



ANNUAL REPORT

2016

Seeing opportunity, investing in potential.

DGMT THE DG MURRAY TRUST

Take a deep breath. Ride the next wave.

2016 was the sixth year of our first focused five-year strategy. No, we didn't get our dates wrong. We chose to take time to reflect and nurture the pivotal projects that showed great promise, but needed more time to bloom. And bloom they did! Ilifa Labantwana helped unlock substantially more public funding for early childhood development. SmartStart reached 10 000 children in its first full year of operations as a social franchise for early learning. The national reading-for-joy campaign, Na'ibali, flew the DGMT nest and got significant new co-funding. And the Activate! network of over 2 000 social innovators grew in profile and influence.

Our year of consolidating big projects didn't mean a lull in start-ups, however. JobStarter was launched as a mobile opportunity hub for young people. Collaboration Schools introduced non-profit expertise into public schools with a greater degree of flexibility of governance and management than ever before. The Innovation Edge co-designed and funded exciting experiments in early learning.

These initiatives are joint ventures with a growing number of strategic investors and implementing partners. DGMT has been privileged to manage them – thanks to the confidence and trust of our co-funders.

Not everything worked. Our persistence in trying to reduce the costs of mobile data for development has yet to pay off. We remain convinced that a breakthrough could bring more young people into the mainstream of economic transformation.

Investment in children and young people is the source of human capital needed to drive economic growth and reduce inequality in South Africa. This is the heart of our work as a public innovator through strategic investment. We want to show that it is possible for every child to reach their potential.

With this in mind, we have identified 10 strategic opportunities which will form the basis for our next five-year strategy.

The DGMT team (Trustees and staff)

How to read this report...

In the beginning of 2016, we released our Five-Year Review for the period 2011-2015. In this report, we explained our strategy, partnerships and projects in great detail. Thus, for 2016 – our year of reflection and re-strategising – we're only going to describe the most important outcomes achieved through the year, and refer you back to our Five-Year Review for more information. You can access our Five-Year Review at www.dgmt.co.za/5yreview/.

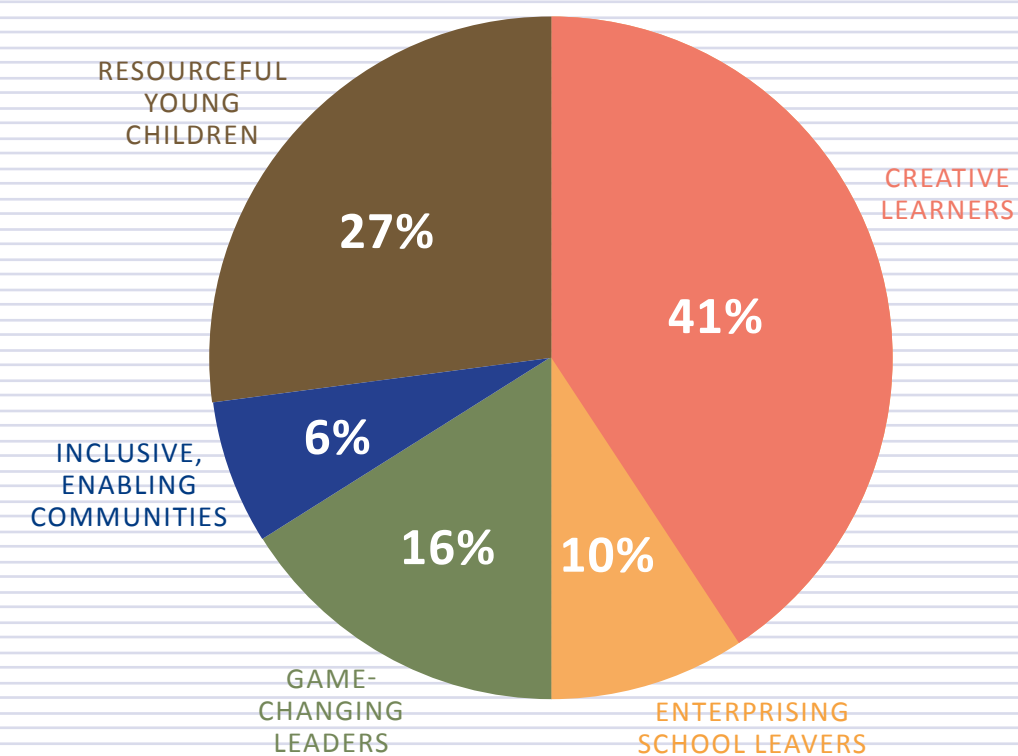


In numbers...

FUNDING COMMITTED:	R131 742 000
ADDITIONAL FUNDING LEVERAGED:	R59 193 808
APPLICATIONS RECEIVED:	296
GRANTS APPROVED:	112
AVERAGE GRANT SIZE:	R1 131 623
MEDIAN GRANT SIZE:	R212 000
<small>(The average and median grant sizes do not include small grants to community-based organisations, where a small grant is defined as less than R30 000)</small>	
SMALL GRANTS TO COMMUNITY-BASED ORGANISATIONS (e.g. ECD centres):	274

Distribution of grants by portfolio

As was the case in previous years, the majority of our funding was channelled towards early learning initiatives through our Resourceful Young Children and Creative Learner Portfolios.



About the DGMT



The DG Murray Trust (DGMT) is a South African foundation built on endowments from Douglas George Murray and his wife, Eleanor. The Foundation is the holder of a portfolio of widely diversified assets, which reduces the risks in funding the achievement of philanthropic and nation-building objectives. The DG Murray Trust currently distributes about R150-million per year.

DGMT's ultimate goal is to create an ethical and enabling environment where human needs and aspirations are met; where every person is given the opportunity to fulfil his or her potential, for both personal benefit and for that of the wider community. Up until 2016 we structured our investments around five portfolios, working towards:

- RESOURCEFUL YOUNG CHILDREN
- CREATIVE LEARNERS
- ENTERPRISING SCHOOL LEAVERS
- GAME-CHANGING LEADERS
- INCLUSIVE, ENABLING COMMUNITIES

BOARD MEMBERS:
 Dave Orton (Chairperson), Ameen Amod, John Volmink, Marianne MacRobert, Shirley Mabusela, James Inglis, Murphy Morobe, Hugo Nelson, Maria Mabetoa

CHIEF EXECUTIVE OFFICER: David Harrison

Douglas Murray House
 1 Wodin Road, Claremont, South Africa
 PO Box 23893, Claremont 7735, South Africa
 Tel: +27 (0)21 670 9840

www.dgmt.co.za

RESOURCEFUL YOUNG CHILDREN

KEY PARTNERSHIPS

Ilifa Labantwana, SmartStart, Innovation Edge and Cape Town Embrace

Early childhood development (ECD) is one of the biggest opportunities to change South Africa. In 2016, our major priorities were: to support the establishment of programmes, systems, human resources and financing mechanisms for quality ECD at scale; and to find innovative ways to promote early learning and reduce childhood vulnerability.

KEY OUTCOMES

- National Treasury allocated an additional R831-million towards early learning service delivery for the financial year 2016/17 in the form of a new conditional grant. The advocacy work of Ilifa Labantwana contributed significantly to this new commitment, which will be sustained annually for at least the next ten years, provided it achieves its objectives.
- Cape Town Embrace inspired Capetonians to turn Cape Town into a 'child-friendly city' when, on Universal Children's Day, they transformed the Company's Garden into an exciting and interactive space celebrating the magic and importance of children. More than 4 000 children and adults attended.
- The Innovation Edge launched the Early Learning Outcomes Measure (ELOM) – this is the first standardised and culturally fair South African pre-school child assessment tool that assesses if ECD programmes are effective in preparing children for Grade R. Innovation Edge has 22 other innovations in the pipeline.
- 1 100 SmartStart franchisees now offer early learning opportunities to 10 000 three- and four-year-olds – and the numbers keep growing.

CREATIVE LEARNERS

KEY PARTNERSHIPS

Nal'ibali, Public School Operating Partnerships (PSOPs), Community Work Programme (CWP)

Millions of children in South Africa do not have the foundations for learning. Through this portfolio we invest in early language and reading as a key strategy to improve the education outcomes of children and teenagers. In 2016, major priorities were: to promote a culture of reading for enjoyment and to expand access to reading materials; to establish public-private partnerships that bring non-profit players into the public system; and to develop learning spaces for child-driven exploration.



KEY OUTCOMES

- Nal'ibali secured co-funding from the United States Agency for International Development (USAID) of R104-million over three years to turn 720 Eastern Cape and KwaZulu-Natal schools into 'story-powered schools'.
- Five schools participated in the Public School Partnership in the Western Cape. School management improved but, as expected, there are no significant changes yet in learner outcomes.
- The number of CWP participants running early learning programmes for children has increased by 148% since mid-2015, from 221 to 548. Reading clubs, Maths workshops and playgroups now reach 18 255 children through these partnerships.

ENTERPRISING SCHOOL LEAVERS

KEY PARTNERSHIP

JobStarter

Approximately half of South African young people are not employed or in education or training by the time they are 25 years old. The aim of this portfolio is therefore to connect school leavers with a range of opportunities that will lead to sustainable livelihoods. In 2016, major priorities were: to build an informational and m-learning platform to help young people navigate career pathways; to support a national mechanism to reduce the cost of mobile data; to support first-rung strategies to facilitate young people's entry into the economy; and to address high school drop-out rates.

KEY OUTCOMES

- JobStarter – a free online platform designed for easy navigation via cellphone, connecting young people to career information, work-readiness training and jobs – was launched in October. The platform's interactive work-readiness training (which customises the content to each learner) is groundbreaking in terms of free mobile learning opportunities.
- Through a rigorous process of engagement, nine partner organisations were identified to pilot new approaches to tackling school dropout rates. This is an exciting new area of work for us.



GAME-CHANGING LEADERS

KEY PARTNERSHIP

Activate!

To grow economically, reduce inequality, and foster social solidarity so that we thrive as a nation, South Africa needs young leaders who will inspire innovation in both the public and private sectors. This portfolio is about developing a new national cohort of entrepreneurial young leaders committed to public innovation – a process of continuing improvement of policies, programmes, systems and institutions for public benefit. In 2016, major priorities were: to continue to build a national network of young leaders for public innovation; to create platforms of influence for young people; and to support youth-led initiatives addressing social justice issues.



KEY OUTCOMES

- By the end of 2016, there were more than 2 000 Activators who were pioneering social change across South Africa. We are excited to grow this network by at least another 2 000 Activators over the next three years, while strengthening the influence and impact of the network as a whole.
- A randomised controlled trial of Activate! found strong shifts around trust, risk-taking, and civic engagement among Activators. We hope that over time this trial will help us to understand how social interventions can have economic outcomes for young people.
- In order to strengthen the position of young people in policy and planning, we invested in the start up of a 'Youth Analysis Unit' that aims to become a knowledge-generating hub for youth.

INCLUSIVE, ENABLING COMMUNITIES

KEY PARTNERSHIP

Review of Welfare Service Costing with National Treasury

Regardless of age, sex, economic status or ability, we must remain focused on affirming the value and dignity of those who feel most marginalised and devalued by society. This portfolio aims to create a more inclusive society where vulnerable groups are accessing services and are recognised as active, contributing members of society. In 2016, major priorities were: to improve the efficiency and effectiveness of the social sector; to find innovative ways to promote social inclusion; and to unlock the potential of communities to collaborate for social change.

KEY OUTCOMES

- Working with National Treasury to improve the financing and administrative systems within government and non-profit organisations (NPOs), we have ensured that guidelines for transfers to NPOs from the national and provincial Departments of Social Development are clear, standardised and efficient.
- A number of partner collaborations have yielded positive outcomes, for example, abuse prevention programmes implemented in targeted communities in the Helderberg area using a home-based parenting model.



We released the second issue of our Create Change resources for advocacy and strategy. This issue positioned community networks of care and support for the development of children as a powerful strategy to bring long-term change to South Africa – a strategy in which all South Africans can participate.



In partnership with KfW – the German Development Bank – we launched Bumb'ingomso, which aims to build a sense of real and imminent possibility for the young people of Buffalo City through a multi-sectoral package of interventions. Our ultimate goal is to dramatically reduce the incidence of HIV infections in young women, tackling the individual, social, and structural drivers of high-risk behaviour.



OTHER BIG ACHIEVEMENTS