained a facilitative structure for the institutions in the region and has avoided becoming an additional institution. CHEC now looks forward to extending its facilitative role to the public sector.

In illustrating the unique and innovative features of the four institutions, Prof Hall referred to the Cities in Africa project at UCT, work with the private sector at SU, ITC and Engineering at CPUT, and ITC and the Schools of Government and Public Health at UWC. He also referred to the presence of private providers of higher education in the region: while they are not part of CHEC, these institutions also make an important contribution to the economy.

Prof Hall noted that although higher education is a national competence, it plays an important role in local and regional growth and development so needs to be included in planning processes at these levels. He also pointed to the challenges that arise from the need to work across different levels of government and the economy. For example, while

policies for accelerated growth and social development are steered at the national level, economic growth is constituted in local and regional economies. This gives rise to the question, "How do you achieve joined up systems when responsibilities are divided at different levels?"

Prof Hall also referred to Michael Porter's analyses in arguing that international experience suggests that the creation of local and regional hubs are critical in achieving economic development. This also requires that there are strong institutions for knowledge creation and transfer, and for cultural and community development.

In outlining the contribution of the four public higher education institutions in the Western Cape, Prof Hall spoke to a number of statistics. In 2006, over 13 000 courses were offered at these institutions, 87 000 students (undergraduate and postgraduate) were enrolled, and 21 240 doctorates were awarded.

In terms of their contribution to research, in 2006 the four institutions had 36.5% of all NRF-rated scientists in higher education institutions in South Africa. Three of the four institutions accounted for 30% of national research publication outputs. Indications are also that the majority of graduates stay in the Western Cape after completing their qualifications. Many of these graduates enter the public sector skills pool in areas such teaching, social work, health care etc.

Increasingly, the four public higher education institutions in the Western Cape are attracting international students. In 2006, at least 10 000 international students, the majority from the rest of Africa, registered at these institutions for full qualifications and semester study. Prof Hall pointed out that the families and friends of these students visit the region as tourists further contributing to the economy here. Prof Hall likened universities to magnets that draw international interests into a city (for example, though local and international conferences). These institutions, therefore, are important assets for a city and assist in building its profile internationally.

Prof Hall referred to the mayor's reference to institutional autonomy and agreed that maintaining autonomy over the content and quality of courses was a key priority for higher education institutions. All over the world, he explained, competing imperatives contained in concepts such as autonomy and accountability are being balanced through the development of more sophisticated understandings and definitions. This is also happening here.

Prof Hall also noted the Mayor's reference to the complex relationships between basic and applied research again agreeing that it is important to develop our understandings of this relationship – especially in view of the increasing interest shown by universities in the north in forming research partnerships with universities in the south. While the knowledge contributed by international partners is critical, partnership agreements need to be structured around more sophisticated understandings of research to ensure that internationalization benefits higher education institutions in this country.

Prof Hall argued that while the higher education sector does not often think of itself as such, it is an economic sector in its own right. In 2006, the four higher education institutions in the Western Cape employed around 13 500 permanent and contract staff, drew in R 1.76 billion in national government subsidy and had a combined income of

almost R 5.5 billion. These institutions also pay rates and taxes and procure goods and services – largely from the City.

Universities also contribute to the intellectual and cultural life of the City and the region. Their campuses are important public places and provide for extra-mural and continuing professional education programmes, theatres, choirs, art galleries, public lectures and debates, conferences, workshops and festivals and sporting events. In addition, students make important contributions through their work in academic hospitals and in community service and development initiatives such as SHAWCO.

Prof Hall acknowledged that more attention still needs to be given to the essential continuity of the educational experience and developing a better understanding of the interface between schooling and universities. In this regard, collaboration with the Western Cape Education Department would lead to greater levels of interaction between universities and schools effectively joining up the education system.

In conclusion, Prof Hall said that CHEC understands that partnerships are critical for both the City and the higher education institutions in the region. The programme for the colloquium was not drawn up so as to provide an agenda to which the universities would merely respond; rather, the colloquium is viewed as an important starting point for determining the nature of collaboration required and the identification of joint projects for the creation and generation of new knowledge.

Framework for the Engagement between the City and CHEC – Nasima Badsha

Ms Badsha, the CEO of CHEC, began by saying that while there have already been preliminary discussions between CHEC and the City of Cape Town, the colloquium represents the first opportunity to discuss the possibility of a formal partnership in support of social and economic development in the City.

As highlighted by both the Mayor and the Chair of the CHEC Board, Ms Badsha said these partnerships need to draw on the core work of the universities – teaching, research and innovation and community engagement – in such a way that agendas are shared, both partners add value and there are mutual benefits. Universities should not be treated as service providers tasked with responding to pre-determined lists from the City. In addition, the development of the partnership agreement should not preclude existing relationships.

In explaining the concept of partnership to be followed, Ms Badsha referred to lessons already learned from existing partnerships. In particular, she highlighted the importance of developing a good understanding of each other's priorities, capacities and constraints. While this might be time-consuming, it provides for a sound basis for forging a sustainable partnership and for identifying joint initiatives. In a partnership between the City and the higher education institutions, the priorities of the former would be acknowledged and sufficient space for the latter to shape and influence joint undertakings would be made.

Ms Badsha went on to outline possible areas of collaboration including the development of continuous development programmes for City officials, the extension of the voluntary and formal roles of students in community service, and the promotion of Cape Town as a leading higher education and research hub in the country and the continent. In addition,

partnerships between higher education institutions and the City could lead to think tanks and platforms for public engagement, provide support for policy development and promote innovation.

Ms Badsha concluded by outlining possible next steps towards the development of the formal partnership. She suggested that these should include agreement on the core principles to inform the partnership, the identification of “champions” in CHEC and in the City as well as areas for the implementation of pilot joint projects. Ms Badsha advocated that these first steps be modest and that partners work on building the necessary trust and understandings of the requirement of partnerships. During this time, too, these initial steps would need to be evaluated before the future of the partnership could be further developed and mapped.

Discussion – Facilitator: Andrew Boraine

A number of comments and questions from the floor were taken at this point in the proceedings. Key amongst these were comments confirming support for issues already raised: the need for partnerships in development strategies and in order for Cape Town to be competitive in the global knowledge-based economy, the need to address the skills base in Cape Town, the need for the partnership to become a tripartite relationship and to include the private sector, and the importance of learning from the experience of international universities, including why and how their partnerships developed in the initial stages. It was also mentioned that many of the ideas included in the presentations were the culmination of work undertaken over a number of years. The balance between institutional autonomy and accountability was also raised as being important.

A key concern raised was the lack of principal researchers to undertake research in the region and in the country as a whole. It was explained that only about 1/10th of the academics in South Africa are rated by the National Research Foundation, while just two British universities have six times the number of rated researchers. Given this situation and the poor record for PhD completions, South Africa will not be able to compete internationally unless foreign principal investigators are hired. Hiring foreign experts will require competitive remuneration and less bureaucratization in administrative systems.

The lack of a “hope discourse” in the Western Cape where complexities have lead to uncertainties and contradictions was also viewed as a concern.

Two direct questions were also raised, the first regarding the alignment of the City's structures, strategies and processes with those at provincial level, and the second the anticipated and likely benefits of partnership for universities.

In responding to the first question, the Mayor stated that clear mandates for the different levels of government are set out in the constitution and indicate that local government's function is to ensure that basic services are provided. It was acknowledged that where there are disparate areas of responsibility and delivery is fractured between different levels of government, problems do arise. In addition, the Mayor said that where people protect their “political turf” or where they are under-capacitated to deliver on their mandates, more serious problems arise. In referring to the difficulties associated with hiring foreigners, she agreed that complex laws often mean delays in securing permission for activities. On the other hand, she disagreed with the comment that there

is no discourse of hope in the Western Cape and pointed to the number of people who choose to come here as evidence for this.

In responding to the question about the benefits of a partnership to the universities, the Mayor said that the City provides “the biggest possible laboratory for academic researchers” filled with “cutting edge challenges”. She hoped that PhD students would take up the problems here and apply their minds to them.

Prof Hall also took this opportunity to respond to the issues and questions raised in this session and to add further issues for consideration if partnerships are to be successful. Firstly, in addition to the need for fresh thinking in order to attract and secure the services of foreigners, he said there are also other difficulties associated with hiring highly mobile international talent that need to be considered.

Prof Hall went on to point to the challenges associated in building public – private sector partnerships and in developing a model that addresses the unique needs in this country. He explained that such a model would need to be sufficiently versatile to offer innovation and knowledge transfer at both the start-up and higher levels. He referred to a recent study that had computed the cost of compliance and that found that while such costs are minimal for large corporations, they hit small businesses hard. As a result, the small business owner often cannot afford to comply with legislation. It is the responsibility of government, he argued, to ensure that there are enabling policies that facilitate the implementation of partnerships. Finally, Prof Hall suggested that heightened public awareness of the problems in health, transport, sewerage etc would encourage students’ interest in these topics.

Setting the scene for possible areas of collaboration

The following three 15-minute sessions highlighted possible areas for collaboration.

Information Technology and Broadbanding: Nirvesh Sooful

Early in his presentation Mr Sooful raised a key question underlying the City’s work in the area of information technology and broadbanding, i.e. how do we use ICT to alleviate poverty? He said that while this question had been addressed by the City for a long time, the concept of ICT for poverty alleviation was still new for many people.

A diagram was used to demonstrate the linkages between ICT and the various areas included in the City’s Integrated Development Plan. Mr Sooful explained that the approach taken here is consistent with that taken at the national level. Its successes have been recognised nationally and internationally since simple ideas can make a big difference in people’s lives. Through ICT, people can access information, find jobs, communicate across borders etc.

Mr Sooful outlined the evolution of the strategy known as Smart City 1 to Smart City 2 and its three target areas – Council employees and Councillors, citizens, and society and the economy. He explained that the strategy will need to advance from the experimental level to integration in mainstream activities. This will require action to be taken at various levels. For example, the City’s leadership will need to recognise the critical role of ICTs in bringing about shared growth, while the City’s administration will need to make increased and better use of ICTs and to extend these platforms to

citizens. The City will also need to ensure the deployment of the infrastructure and the development of human resource skills that foster a knowledge economy and information society. It is in these latter activities, in particular, that there is great potential for joint initiatives such as providing computer literacy training and expanding the current FOSS Competency Centre. Finally, there are also opportunities for joint initiatives in ensuring that the City has a dynamic ICT sector to support the needs of government and business.

Building an Enabling Environment to Enhance Economic and Social Development: Barry Coetzee

Mr Coetzee's presentation spoke to public and infrastructure investment and maintenance in order to build an enabling environment to enhance economic and social development in the City and the region. He began by saying that challenges could be translated into opportunities and listed a number of issues related to infrastructure. These included debates as to whether the City should expand or not as well as the increasing need for services which, in turn, translates into the increasing need for staff and skills. Debates take cognizance of current and anticipated budgets, global competition for skills and existing backlogs in the municipal context. In addition, development needs to be sustainable and in line with the conservation of natural resources.

In mapping current capacities and backlogs, Mr Coetzee demonstrated that the need for services is growing further apart from the City's capacity to meet these needs. For example, a R 1.2 billion investment in water is urgently required.

In addition to budgetary constraints, there are also other constraints, many of which are related to human capital. In the case of transport, for example, very creative solutions are required to address the challenges of the road system. Mr Coetzee also reported that in 2006 / 2007, the City spent only 77% of the budget for Infrastructure Capital Expenditure because of human resource constraints.

Mr Coetzee concluded his presentation by asking questions that indicated the importance of changing the "business-as-usual" approach, generating practical alternatives through research and development, and engaging the higher education sector in developing the necessary skills and capacity to implement infrastructure-related projects successfully. The last question posed required colloquium participants to consider how potential partners should engage in seeking solutions to the problems raised in this presentation.

Human Capital Development: David Berretti

The final presentation from the City focused specifically on its Human Capital Development Strategy. Mr Berretti explained that this strategy will require the development of synergies between the City and the higher education sector to ensure benefits not just for these partners but for the citizens of the region. He stressed that the quality of services provided by local government is determined by the level of skills attracted, trained and retained.

The City of Cape Town is the major employer in the Western Cape with approximately 22 000 staff spanning the full range of professions and skills. The City has in place a

service delivery strategy and menu and the Human Capital Development Strategy is aligned with this. The large budget for the implementation of this strategy needs to be well spent. This cannot be done without the requisite skills.

In outlining the challenges that impact on staff and skills capacity in the City, Mr Berretti stressed that the City needs to retain current staff, further develop their skills and qualifications and grow the total pool of skills available to both the City and other local authorities in the province. The need to increase the number of engineering enrolments, specifically those in fields that support professional and technical work within the built environment, has been highlighted. In addition, there is a need for staff with strong project management skills.

Increased investments in staff through the Human Capital Development Strategy will include the development and implementation of an integrated talent management, reward and performance system, the development of a leadership plan in line with the generic leadership competency model and strategic objectives, and mentoring and coaching initiatives. In addition, it will be necessary to establish benchmarks and performance standards and to complete skills auditing exercises.

Mr Beretti explained that skills strategies and interventions will include ABET, FET and graduate programmes as well as learnerships and internships, and possibly apprenticeships. Recognition of prior learning assessment processes will need to be considered and developed, and workplace skills plans and associated budgets re-positioned.

In concluding this presentation, Mr Berretti outlined the major benefits of partnerships for the parties themselves and the province as a whole. These include providing training in line with labour market requirements and ensuring improved theory / practice relationships.

CHEC response

Prof Hall began by saying that his response to these three presentations was intended to open up possibilities for new collaborations and for extending existing ones. He also said that it would be important to be able to demonstrate measurable results of all partnerships and joint initiatives undertaken.

Each of the presentations by City officials had pointed to key areas for partnerships. Mr Sooful's presentation suggested that there is already a firm basis for relationships around ICT development. Economists have indicated that this is an important area for cities to make investments. It remains for e-leaders to extend existing relationships and ensure a win-win situation for all concerned.

Mr Coetzee's presentation on infrastructural development offered another focal point for partnerships and joint initiatives. International studies that point to the future growth of cities and considerable changes in their formations provide a set of challenges for a range of research communities.

Prof Hall picked up on Mr Berretti's reference to the shortage of project managers saying that this area had also been identified within universities. He suggested that this point be given attention by CHEC. Successful projects require not only funding but also staff who

can conceptualise at the executive level and those who can work competently at the applied level. Strategies related to human capital development also need to take cognisance of the fact that the skills required for different areas of work have changed over time.

Prof Hall went on to present some of the current constraints in the educational context. One of these is the often projected national output of 1400 qualified engineers per annum. In order to achieve this target, it would be necessary to have an intake of 5000 students per annum. The current school situation makes it difficult to increase intakes and even providing additional resources to universities does not help them to find the number of school leavers with the appropriate passes in mathematics and science. Prof Hall also suggested that higher education institutions would do well to reconsider the current modes of delivery used – especially if new students on these programmes and courses are to be employees in the corporate sector and the City.

Prof Hall concluded this response by pointing to the inequalities between high and low incomes in South Africa. In this respect, South Africa is ten times more unequal than Egypt. It is this factor that provides the challenge that underlies the presentations by the City Officials and that joins with the challenges faced in the higher education sector.

Discussion – Facilitator: Andrew Boraine

Mr Boraine opened the last session of the day by observing that there appeared to be general agreement on the necessity for a partnership between the higher education institutions and the City. He summarized key points from the earlier sessions regarding the principles that should inform the partnership, especially the need for open enquiry in a two-way relationship. He said that while the examples offered in the presentations by the City officials had been illustrative rather than definitive, the three areas here – ICT and the roll out of broadbanding, public infrastructure and human capital development – were important areas not just for the City but for the economy in the region and the country as a whole. He also identified other areas raised in the presentations - public life on campuses, small business development and Cape Town's popularity as a destination for tourists and academics.

The discussion was then opened to the floor and participants were asked to respond to the question: "What small steps do we need to make to build a robust partnership?" Several suggestions were offered. These fell into three main categories: the process to be followed, issues to be taken into account in the identification of focus areas for collaboration and partnerships, and some cautionary notes.

The usefulness of building on existing initiatives and developing more collaborative ways of working amongst people already involved in these initiatives was given emphasis. As a participant noted, while people from various initiatives talk to each other, they continue to work in silos. It would be important to give attention to ways of sharing and managing current knowledge during the initial phase of developing partnerships.

It was suggested that in order to overcome the often under-estimated challenges associated with transformation, it would be critical to provide people with real work experience, such as internships, so they can develop an appreciation for what it takes to be successful. It was hoped that the City, as an outside force, would provide assistance in this regard. A City official confirmed that collaboration with higher education

institutions around learnerships is already underway and that the capacity to extend these initiatives exists.

It was also suggested that there could be a cross-cutting theme of building research capacity through enrolment of officials in postgraduate programmes or through the establishment of internships amongst students. Lessons could be learned from countries such as the Netherlands where extensive internships exist. Internships in the public sector can also encourage students to enter the public sector after graduation.

An argument was made for increased attention to be given to the development of urbanization policy and plans. Increasingly, cities will be hubs for living and working and it is here that services can be provided most efficiently.

The first cautionary note raised related to the difficulties of building partnerships with competing institutions. Universities currently compete for funding and for students. A participant pointed to a lesson already learned in other consortia: it is important to structure partnerships well from the early stages as this assists with operationalisation. For example, where the City calls for expressions of interest, a competitive framework is established and existing skills are not optimised.

A further cautionary note regarding the issue of mandates in innovation hubs was raised by another participant who stressed that partners need to fully understand all of the factors that contribute to enabling environments. The example provided here pointed to the importance of good urban planning for areas in which universities are located. It was suggested that this needs to take place in a context where current and potential roles of universities are well understood so that opportunities for collaboration may be maximized.

There was also a plea for ensuring flexibility and room for informality in the development of partnerships. It was thought that this might be particularly important for potential partners in the private sector.

The Way Forward

In terms of the process to be followed, one of the first suggestions was for the appointment of a dedicated person from CHEC to work with the Mayor in putting this project together. It was suggested that the City should also appoint a person to work at this level and that a small task team be formed. It was agreed that nominations for members for the task team would be forwarded to CHEC within a week.

CHEC and the City were given a mandate to draw up a statement of intent which would include key principles informing the partnership. The task team will develop a list of possible areas for engagement, prioritise these and identify pilot projects.

It was agreed that the resulting document should be circulated for discussion and endorsement at another meeting to be held in six months time, in May 2008. It was hoped that specific themes for engagement would be developed at this next meeting and that it could, if appropriate, include the private sector.

Mr Mike Marsden closed the proceedings with thanks and good wishes.