



Observatory PASCAL

Place Management, Social Capital and Learning Regions

PURE Regional Visit Report (RVR2)

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1: Introduction

This was the second visit by the Consultative Development Group (CDG) to the Dutch-speaking region of Flanders in Belgium. The composition of the CDG during this second visit was significantly different from the first visit. Following the departure of David Charles (UK), John Field (UK) took over the leadership of the CDG, with Peter Welsh (UK) and Barry Hake (UK/NL) remaining as members, while Jannie Roemeling (NL) was invited as the new fourth member. In the event, John Field was unable to travel to Brussels due to the impact of volcanic ash upon air travel. Two days prior to the visit Barry Hake was nominated as leader of the CDG while Angelica Kaus (D/NL) agreed at very short notice to complete the CDG. Given constructive criticism during the first visit with regard to the one-sided composition of the CDG, the Flemish colleagues and the CDG members are agreed that the current composition worked well given the circumstances of last-minute changes.

The CDG arrived in Brussels on Tuesday 20th for two and a half days of discussions with representatives of stakeholders with regard to the contribution of higher education institutions (HEIs) to economic, social and cultural development of the Flanders regions. During the first visit, the RVR1 remarked that presentations had been too formal and had contributed to a "...generally one-dimensional picture of the region. A broader representation of views and information from different levels of government (the policy dimension) and the private sector (the demand-side of the question) would have beneficial to the Review Team". The CDG congratulates the organizers of the second visit for their planning of an excellent programme of meetings with a wide range of stakeholders. Above all, the CDG was impressed by the fact that each thematic session was attended by a variety of stakeholders who became engaged in discussion with the CDG, and, more importantly, among themselves. Furthermore, the CDG discouraged formal presentations, and power-point presentations were not permitted. During each of the thematic sessions, the CDG invited the stakeholders to formulate their perspectives on three key dimensions with regard to the third mission of HEIs in the region: 1)

developments; 2) challenges; and, 3) opportunities. This gave rise to lively and highly informative discussions.

2: Developments in the region since 2009

Essential regional characteristics of the Flanders region were described in detail in the Regional Visit Report (RVR1) in early 2009, and this section comprises a brief updating exercise.

The political context in Flanders during 2009–2010 has been characterized by increasing discord at the national level between the French-speaking region of Wallonia and the Dutch-speaking region of Flanders. This has resulted in early 2010 in a fundamental constitutional crisis which focuses upon the status of the voting rights of French-speakers in the electoral area of Brussels including two electoral areas – Halle and Vilvoorde - in Flanders. This means that French-speakers in these electoral areas in Flanders can vote for French-speaking political parties. Flemish voters living in Wallonia do not have reciprocal rights to vote for Flemish parties. In the week prior to the visit of the CDG, the Flemish liberal party withdraw its support for the national coalition government and demanded the abolition of the rights of French-speaking voters. Despite complex negotiations, it proved impossible to arrive at a consensus between the Wallonian and Flemish political parties. On the second day of the CDG's visit, the King of Belgium accepted the resignation of the coalition government, and a general election will be held on 13 June. This constitutional impasse is regarded by many political commentators as posing a threat to the Belgian state in the future. Nearly half the municipal authorities in the districts of Halle and Vilvoorde (Flemish Brabant) are now refusing to organise voting in the general election. In this way local mayors are protesting against the failure to split the electoral constituency of Brussels-Halle-Vilvoorde and remove the voting rights of French-speakers in Flanders.

As is the case of all economies in the EU, the Flemish economy has been deeply affected by economic recession and the banking crisis, and it will be affected by the current financial crisis surrounding the Euro-zone. With few natural resources, Flanders must import substantial quantities of raw materials, hence the importance of the port of Antwerpen and the chemical industries. It is also reliant on exporting a large volume of manufactures, which makes its economy vulnerable to volatility in world markets. Roughly three-quarters of trade is with other EU Member States. Current major problems, for example, include the threatened closure of the Opel car factory in Antwerpen. Public debt is nearly 100% of GDP and the budget deficit is worsened because of large-scale bail-outs in the financial sector. Belgian banks have been severely affected by the international financial crisis with three major banks all receiving capital injections from the government. An ageing population and rising social expenditures are also putting downward pressure on public finances, making unpopular austerity measures necessary to restore fiscal balance. Although there are signs that the Flemish economy is slowly emerging from recession, unemployment is likely to continue

to increase until late in 2010. While it is clear that school-leavers will be the major short-term losers on the labour market, many older low-skilled workers face the threat of long-term structural unemployment.

The CDG's RVR1 report devoted considerable attention to the ambitious plans of the Flemish regional government to establish Flanders as one of the five most dynamic regional knowledge economies in the EU which will also be a recognized learning society. Their report commented upon these aspirations as expressed in the policy documents *Flanders in Action*, published in 2008, and *Pact 2020*, published in 2009. During the second visit, the CDG heard little about these ambitious plans, with the exception of one presentation by a government representative who reiterated the ambitions announced in *Pact 2020*. Indeed, the CDG identified a significant measure of skepticism on the part of the other stakeholders with regard to the Flemish government's plans to create a learning society and the day-to-day challenges confronting HEIs.

During the thematic sessions, there were, however frequent references by diverse stakeholders to short-term so-called "social debate" on the restructuring of higher education which had been initiated by the Flemish government in the course of 2009. This appears to have comprised an intensive regional policy debate in Flanders on the different tasks of the universities and university colleges. There is a struggle between the respective responsibilities of these institutions for teaching and research, while third mission activities are marginalized. This social debate has in fact focused upon the most appropriate allocation of the teaching at M.A. level which was referred to as academic teaching which should be the task of the universities rather than the university colleges. The widespread expectation of stakeholders is that these courses will be transferred from university colleges to the universities, and there the suspicion was expressed that this was the intention from the start of the "social debate". Indeed, the CDG was informed that this social debate has too long been circling around the structure rather innovative content, and that the umbrella organization for university colleges was not invited to the first meeting of the commission conducting the social debate, and that "we are too late in the debate".

Another pertinent ongoing issue with regard to the structure of higher education concerned the funding of post-graduate education for those in employment, in other words continuing professional development. The public funding of approved B.A. and M.A courses has resulted in the proliferation of the accumulation of so-called B.A.plus B.A. courses – BAnaBA – and M.A. plus M.A. courses – MAnaMA – which in effect comprise publicly funded trajectories for post-graduates. The opinions presented to the CDG suggested that this was a quite legitimate use of the existing funding mechanisms. It was pointed out, however, that this mechanism, distorts, on the one hand, the development of a responsive market for post-graduate continuing professional development in response to the human resource development needs of firms, while, on the other hand, it also stands in the way of and diverts effective policy debates about the funding of this dimension of third mission activities by HEIs.

The significance of the ongoing debate about the structure of HEIs in Flanders returned in a belated contribution about the status of BA degrees from university colleges in relation to the European Qualification Structure. While B.A. degrees in other EU countries are recognized as level 5 qualifications, they are regarded by the Flemish government as level 4 qualifications and the equivalent of secondary vocational

education rather than higher professional education. This has now given rise to proposals to introduce a new level 5 qualification.

The CDG proposes that the Flemish authorities should broaden the current focus on a front-ended model of initial higher education in the current discussion about the structure of higher education. The role of higher education in a recurrent system of lifelong learning calls for a more visionary debate about the distribution of structures of opportunity through the life course of individuals

3: Progress with the PURE Action Plan for Flanders

A stronger sense of regional purpose and co-operative endeavour was manifested in the broadening and strengthening of the composition of the Regional Consultative Group (RCG) in the Flanders region. This involved, in particular, the limitation of the dominance of HEIs, which was identified by the CDG as a problem in RVR1, and the inclusion of more representatives of regional stakeholders such as umbrella organizations, SMEs, and local authorities in the region.

A key element running throughout the thematic sessions comprised the results of the execution of the PURE benchmarking tool “Benchmarking the regional contribution of universities”. This involved the participation of all Flemish university associations (local associations of universities and university colleges), individual HEIs, faculties and departments. This benchmarking exercise constituted a major strategic element in the Action Plan for Flanders July 2009–December 2010. Preparatory meetings and trials with the benchmarking tool were held, and the tool was implemented by all HEIs via an on-line tool. The results of the benchmarking tool were brought together in a report “Good Practices HEIs in Flanders” which was submitted to the CDG prior to its visit. The general conclusion expressed by the regional HEIs themselves was they were pleasantly surprised to learn how many third mission activities were organized in their institutions. The benchmarking exercise appears to have resulted in bringing together the disparate information available about activities at faculty and departmental levels. The CDG expresses the hope that this enhanced confidence at institutional level will raise the level of their commitment to organizational reflection and learning, the formulation of explicit over-arching institutional mission statements, and the development of their strategic plans in the future. An important medium-term step in this direction will be a one-day conference held in Genk on 26 May, 2010, which will be devoted to the results of the benchmarking exercise and the third mission. Towards the end of 2010, a final meeting will be held with all the stakeholders who have been involved in the PURE-project in Flanders.

A number of activities referred to in the Action Plan for Flanders have not been implemented. These included the preparation of sub-cluster meetings and one-day conferences on “social capital and active citizenship” involving Flanders, Nord-Pas de Calais, and Kent County Council. The CDG finds that it is unfortunate that the PURE Regions benchmarking tool has not been implemented since this would have enhanced and consolidated the engagement of umbrella organizations, SMEs and local authorities at regional level in the PURE-project.

The CDG recommends that the RCG should focus in the remaining period upon the dissemination of the results of the benchmarking exercise in Flanders. This should focus on undertaking a self-selection of “good practices” which would be documented and shared with other regions through the appropriate virtual spaces on the PURE website.

4: Third mission: the “triangle” and strategic regional partnerships

During this second visit to Flanders, the members of the CDG became engaged with stakeholders in discussion about the “all-too- neat” distinction often made in Anglo-Saxon countries between the three missions of HEIs. These three distinct missions are defined in terms of: a) teaching; b) research, and c) community engagement. This was an all-too-implicit assumption during the first visit of the CDG to Flanders which was not challenged by the representatives of Flemish HEIs. The dominant discourse during the first visit focused upon how HEIs view themselves and their impact on the region. This no doubt informed the reflections of the CDG in RVR1 about the situation in Flanders. During the second visit, however, the CDG encountered the views of a much broader range of stakeholders within the region. This was challenging with regard to the more explicit formulation of diverse understandings of how the “interfaces” between the distinctive missions of teaching, research and community engagement are managed in Flanders. The result was a more comprehensive understanding of the dynamics with regard to third mission in the Flemish context.

The landscape of the third mission in Flemish higher education is circumscribed by the legislation and regulations which define the structure and respective tasks of universities and university colleges. Traditionally this is formulated in terms of the distinctive teaching and research tasks of HEIs within a binary system of research-based universities and higher professional university colleges. This is reflected in the structure of academic BA/MA/PhD degrees and professional BA/MA degrees, together with the distinction between fundamental and applied research. As such, the third mission is not a mandatory responsibility of Flemish HEIs, and it is not referred to as such in current legislation. This will not change as a result of the ongoing social debate on the structure of higher education which will in effect result in the perpetuation of the binary system focusing on the first and second missions teaching and research.

It is all too clear that the Flemish system of higher education is fundamentally determined by the funding model for HEIs which determines the availability of financial resources for teaching and research purposes. In the words of more than one stakeholder, “...the nature of funding shapes the system”. Funding of teaching tasks is calculated in terms of enrolled student numbers and this leads to very vigorous competition, by both HEIs and local authorities to recruit students. This phenomenon was frequently referred to during both CDG visits. There is, however, a significant difference in the funding mechanisms for universities and university colleges. On the one hand, all Flemish universities are research-based and are publicly funded in terms of their peer-reviewed programmes of fundamental research, PhDs, and publications. Private income is generated from R&D activities, patents and spin-off companies. The university colleges, on the other hand, are allocated limited funds to enable them to undertake applied research. These funds

comprise an allocation by the Ministry of Education of ear-marked funds for “Innovation and Knowledge Transfer” in the university colleges to the value of 9 million Euro per year which has to be distributed among 22 institutions. These funds comprise 2% of the total budget compared with the 400 million Euro allocated for mainstream BA and MA courses. Funded applied research is understood as project-based activities to promote technological, economic and social innovation which in practice means that each institution has three projects worth 130,000 Euro each. Stakeholders pointed out that this has resulted in confusing messages to university colleges in the sense that they are expected to do research, but with inadequate funding together with the assumption that applied research should have a market value and be commercially viable. These are the funding mechanisms which effectively determine the space available for the development of the third mission in both universities and university colleges.

Stakeholders argued that the emergence in recent years of third mission activities has been indirectly steered by a funding system which does not recognize the third mission as a distinct area of activity. To this degree, third mission activities in Flemish HEIs can only develop within the margins of a conservative and restrictive funding regime that shapes the outcomes. Stakeholders expressed the view that this has major implications for the viability and visibility of third mission activities and how these should be implemented. It was argued that some university colleges tend to regard third mission activities in terms of the expansion of the Innovation and Knowledge Transfer programme for applied research. This is to assume that third mission activities are an addition to mainstream activities, should be paid for by firms and other clients, and that they should be organized separately in the form of Knowledge Transfer units. There was a clear consensus among the stakeholders, however, that the development of third mission activities as a distinctive organizational entity is neither a viable nor desirable option, “there will never be a department for this purpose”. The strategy favored by most stakeholders was that HEIs should seek to embed third mission activities in their mainstream teaching and research activities. It was argued that there should be strong links in with the economy, employers and community groups in teaching and research and not only in third mission activities. This strategy would mean that third mission activities should be horizontally organized throughout all faculties and departments in their teaching and research. Stakeholders argued that this strategy should be implemented as an institution-broad strategy for the mainstreaming of the third mission. This would require HEIs to reformulate the third mission as an integral dimension of their mainstream activities. In effect, this would replace the dominantly ad hoc approach to third mission activities which results in the lack of visibility of the many activities already organized. Stakeholders were of the opinion that the value of institution-broad strategies has been demonstrated by the PURE benchmarking exercise in Flanders. The benchmarking exercise has succeeded in bringing together information at the institutional level about the wide range of third mission activities already in place and has raised their visibility. This enhances communication, sharing of experiences, the sharing of knowledge and awareness of the impact of third mission activities. Arguments were made for the region-wide adoption of the benchmarking tool as a biannual exercise for all HEIs. This would promote awareness of the importance and relevance of third mission activities when these are integrated in the other two missions.

From the viewpoint of “spatial development” and the impact of HEIs in the region, the key question to be addressed in the future relates to the interactions between HEIs and the region as a political, economic, social and cultural spaces. HEIs operate in these distinctive societal spaces, and this raises the question as to how teaching and research,

relate to these spaces. As such, the teaching and research functions of HEIs, also in terms of their mutual synergy, are interrelated with and impact upon their local, regional and global environments. How HEIs manage these interactions is the key empirical question which needs to be researched and understood.

5: Professional development and entrepreneurship

A significant dimension of the discussion about strategic regional networks focused upon professional development and equipping students and post-graduates with the competences required for sustainable employment. Contributions with regard to this dimension were mainly voiced by the numerous stakeholders representing the world of business who had not participated during the first visit of the CGD in 2009. The competences agenda is emerging as part of new initiatives to more effectively link HEIs with the developing needs of the regional labour market and the construction of a leading-edge knowledge economy in Flanders. Driving forces behind are, on the one hand, by the need to prepare students more effectively for the reality of their future working life in the global economy, and, on the other hand, the post-initial needs of those in work for continuous updating of their knowledge, skills and attitudes via continuing professional development.

In terms of initial higher education, this involves a significant reconstruction of the long-standing tradition of consultation with employers about traditional curricula for the professional B.A. and M.A. degree courses. There is general awareness that there is a significant gap between initial training and professional life, and that young students are poorly prepared and do not know the demands of the world of work well enough. There is often a mis-match between training and the competence profiles now demanded by potential employers. Students often have too high expectations on entering the workplace, and are not realistic when they enter their first job. Employers expect them to be ready to perform as a professional from the first week onwards. Problematic areas in the competence profiles favoured by regional employers in Flanders include not only a lack of emphasis on entrepreneurship skills, but above all poor presentation skills, especially writing skills, social skills and working in teams, and the lack of foreign language skills given that these are now less emphasized in the curricula of HEI institutions. The latter was expressed in terms of the current demand for professionals to possess a “cosmopolitan” set of skills and attitudes which is the foundation of their sustainable employability and, in particular, their future career mobility. New professionals need to be prepared for and be able to work in a global business environment while there is a dominant culture in Flemish family of staying close to home. This is not only a question of working for large multinationals, but also local companies who need employees who have international experiences acquired through a shorter or longer placement abroad. Different stakeholders argued that the language regulations in Flemish HEIs constitute a major obstacle for internationalization. Regular BA and MA courses in English cannot be provided, indeed they are illegal. The effect is that no study programmes in English for Flemish students, Flemish students are not encouraged to study abroad, and there is no continuous inward stream of foreign students. Stakeholders argued that HEIs need to be in touch with the global world as well as the

local environment. Strategic policy is needed for more internationalization in HEIs, to imbed it in institutional policies and practices.

In this context, stakeholders suggested that universities and university colleges should integrate more practical placements, internships, and work-based learning in their curricula and at an earlier point in time in order to counter the lack of practical know-how of new employees. Stakeholders gave examples of reforms in initial courses to provide earlier practical experiences of working life compared with the tradition in Flemish HEI of practical placements only in the third or fourth year of initial BA courses. It was argued that Flemish HEIs are still inadequately aware of the need for closer co-operation with firms, but that students themselves are increasingly recognizing the importance, for their own future job opportunities and employability, of placements in firms, devoting their theses to the needs of firms, and engaging in extra-mural local “knowledge networks” organized by firms in the region. The benchmarking report provides examples of HEIs who are responding to this challenge, but, on the whole, it was reported by stakeholders that such “good practices” are too spasmodic and lack systematic support from the HEIs.

With regard to continuing professional development in the region, stakeholders referred to rapidly increasing demand for the provision of a wide variety of post-initial courses by HEIs. From the viewpoint of the HEIs themselves this is regarded in terms of the alumni returning to upgrade their knowledge and skills together with their growing awareness of the expanding market in Flanders for combinations of working and learning. This is a major challenge for Flemish HEIs that do not have a tradition of post-initial provision which has been largely dominated by private training companies. It must be noted, furthermore, that the Ministry of Education has not as yet recognized this area as appropriate for Flemish HEIs who are expected to provide initial rather than post-initial education. Nonetheless, there is increasing evidence of a growing number of adults who are enrolled in a variety of tailor-made post-initial courses. Stakeholders from the business-world provided examples of courses which have been negotiated with HEIs which ranged from targeted BA and MA courses, updating courses, and the gradual introduction of the Accreditation of Prior Learning (APL). Such provision is intended to provide a better match between the post-initial provision of training by HEIs and the needs of employers in the region for specific professional competences. Examples of such courses ranged from post-initial BA and MA course for the chemical industry to promote more environmentally sustainable production methods, through the advanced technical competences of process operators, maintenance of heavy machinery, to laser welding technologies. The absence of courses in HEIs to provide initial training for human resource managers has resulted in an agreement between consultancy firms and HEIs to develop such courses at the post-initial level. The representatives of Chambers of Commerce in Flemish cities also gave examples of their specific efforts to close the gap between education and training and the day-to-day needs of their member companies. Stakeholders referred to the significant problems of SMEs who have limited or no contacts with HEIs. These potential partners have limited experience of working together, do not meet on a systematic basis, and the HEIs are not proactive towards SMEs.

Among more recent developments, stakeholders referred to examples of the development of APL procedures in co-operation with HEIs. At one extreme the CDG was informed of the example of an experienced instrument-maker who gained a Ph.D. without any prior academic qualifications. At the other extreme, SMEs, for whom APL could be of great significance in the recognition of competences, have little

understanding of what HEIs could offer in this regard for their employees who are often highly skilled but who often lack formal qualifications. Company-based APL procedures, for example the Volvo car manufacturer, remain the exception and largely involve larger companies and not SMEs. References were made, however, to the potentially important role of the Open University in The Netherlands, which performs a significant role in the provision of post-initial higher education in Dutch-speaking Flanders. This is an issue which needs to be explored in greater depth. The same can be said of the recent proposal to introduce new HEI qualification in Flanders at the level of the Associate Degree in The Netherlands, or Foundation Course level in the United Kingdom. The CDG was only able to discuss such developments at a superficial level with the HEIs and the stakeholders.

On the whole, the stakeholders would like to see more creativity in the world of HEIs. The attitudes of HEIs towards employers, in particular with regard to for-profit firms, will have to change, more openness to working life, and more flexible approaches are needed. The interface is the problem, the two do not connect properly, do not meet regularly, speak another language. There should be less bureaucracy, more flexible solutions and approaches to forms of provision with more flexible modular programmes and more e-learning/blended learning which will better link to the world of business. Stakeholders called for a more proactive attitude from HEIs. They should not be dependent upon their alumni, but need to liaise more actively with firms. New functions and new skills are needed in HE institutions. Quick responses are needed from the world of HEIs, otherwise they will miss options and opportunities in the business world. With reference to the idea of intermediaries between the two worlds of HEIs and, in particular, SMEs stakeholders referred to the Chambers of Commerce which have liaison officers who act in the local environment to identify the training needs in local industries and translate needs of employers and companies to HEIs.

6: Lifelong learning as third mission

Following the first visit of the CDG to Flanders, the RVR1 concluded, almost as a final remark, that “Lifelong learning is under-developed as the main focus of the universities is with young students. There particularly seems to be problems for second chance education”.

As a result of its second visit, the CDG was impressed by the wide range of stakeholders who referred to the potential and indeed effective contribution of HEIs to the development and implementation of learning activities which can be recognized in terms of lifelong learning activities. In this regard, the CDG concludes that significant progress has taken place in the discourse in Flanders about lifelong learning in the context of the activities HEIs. On the one hand, this could have resulted from the limited discourse conducted during the first visit. On the other hand, the more open discourse during the second visit enabled stakeholders to identify their own meanings of ‘lifelong learning’ in terms of their own institutional policies and practices. During this second visit of the CDG, however, it did not prove possible to establish a common definition of lifelong learning. The contributions of stakeholders recognized “lifelong learning” in terms of a broad range of learning activities including continuing professional development, second-chance trajectories, outreach activities, and to a lesser degree community-based efforts to develop social capital and active citizenship.

Representatives of a number of university colleges used the term “outreach work” in order to describe their systematic efforts to engage and work with those who are potentially excluded from higher education. On the one hand, this was formulated in terms of engagement with the community, work with the unemployed, indeed there were references to the University of the Third Age. But there were above all references to support for migrant youngsters in terms of promoting their language skills, homework and study skills in order to gain entry to higher education. To some degree, this latter understanding of lifelong learning reflects the notion of lifelong learning as an “added-on” strategy which contributes to widening access to higher education for those from disadvantaged groups. Immigrant communities were referred to in this respect. On the other hand, stakeholders more often referred to lifelong learning in terms of the increasing numbers of adults who return to study in later life for the purpose of updating their professional knowledge and skills in order to enhance their employability;. In terms of a dynamic concept of lifelong learning throughout the life course, such formulations of lifelong learning are not mutually exclusive. The CDG is of the opinion that lifelong learning involves the creation of structures of opportunity throughout life for youngsters, those in paid and unpaid work, and the retired. However, the CDG suggests that lifelong learning should not be regarded as an “added-on” activity for specific target groups, but that it should be integrated in the educational system as a whole. Lifelong learning should be regarded as a policy discourse which informs educational policy in the direction of recurring cycles of learning, working and the active social participation for all citizens. In this regard, there was some measure of disagreement between the representatives of HEIs and the stakeholders from labour-market organizations.

The CDG recommends that it is of great importance in Flanders to develop lifelong learning policies within a comprehensive educational policy context which does not restrict lifelong learning to an added-on function which compensates for the failure to create structures of opportunity throughout the life course. This has significant implications for the integration of third mission activities in the mainstream teaching and research missions of Flemish HEIs as proposed earlier in this report.

The CDG also recommends that the range of stakeholders should be expanded in future benchmarking activities with regard to the impact of HEIs in the Flanders region. This applies, in particular, to trade unions as “social partners in addition to employers’ organizations, but should also include representatives of stakeholders in local communities with reference to housing, health, care, and transport.

7: HEIs and creative local economies

A recurrent theme in both the first and second visits of the CDG concerns the impact of the spatial location of HEIs in local communities. Various stakeholders expressed their views with regard to this issue, and the CDG is convinced that this calls for more systematic attention in the future. On the one hand, HEIs are highly committed to increasing the number of students attending the institutions in cities. On the other hand, local authorities are obviously very active in ensuring that their cities are attractive places for potential students to live and study. The CDG was informed of the activities in different cities which focus on hosting major events and festivals in order to attract students, the lives of students, facilities for their free time, participation in city life,

housing, and transport, etc. Competition between HEIs in the recruitment of regular degree students is all too obviously the product of funding mechanisms and institutional prestige. The interest of local authorities in the recruitment of students is driven, however, by broader economic factors including above all job creation by HEIs as major local employers, the development of dynamic local economies, and the creation of “new” jobs in developing sectors of the economy.

Representatives of local authorities expressed their encouragement for closer relationships between HEIs with global, national and regional/local companies. This was mainly concerned with the creation of more effective forms of co-operation in the form of links with local companies, practical placements for students, case-studies, and the use of expertise available in companies. Local authorities also expressed a growing interest in the “creative economy” which they associate with support of a combination of ICTs and the creative arts. This is regarded as important for the development of an innovative economy in the creative industries which draw upon the local colleges in music, fashion, and the creative arts. Such activities focus on relationships diverse stakeholders and the impact of creative industries on the local labour market. Such initiatives also look to innovation in architecture, design, and broadband-based ICTs as the networking sources of new forms of employment in creative cities. HEIs are regarded as drivers in this area of job creation. This can be regarded as the ‘spatial branding’ of the local community in order, on the one hand, to attract students, and, on the other hand, to develop creative and dynamic cities. On a broader front, local authorities can promote, stimulate, inspire, create, and, above all, facilitate such processes. This can involve establishing agreements between the city and educational institutions on demographic, economical, social, cultural developments that are of great importance to sustainability of cities.

The CDG recommends that local authorities and HEIs need to co-operate in examining both the potential and the empirical evidence about ‘good practices’ with regard to the relationships between HEIs and the sustainable creation of jobs in the creative economy.