



South African Medical Research Council

(SAMRC)

ANNUAL PERFORMANCE PLAN

For 2017/2018

**Date of Tabling:
March/April 2017**

FOREWORD

The South African Medical Research Council (SAMRC)'s strategy is guided by the country's health priorities. This performance plan reflects its short-term (annual) priorities and commitments which it derives from the Sustainable Development Goals (SDGs) and the National Development Plan 2030 (NDP).

With this Annual Performance Plan 2017/18, the SAMRC is committed to cooperate and strengthen relationships with its line department, the National Department of Health (NDoH) and various health sector partners to facilitate and support the implementation and achievement of the country's health and health-related research priorities. The SAMRC is further committed to extend its role in engaging and providing technical support to the NDoH in the area of National Health Insurance (NHI) Policy.

The performance targets were developed in consultation with NDoH to ensure its alignment with departmental targets and to ensure that its organisational plans takes into account current health-related challenges such as the quadruple burden of disease, mainly Human immunodeficiency virus (HIV) and Acquired immune deficiency syndrome (AIDS), tuberculosis (TB), Maternal and Child Mortality, Non-communicable Diseases (NCDs), Violence and Injuries and others.

The SAMRC takes pleasure in presenting its 2017/18 Annual Performance Plan (APP) and will continue to improve its efficiency and effectiveness in line with the institutional SAMRC review undertaken in 2014 to guide and support advancements in medical research and technology.



A handwritten signature in blue ink, appearing to read 'Aaron Motsoaledi', written over a faint circular stamp or watermark.

Dr Aaron Motsoaledi, MP
Executive Authority, Minister of Health

OFFICIAL SIGN-OFF

It is hereby certified that this South African Medical Research Council's Annual Performance Plan:

- Was developed by the management of the South African Medical Research Council under the guidance of its President, Professor Glenda Gray and approved by members of SAMRC Board under the guidance of its Chairman, Professor Mike Sathekge.

- considers all the relevant policies, legislation, and other mandates for which the South African Medical Research Council is responsible and accountable.
- Accurately reflects the strategic outcome oriented objectives and performance targets which the South African Medical Research Council will endeavour to achieve over the period 2017-18 as a result of implementing its 5-year Strategic Plan 2015/16 – 2019/20.



Mr Nick Buick
Chief Financial Officer



Signature:



Prof Glenda Gray
President



Signature:



Prof Machaba (Mike) Sathekge
Chairman: SAMRC Board



Signature:



Approved by: Dr Aaron Motsoaledi, MP
Executive Authority



Signature:

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PART A
STRATEGIC OVERVIEW

PART A: STRATEGIC OVERVIEW

1. Situational analysis

1.1 Research and Performance at SAMRC

The SAMRC's strategy is guided by the amended SAMRC Act (No. 58 of 1991) and the country's health priorities defined by the quadruple burden of disease and top ten causes of mortality.

The SAMRC continues to cooperate, collaborate and strengthen relationships with the NDoH to formulate, facilitate, implement and support a research agenda that leads to the successful achievement of the SDGs and the NDP. The SAMRC is thus committed to continue playing a critical role in engaging and providing scientific and technical support to the NDoH for the National Health Insurance (NHI) Policy.

The SAMRC's nine strategic objectives (from the four goals) inform the research agenda and action plans of the organisation for the next five years. The implementation of the research agenda will be realised through the relevant research projects conducted by both intra- and extra-mural research units, centres and offices of the SAMRC, also through funding of self-initiated projects, Request for Applications (RFAs) and capacity development initiatives.

The SAMRC's research aims, as outlined in this APP, is thus to promote the improvement of the health and quality of life of all who live in South Africa. To fulfil the mandate as defined by the SAMRC Act, the SAMRC both conducts and funds health research that may lead to drug or vaccine discovery, affordable diagnostics and devices that will improve the wellbeing of South Africans. To achieve this, the SAMRC works closely with strategic health partners including the NDoH, the Department of Science and Technology (DST), Science Councils, Medical Schools, Universities, Research Institutes and international collaborators.

The SAMRC funds Intramural and Extramural Research Units, Clinical Collaborating Centres for Cancer and TB/HIV. All SAMRC Extramural Research Units are founded on scientific excellence and leadership by an internationally recognised researcher and a research team that is mandated to contribute towards developing the next generation of research leaders. The units are established within research institutions which are primarily South African universities and their goal is to generate new knowledge in strategic areas that are pertinent for the South African context. For the SAMRC Extramural Research Units, our financial support is approved in 5-year cycles, based on scientific productivity, up to fifteen (15) years.

The SAMRC's strength is its truly comprehensive, integrated and national health research approach; borne of decades of experience in conducting (intramural) and supporting (extramural) health research focused on South Africa's health priorities. The SAMRC's activities uniquely straddle issues of health, including population health (with specific social science expertise), disease and disease mechanisms (with specific biomedical science expertise) and health systems, settings and policy research, in which the SAMRC plays a unique and crucial national role as the champion and custodian of the South African medical and health research.

Notably, the coordination and alignment of the SAMRC's research priority areas occurs in the context of the National Burden of Disease. The SAMRC researchers serve on strategic national, regional and international advisory boards, committees and work groups thereby providing inputs that influences policy changes in areas affecting the health and quality of life of South African citizens. This participation may culminate in

the development of service delivery platforms, tools, drugs, vaccines and guidelines for practice which will enable health workers to deliver improved care at all levels of the health system.

Over the years the SAMRC has conducted clinical trials, epidemiological research and surveys that provide vital information that is used by the NDoH and government in general for health planning and assessing progress towards realising government's objectives. Some of these studies are conducted at regular intervals as they form part of internationally accepted surveillance systems such as the demographic and health surveys and include the:

- Second National Burden of Disease Study;
- South African Demographic and Health Surveys;
- Evaluation of health information systems for National Health Insurance.

2016 South Africa Demographic and Health Survey

SADHS 2016, which is being conducted by the SAMRC, together with the National Department of Health (NDoH) and Statistics South Africa (STATS SA), will focus on maternal and child health care, reproductive health services as well as services for common chronic diseases.

The survey fieldwork commenced in June 2016 and completed in October 2016. Data was collected by means of face-to-face interviews with the adults residing in 15 000 households across the country. These households have been carefully selected to be nationally representative, based on a random sample of households conducted in each province. The South Africa Demographic and Health Survey (SADHS 2016) promises to provide the country with key health indicators as well as information about how well South African health services are meeting the needs of the population.

This research enables the Department of Health to plan relevant or responsive initiatives. Findings from these surveillance platforms and results from this clinical and epidemiological research has the potential to be translated into policy and practice.

Revival of HIV vaccine trial site in the Eastern Cape

The South African Medical Research Council (SAMRC) has committed R2,6m, in 2016/17, to reviving an HIV Vaccine Research Unit at the Walter Sisulu University (WSU) together with the HIV Vaccine Trials Network (HVTN).

The investment is aimed at improving clinical research capacity and will see the new unit (Nelson Mandela Academic Clinical Research Unit) at the Nelson Mandela Metropolitan University (NNMU) join the (HVTN) in conducting HIV vaccine trials in the Eastern Cape.

The SAMRC has committed a total of R14,5m in funds for capacity development at WSU, R5,6m of which is directed to HIV research, while R2,6m will be allocated to the re-development of an HIV vaccine trial site in Mthatha and R3m to be directed to determining HIV incidence in trauma units in hospitals and clinics in the Eastern Cape.

The SAMRC has committed to develop HIV vaccine clinical capacity at WSU in anticipation of this site participating in a large scale HIV vaccine trial called HVTN 702. Clinical trial HVTN 702 is designed to determine whether a vaccine regimen adapted from the Thai R144 study is safe, tolerable and effective in preventing HIV infection among South African adults. The trial began in November 2016. The SAMRC's HIV Prevention Intramural Research Unit is also involved in this HIV vaccine study.

HVTN 702 was approved, when a phase I/II study called HVTN 100 met the immunological criteria to trigger the larger trial. HVTN 702 is designed to determine whether the regimen is safe, tolerable and effective at preventing HIV infection among South African adults and will be led by the SAMRC president (Prof Glenda Gray) in her capacity as the Protocol Chair.

1.2 Organisational Environment

1.2.1 Vision, Mission, Values and Strategic Oriented Goals

Vision

Building a healthy nation through research and innovation

Mission

To improve the nation's health and quality of life by conducting and funding relevant and responsive health research, development, innovation and research translation

SAMRC mandate

The mandate of the SAMRC is legislated in terms of the amended Act No. 58 of 1991 which stipulates that: 'the objects of the SAMRC are, through research, development and technology transfer, to promote the improvement of the health and quality of life of the population of the Republic, and to perform such functions as maybe assigned to the SAMRC by or under this Act'.

Organisational values

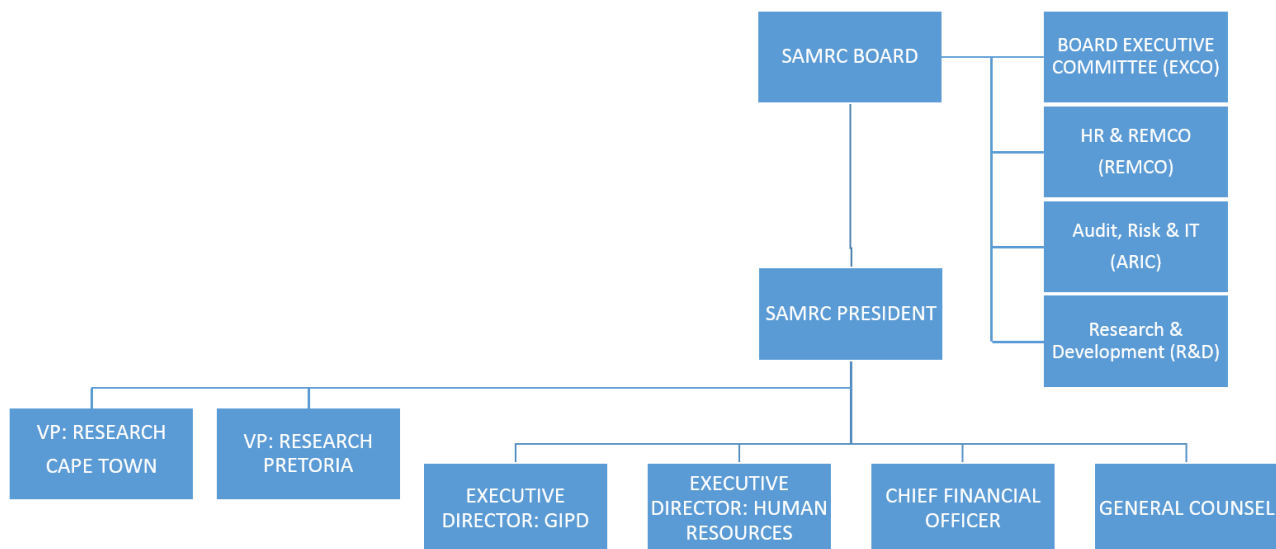
The three key values of the SAMRC and the keywords relating to each value described hereunder:

- PIONEERING – We push the boundaries between the known and the unknown to further our knowledge of human existence.
- COLLABORATIVE – We celebrate the capacity of collective minds toward achieving a common goal.
- EXCELLENCE – we strive for distinction in everything we do.

1.2.2. Organisational Structure

Figure 1, depicts SAMRCs organisational structure. The SAMRC's President, Professor Glenda Gray, who is a paediatrician and medical scientist is tasked with providing leadership to the SAMRC for a five-year period (2014-2019). She is an internationally acclaimed A-rated scientist by the National Research Foundation (NRF) with vast knowledge and expertise in the field of HIV (mother-to-child transmission, HIV vaccines and microbicides). The novelty and efficacious character of her work is evident by her being awarded the Nelson Mandela Health and Human Rights Award for pioneering work in the field of mother-to-child transmission of HIV-1. She also received an honorary doctorate from Simon Fraser University in 2012. In 2013 she received the country's highest honour, the Order of Mapungubwe, from the office of the Presidency of South Africa for her outstanding achievements in the international arena which have served South Africa's interest as well as the European and Developing Countries Clinical Trials Partnership (EDCTP) recognition award for Outstanding African Scientist. Her remarkable leadership will take the SAMRC to greater heights and sustain the gains made through revitalisation.

Figure 1: The SAMRC organisational structure



1.2.3. Organisational functioning

Since its inception in 1969, the SAMRC has had numerous laudable achievements and the research conducted or funded by the SAMRC has had a significant impact on public health in South Africa. A review of the organisation by an independent panel of national and international experts in 1997 (the Science, Engineering and Technology Institution (SETI) Review) revealed that the SAMRC was a national asset, which is being successfully transformed to discharge its responsibilities and functions.

The recommendations of the 2010 SETI Review were subsequently implemented. The NDoH has concluded the selection process to finalise the team of panellists for the upcoming SETI Review. It is envisaged that the review will commence early in 2017.

The SAMRC’s Strategic Plan and APP are aligned to the new mandate of the reformed health sector and the changing health research needs within South Africa, placing the SAMRC in a pivotal position to respond to the SDGs, the NDP: Vision 2030 and the Medium Term Strategic Framework (MTSF) (2014 – 2019); as well as the NDoH’s 10-point plan. The SAMRC 2015/16 – 2019/2020 approved Strategic Plan encompasses 4 goals with a central feature being the high impact world class medical research.

It is envisaged that the SAMRC will undertake several new initiatives during the 2017/18 period as described hereunder:

- The prioritisation and focus of the intramural research will create a new ethos of high quality science and health impact,
- Strategic oversight of the SAMRC research by the Scientific Advisory Committee
- Improved funding of intramural units,
- Investigating paediatric and adolescent mental health,
- Revitalised SAMRC’s funding model – continue development of a responsive model to strengthen health research at Historically Disadvantaged Institutions (HDIs) and increase the level of SAMRC funding to Previously Disadvantaged Individuals (PDIs) and Historically Disadvantaged Institutions (HDIs),
- Establish an Intramural Research Fund focussing on emerging and previously disadvantaged individuals,

- Sign a Memorandum of Understanding (MoU) with Forte (Swedish Council for Health, Working Life and Welfare) and joint fund collaborative projects in Sweden and South Africa focussing on inequalities in health, health systems and health system policies,
- Sign MoU with Chinese Academy of Medical Sciences (CAMS) to promote collaboration in cancer research between scientists from both countries with an emphasis on oesophageal cancer,
- Establish a Research Integrity Office,
- Set up collaborative projects with scientists in Sudan, Senegal and Madagascar,
- Create a joint Request for Application (RFA) with the Department of Science and Technology (DST) in India for collaborative projects on TB and HIV.
- Initiate two new joint RFA's with the UK Newton Fund in antimicrobial resistance and Precision medicine

The SAMRC has revamped and expanded extramurally funded research through the establishment and/or extension of a number of local and international partnerships as follows:

- 1) The Strategic Health Innovation Partnerships (SHIP) unit of the SAMRC has continued to expand its programmes and portfolios. SHIP was created in April 2013 as a funding and project management mechanism based at the SAMRC. Substantial funding of over R480m has been secured for SHIP from various sources including the DST, South African AIDS Vaccine Initiative (SAAVI)/NDoH, the Bill and Melinda Gates Foundation, the UK Newton Fund and Anglo-American. SHIP is currently funding the largest malaria and TB drug discovery projects in Africa linking seven (7) academic groups in or under one research project to address Africa's health needs. The lead programme is in clinical trials in Africa. SHIP is also funding a large range of medical device projects focusing on the disease burden of Africa with particular emphasis on maternal and child health interventions, TB point-of-care diagnostics and a diagnostic for early onset of diabetes. A new medical devices call was released in 2016. SHIP is funding the investigation of vaccine development for both TB and HIV. South Africa is the only African country to design a HIV vaccine which was tested in humans in two trials both in South Africa and the USA – this was enabled through SAAVI funding. In addition, SHIP is supporting HIV research capacity development in the Eastern Cape and community engagement efforts in HIV prevention research nationally. SHIP's Non-Communicable Disease (NCD) Programme is currently being expanded through a Precision Medicine strategy and think tank.
- 2) The Newton Fund (UK MRC) Partnerships on (i) NCDs in Africa (together with GSK) and (ii) TB implementation science reached fruition this year with the selection of the awardees and initiation of the collaborative projects. For the NCD call, seven awards were made, none of which were awarded to HDIs. For the TB call, six awards were made, one to an HDI. A further two projects were awarded to the Mangosuthu University of Technology (MUT) and Cape Peninsula University of Technology (CPUT), financed from the SAMRC's baseline funds.
- 3) The SAMRC has partnered with the Canadian Institutes of Health Research (CIHR) to facilitate South Africa's participation in the Healthy Life Trajectories Initiative (HeLTI), a priority-driven initiative funded through the CIHR's Roadmap Accelerator Fund (RAF), co-ordinated by the World Health Organisation (WHO) and involving regional cohorts in childhood obesity with other BRICS nations. Funding for South Africa's participation is provided by the National Department of Health. A RFA for a Cohort Leadership Team comprised of investigators and knowledge users'/policy makers from both South Africa and Canada for a cohort in South Africa was published in January 2016. A Cohort Leadership Team has been selected to move to the full proposal stage. The team will evaluate

interventions along the continuum of care from pre-conception to pregnancy, infancy and childhood, to reduce the prevalence of obesity, adiposity and metabolic markers indicating risk of future cardiovascular disease, diabetes and other NCDs. Interventions addressing other risk factors for NCDs will be considered in addition to obesity, adiposity and metabolic markers.

The Department of Biotechnology, Ministry of Science and Technology, India in collaboration with the DST and the SAMRC are planning to embark on a collaborative research program on HIV, TB and TB/HIV over a period of three years. Key focus areas will include:

- Development of preventive HIV vaccine by designing immunogens that can elicit potent and broadly neutralizing antibodies,
- Isolation and characterization of neutralizing MAbs effective against clade C HIV-1 viruses for use in combination therapies, passive immunization, and/or for designing preventive vaccines,
- Creation of cohorts of TB patients with HIV-1 co-infection and formation of national biorepositories (for breath condensates, blood, tissue etc.) to facilitate immunological studies on HIV and TB,
- Identification of biomarkers and development of novel assays for diagnosis and management of tuberculosis and tuberculosis with HIV co-infection.

The goal is to link the program into the newly established TB RePORT program – a multicentre multi-country TB research program - partnership with Brazil, India, South Africa and the US NIH.

New SAMRC collaborations

SAMRC / FORTE Joint Research Projects

The SAMRC is injecting in excess of R20m over three years in 17 collaborative projects that will focus on key areas of healthcare, namely *inequalities in health* and *health systems policies*.

Funding for these projects is an initiative of the SAMRC and its Swedish counterpart, the Swedish Research Council for Health, Working Life and Welfare (FORTE). Both organisations entered into a MoU in August 2015 to expand collaboration between South African and Swedish scientists in line with the intention of the governments in both countries to increase bilateral cooperation.

Investing strategically in research and development across borders is imperative to advance the knowledge economy of any country. The SAMRC firmly believes that these projects will synergize and complement the expertise of scientists from both countries and enhance improvements of health outcomes in their respective nations.

There are three categories of project funding under the SAMRC and Swedish initiative, namely: category 1 and 2 grants for three-year joint projects, and category 3 grants, which comprises of a mobility grant during the first year to establish new collaborative partnerships followed by a 2-year project grant thereafter, if selected for funding through a competitive process.

Investment in biomedical research

The Grants, Innovation and Product Development (GIPD) unit of the SAMRC continues to show its commitment to enriching biomedical research that seeks to ease the burden of disease in poor and under resourced communities.

Essentially, the unit intend to focus on biomedical products and solutions that will respond to the health needs of the average South African. Through partnerships, the unit will facilitate the transfer of research

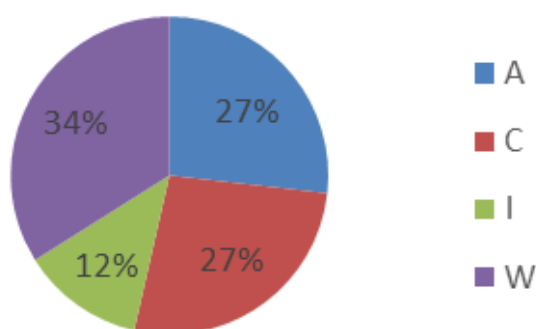
outputs to improve health outcomes and social benefits, specifically for under-resourced communities. The unit will endeavour to further entrench its commitment to enhancing the capacity of South African science by pursuing investors and investment opportunities whose contribution will advance health outcomes, benefit societies and improve on the overall existing South African health sciences landscape.

Self-initiated Research (SIR) grants

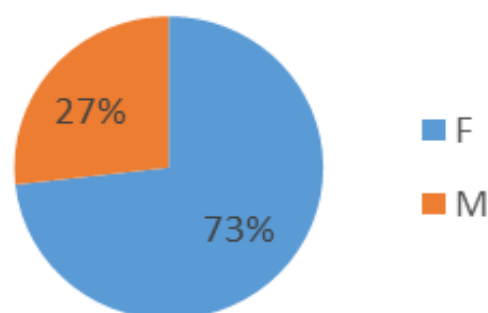
This category of research support by the SAMRC caters for health research applications that propose novel studies initiated by a researcher at a recognised research institution. Awardees qualify for a funding amounting of up to R200,000 per annum for a maximum of 3 years. In 2015/16, for the first time the SAMRC included two categories of applications, to include the early-stage and mid-level to established researchers. A new scoring mechanism which takes into account peer review scores and transformation imperatives was also trialled. A total of 56 awards at a total value of R10,6m were made, 61% (34) of these to early-stage investigators and 39% (22) to mid-level to established researchers. A further R14,5m was allocated to renewal/ continuation of currently funded projects. Figures 1A, B and C depict the distribution of awards by race, gender and priority area, respectively.

Figure 2: Distribution of Awards

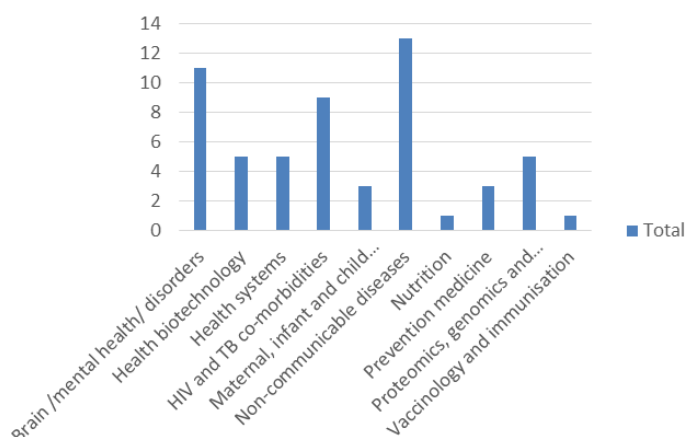
A: Race



B: Gender



C: Priority Area



SAMRC extramural research units

SAMRC extramural research units are established within research institutions (mainly universities) in South Africa with the primary goal of generating new knowledge (as shown in Table 1) but also to build research capacity in the discipline of health sciences. The extramural units are built on scientific excellence and leadership of an internationally recognised researcher and his/her research team and must contribute to developing the next generation of research leaders for the country. The funding for SAMRC extramural

research units represents a secure, discretionary, financial incentive which is approved in 5-year cycles up to a maximum of fifteen (15) years.

Table 1: SAMRC intramural and extramural research units

SAMRC research sub-programmes	SAMRC research units	Unit Director	Institution
Health promotion and disease prevention	Anxiety and Stress Disorders Research Unit	Prof D Stein	University of Cape Town
	Environment and Health Research Unit	Prof A Mathee	Intramural Research Unit
	Alcohol, Tobacco and Other Drug Research Unit	Prof C Parry	Intramural Research Unit
	Non-Communicable Diseases Research Unit	Prof A Kengne	Intramural Research Unit
	Violence, Injury and Peace Research Unit	Prof M Seedat	Intramural Research Unit
	Rural Public Health and Health Transition Research Unit	Prof S Tollman	University of the Witwatersrand
	Hypertension and Cardiovascular Disease Research Unit	Prof A Schutte	North-West University
	Microbial Water Quality Monitoring Research Unit	Prof A Okoh	University of Fort Hare
Maternal, child and women's health	Development Pathways Research Unit	Prof S Norris	University of the Witwatersrand
	Gender and Health Research Unit	Prof R Jewkes	Intramural Research Unit
	Maternal and Infant Health Care Strategies Research Unit	Prof R Pattinson	University of Pretoria
	Child and Adolescent Lung Health	Prof H Zar	University of Cape Town
HIV, AIDS, TB and other communicable diseases	Diarrhoeal Pathogens Research Unit	Prof J Mphahlele	Sefako Makgatho Health Sciences University
	HIV Prevention Research Unit	Prof G Ramjee	Intramural Research Unit
	Centre for Tuberculosis Research unit	Prof P van Helden	Intramural Research Unit
	Molecular Mycobacteriology Research Unit	Prof V Mizrahi	University of Cape Town
	Respiratory and Meningeal Pathogens Research Unit	Prof S Madhi	Chris Hani Baragwanath Hospital
	HIV-TB Pathogenesis and Treatment Research Unit	Prof S Abdool-Karim	Centre for the AIDS Programme of Research in South Africa (CAPRISA)
Health systems strengthening	Burden of Disease Research Unit	Prof D Bradshaw	Intramural Research Unit
	Biostatistics Research Unit	Prof C Lombard	Intramural Research Unit
	South African Cochrane Centre	Prof C Wiysonge	Intramural Research Unit
	Health Systems Research Unit	Prof C Mathews	Intramural Research Unit
	Health Services to Systems Research Unit	Prof H Schneider	University of the Western Cape
Public health innovation	Drug Discovery and Development Research Unit	Prof K Chibale	University of Cape Town
	Herbal Drugs Research Unit	Prof A Viljoen	Tshwane University of Technology
Biomedical research	Bioinformatics Capacity Development Research Unit	Prof A Christoffels	University of Western Cape
	Human Genetics Research Unit	Prof R Ramesar	University of Cape Town
	Immunology of Infectious Diseases Research Unit	Prof F Brombacher	University of Cape Town
	Stem Cell Research and Therapy Unit	Prof M Pepper	University of Pretoria
	Antiviral Gene Therapy Research Unit	Prof P Arbuthnot	University of the Witwatersrand

Table 2: SAMRC intra- and extramural research units' purpose

INTRAMURAL RESEARCH UNITS	
Unit	Purpose
Burden of Disease Research Unit	To assess and monitor the country's health status and determinants of disease; to project the future burden of disease in order to provide planning information to improve the health of the nation and to evaluate health information systems
Biostatistics Research Unit	To advance the health of the nation through the application, development and promotion of statistical methods in the clinical and health research conducted by the SAMRC
Violence, Injury and Peace Research Unit	To improve the population's health status and quality of life through research and advocacy, aimed at promoting safety and peacefulness through the prevention of death, disability and suffering arising from violence and injury
Environment and Health Research Unit	To conduct population-based research on environmental risks to health, with special emphasis on those living in poverty
Gender and Health Research Unit	To improve the health status and quality of life of women through high quality scientific research on gender and health that informs the development of policy, health services and health promotion
Alcohol, Tobacco and Other Drug Research Unit	To generate knowledge and propose policy and other interventions that will lead to a reduction in alcohol, tobacco and other drug use and the associated burden experienced by individuals and society
HIV Prevention Research Unit	To address the challenges of the South African HIV epidemic and associated co-morbidities through a combination of biomedical, epidemiological and behavioural prevention, therapeutic and implementation science research agenda
Centre for TB Research	To run a portfolio of world class TB research ranging from basic to applied which includes projects that are laboratory based, clinic based and involves either selected individuals or local populations. Areas of interest include bacteriology, immunology, genetics, bioinformatics, and clinical trials with national and international collaborators
Non-communicable Diseases Research Unit	To formulate and apply an integrated programme of research and capacity development to improve the prevention, understanding, detection and management of NCDs, with a major focus on cardiovascular disease and metabolic disorders in South Africa
Health Systems Research Unit	To conduct health systems research to develop health systems, improve the organisation, efficiency, effectiveness of health systems, and increase the impact of health systems on population health and well-being and to understand and evaluate how health systems function and how they can be strengthened, including how to develop and implement policies and programmes in ways that strengthen, rather than undermine, health systems
Cochrane South Africa	To prepare and maintain Cochrane Reviews of the effects of healthcare interventions, and to promote access to and the use of best evidence in healthcare decision making within Africa
EXTRAMURAL RESEARCH UNITS	
Maternal and Infant Health Care Strategies	To develop health strategies to improve the quality of care at primary and secondary care levels for mothers and infants by seeking saleable and sustainable solutions; thereby reducing maternal, perinatal and infant deaths
Immunology of Infectious Disease Research Unit	To be a relevant and comprehensive multi-disciplinary team in a centre of excellence embracing basic and applied research, improving capacity, teaching and training in immunology of infectious diseases with a focus on TB and other important human infectious diseases
Respiratory and Meningeal Pathogens Research Unit	To study the causes, management and prevention of pneumonia and meningitis infections with expanded initial focus on pneumococcal disease, to other common bacterial and viral causes of childhood morbidity and mortality, including Group B streptococcus (GBS), rotavirus, Respiratory Syncytial Virus (RSV), pertussis, and influenza virus as well as to integrate clinical, epidemiological and basic science research to improve the health of Africans through vaccines
Bioinformatics Capacity Development Research Unit	Build bioinformatics capacity in South Africa and across the African continent through research and innovation
Diarrhoeal Pathogens	Study viral and microbial agents associated with diarrhoea in infants and young

Research Unit	<p>children in southern Africa; Investigate the molecular epidemiology of rotavirus infection in southern Africa with a view to optimising the future implementation of a rotavirus vaccine strategy; Study the molecular pathogenesis of rotavirus infection, using the vast array of clinical material available, as well as detailed molecular analysis of the associated viruses; Support biotechnological developments in the field of anti-diarrhoeal vaccines, which could have a dramatic effect on our population; Promote a public understanding and awareness of diarrhoeal disease, and the importance of research in this area; Develop human capital capacity by training young researchers, equipping them to join the local scientific community</p>
Drug Discovery Research Unit	<p>Establishment of a scientific infrastructure as well as capacity for drug discovery and development in the broad sense; Development of infrastructural and operational systems for new drug discovery and development; Attracting young South African and African scientists thereby contributing to transformation and capacity building; Providing career development opportunities for independent academic and/or research careers</p>
Molecular Mycobacteriology Research Unit	<p>To investigate aspects of the physiology and metabolism of M. tuberculosis of relevance to TB drug discovery, drug resistance, mycobacterial persistence and TB transmission</p>
Rural Public Health and Health Transitions Research Unit	<p>To better understand the dynamics of health, population and social transitions in rural South Africa and southern Africa to mount a more effective public health, public sector and social response</p>
Developmental Pathways for Health Research Unit	<p>To investigate genetic, physiological, psychosocial and lifestyle determinants of growth and development, risk of disease, and healthy ageing across the life course</p>

SAMRCs Bursaries, Fellowships and Scholarships

The SAMRC supports the next generation of scientists by awarding scholarships and engaging in partnerships. One notable prestigious Public Private Partnership has resulted in the launch of the National Health Scholars Programme, which aims to develop young scientists. This scholarship programme is responsive to national targets of health researcher development, and is pivotal to the urgent mandate for clinician PhD development (MD/PhDs), including PhD development in all other health professions. Hence in addition to administering the Clinician Researcher Programme for PhD development, the SAMRC is concurrently forging ahead with the Public Health Enhancement Fund to further accelerate the development of MD/PhDs and PhDs in health and allied health professions.

The SAMRC also has a robust in-house researcher development programme through its internship scholarship programme, thus creating opportunities for skills transfer and human capital enrolment and development in SAMRC core research areas.

The SAMRC understands the importance of health science and scientists in South Africa demonstrated by the SAMRC President's 2015 initiative of Research Strengthening and Capacity Development Opportunity at Selected South African Universities. In this initiative, the SAMRC is supporting emerging researchers at selected universities who have immense potential to make significant contributions in health sciences, but are resource constrained to enable them to reach their full potential. Furthermore, it is envisaged that this initiative will narrow the gap between the selected universities and established, research intensive universities.

The SAMRC's strategy is aligned to the outputs of the NSDA which are geared towards increasing life expectancy; decreasing maternal and child mortality; combating HIV and AIDS and decreasing the burden of diseases from TB; and strengthening health system effectiveness. Hence, funding schemes for masters and doctoral candidates are allocated across these national health priorities.

1.2.4. Human resource management and transformation

Appropriate strategic human resource management, including the attraction and appointment of personnel with key talents, training, development and performance management of our staff members and implementation of innovative and fair remuneration practices, are important areas of focus for the SAMRC over the next five years. In addition, the SAMRC needs to continue fostering sound labour relations with relevant stakeholders.

The transformation of the SAMRC and concomitant diversity management is critical if the organization is to play a role of any significance in the creation of a South African society that harnesses the creative potential of all its citizens. As a leading research institution in South Africa, we recognise that the local and global environment in which we operate, and the factors that influence the demand of our services, are in a state of continual change.

Of equal importance is the fact that we must be responsive to change; aim to continually and proactively seek to embrace and effectively address challenges for continuous improvement of the organization. We acknowledge the need to take decisive steps to move beyond the legacy of deprivation, underdevelopment, any form of oppression and other forms of discrimination in our societies that could impact on the structure, culture and demographics of our organization. We are committed to harnessing and nurturing the value and strength of diversity and to eliminating all forms of discrimination in the organisation. We aim to undertake meaningful transformation and equitable representation to specifically change the management profile of research units. The SAMRC is concentrating on addressing transformation challenges at all levels by ensuring that our staff profile reflects the demographics of our country.

The SAMRC has a staff complement of 530, of which 41.3% (219/530) are African, 16.2% (86/530) are Indian, 26.8% (142/530) are Coloured and 15.7% (83/530) are White. The majority of our employees are females (70.9% or 376/530) with a male complement of 29.1% (154/530) as shown in Table 2.

Table 3: SAMRC Employees

RACE	GENDER	TOP MANAGEMENT	SENIOR MANAGEMENT	PROFESSIONALLY QUALIFIED & SPECIALISTS	SKILLED TECHNICAL & ACADEMICALLY QUALIFIED	SEMI-SKILLED & DISCRETION DECISION MAKING	UNSKILLED AND DEFINED DECISION MAKING	TOTAL BY GENDER	TOTAL BY RACE
African	Male	1	5	12	20	18	12	68	219
	Female		2	30	79	34	6	151	
Indian	Male		4	3	12	1		20	86
	Female		4	26	31	5		66	
Coloured	Male		5	8	21	7	3	44	142
	Female		5	26	51	12	4	98	
White	Male		16	2	3	1		22	83
	Female	2	15	31	11	2	25	61	
TOTAL BY LEVEL		3	56	138	228	80	50	530	530

As shown in Table 3, 11% of the employees (59/530) are at Senior Management level which is constituted as follows: 13.56% (8/59) African, 13.56% (8/59) Indian, 16.95% (10/59) Coloured, and 55.93% (33/59) White. 52.54% (31/59) of our staff are males while 47.46% (28/59) are females (Table 3 below).

Table 4: Senior Management Demographics

African		Indian		Coloured		White	
8		8		10		33	
13.56%		13.56%		16.95%		55.93%	
Male	Female	Male	Female	Male	Female	Male	Female
6	2	4	4	5	5	16	17
10.1%	3.3%	6.7%	6.7%	8.4%	8.4%	27.1%	28.8%

Targets for improving the representation of both women and African employees in Senior Management level and across the organisation have been set. The SAMRC has already implemented the role of a Deputy Director, who is reporting to a Unit Director, with a view to create the opportunities for talented, younger Black employees to acquire management and supervisory skills in the field of medical research. This, in turn, will assist with transformation and also facilitate succession into Senior Management positions.

We have developed a transformation plan that will shift the SAMRC from its current state of being under-represented in key occupational levels to a level that will be representative of the country's demographics. Transformation is now a key performance area incorporated into all Unit Directors' and Divisional Managers' performance contracts. The SAMRC is committed to retaining experienced and talented scientists and also attracting more scientists from the designated groups.

Succession planning will be used as a strategic tool for continuity and sustainability of the organisation and will be supported by the Accelerated Development Programme which aims to develop Black scientists in particular at the Senior Specialist Scientist level to prepare them for future managerial responsibilities. Through effective talent management, the SAMRC aims to attract, develop and retain these skills to ensure a high level of research productivity to meet its mandate.

The SAMRC Board, working with the Executive Management Committee, aims to lead and facilitate the implementation of the Human Resource Management Strategy and Plan that will guide the development of specific skills and competencies needed to support the NDoH's mandate.

2. Revisions to legislative and other mandates

There have been no significant changes to the South African Medical Research Council's legislative and other mandates.

2.1 Policies and Governance

The SAMRC continues to engage with NDoH, in a consultation process, to review the current SAMRC Act. Proposed amendments will be submitted to the NDoH for consideration and processing. The strategic focus of the review aims to address significant deficiencies/gaps with respect to governance, management, research funding and other technical areas

Effective management and containment of the SAMRC's strategic risks is a high priority of the SAMRCs Board. The SAMRC's strategic goals are used as a basis for identifying the strategic risks that may prevent the SAMRC from achieving its business objectives. The formation of the National Public Health Institutes of South Africa (NAPHISA) has been identified as the primary strategic risk. Others risks include transformation

challenges and inefficiencies in certain corporate processes. The status of the strategic risks is monitored by the SAMRCs Board on a quarterly basis.

The SAMRC have continued with the effective management of its finances and have maintained a sound internal control environment, which is evident from the SAMRC's 4th consecutive "clean audits" issued by the Office of the Auditor General.

The SAMRC has established a Scientific Advisory Committee consisting of seven international researchers serving a 3-year term from 2016 to 2019. The Scientific Advisory Committee will provide timely and strategic scientific, technical and clinical advice on the strategic goals, including training, and the research funded and conducted by the SAMRC, be it in the intramural units, extramural units and through requests for applications.

3. Overview of 2014/15 budget and Medium Term Expenditure Framework (MTEF) estimates

3.1 Financial resource growth, allocation and management (budget allocation to priority areas)

The SAMRC's total budget consists of the annual baseline grant and donor funding. Over the period 2012/13 to 2015/16, the total budget of the SAMRC grew at an average rate of 22.6% per annum from R576m to R1.067m. This is an increase of 85.2% over the period 2012-2016.

Over the MTEF period, (2016/17 to 2018/19) the SAMRC's annual budget is projected to contract at an average rate of -3.5% annually. This is a budget decrease of R108m from 2015/16 to 2018/19. The SAMRC's budget will decrease by 3.6% from 2015/16 to 2016/17 due to the reduction in research contract funding in 2016/17. In 2017/18, the SAMRC's annual baseline budget will decrease by 5.2% due to the cut of R50m in the Economic Competitiveness Support Package (ECSP) and in 2018/19 the baseline allocation decreases further by 4.8% mainly due to the cut of R100m in the ECSP.

Over the MTEF, the SAMRC will not receive additional funding, but the budget requirement will decrease by R107m due to the termination of the ECSP in 2017/18 and 2018/19. Throughout the MTEF period, the aim of the SAMRC will be to contain the expenditure of Administration through the implementation of efficiency processes. The budget savings from these efficiency processes will be re-allocated to Innovation and Technology and Capacity Development to increase the investment and outputs in these areas which complement the core business, Core Research.

The budget allocation across strategic objectives is listed in Table 4.

- **Administration** grew at an average rate of 7.9% and the average ratio of Administration versus total expenses is 22.8% over the period 2012/13 to 2015/16. In 2015/16, it is anticipated that Administration will constitute 18.4% of the total SAMRC expenses. As part of the revitalisation process, the SAMRC started to review processes of Support and Administration with the intention to improve its efficiency and effectiveness. This process is still ongoing and the anticipated outcomes of this review will ensure that Administration will contract at an average rate of -2.5% over the MTEF period whereas the Total Expenses will contract at an average rate of -3.5%. This negative growth will bring down the ratio of Administration versus Total Expenses from 22.8% to 18.5%. This anticipated lower than inflation growth in Administration will allow the SAMRC to allocate more funding resources to the core business (Core Research).
- **Core Research** grew at an average rate of 14.7% over the period 2012/13 to 2015/16 and the average ratio of Core Research versus Total Expenses is 62.9%. Over the MTEF period, these rates

will change to -2.6% and 59.2%. The negative growth rate is due to the termination of the ECSP in 2018/19.

- **Innovation and Technology** grew at an average rate of 203.6% over the period 2012/13 to 2015/16 and the average ratio of Innovation and Technology versus Total Expenses is 11.2%
- Over the MTEF period, these rates will change to -7.8% and 18.2%. The negative growth is due to the termination of the ECSP. The increase in the ratio of Innovation and Technology versus Total Expenses is due to the leverage funding the SAMRC we will receive through baseline investment.
- **Capacity Development** grew at an average rate of 83.2% over the period 2012/13 to 2015/16 and the average ratio of Capacity Development versus Total Expenses is 3.2%. Over the MTEF period these rates will change to -0.3% and 4.1%. The ratio of Capacity Development versus Total Expenses increase over the MTEF to 4.1% due to an increase in investment in research projects at Historically Disadvantaged Institutions (HDIs) and the training of clinical researchers.

Table 5: Budget allocation across strategic objectives

R thousand	Audited Outcome	Audited Outcome	Preliminary outcome	Revised estimate	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/total: Average (%)
	2013/14	2014/15	2015/16	2016/17	2013/14-2016/17		2017/18	2018/19	2019/20	2016/17 - 2019/20	
Administration	175,327	163,116	170,348	182,450	1.3%	20.6%	199,232	214,799	228,466	7.8%	20.0%
Core research	471,099	444,501	535,096	603,212	8.6%	60.3%	603,247	559,907	534,311	-4.0%	55.8%
Innovation and technology	59,015	112,058	151,747	199,598	50.1%	14.8%	190,992	168,230	215,254	2.5%	18.8%
Capacity development	22,312	34,229	45,059	50,484	31.3%	4.4%	58,153	58,807	55,160	3.0%	5.4%
Total expense	727,753	753,904	902,250	1,035,744	12.5%	100.0%	1,051,624	1,001,743	1,033,191	-0.1%	100.0%

3.2 Economic Competitiveness Support Package (ECSP)

The SAMRC received funding from the ECSP as reflected in the Table 5.

Table 6: ECSP funding

2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
R90m	R100m	R150m	R158m	R100m (reduced by R50m)	R0m (reduced by R100m)

This funding is currently utilised to fund Flagship projects at an annual cost of R74m and leverage funding agreements with institutions in the United States of America (USA) and the United Kingdom (UK).

Leverage funding agreements

The GIPD unit of the SAMRC has entered several leverage funding partnerships:

- The SAMRC has formed the SAMRC/NIH collaboration agreement with R46m per annum (\$4m). With the SAMRC/NIH collaboration agreement, the SAMRC is leveraging \$4m annually from the NIH funding which will provide a total annual funding pool of approximately R92m (\$8m). The initial agreement with the NIH is for 3 years (ending 2016/17) with a possible 2-year extension until 2017/18.
- The Newton Fund Partnership – Non-communicable Diseases is an agreement between the SAMRC, UKMRC and GlaxoSmithKline. The SAMRC will contribute R30m over 3 years whereas the UK partners will contribute approximately R60m. The agreement is for 3 years (ending 2017/18) with the possibility of an extension.
- The Newton Fund Partnership – TB Implementation Science is an agreement between the SAMRC and the UKMRC. The SAMRC will contribute R30m over 3 years whereas the UKMRC will contribute

approximately R40m. The agreement is for 3 years (ending 2017/18) with the possibility of an extension.

- The Gates Foundation Vaccine Partnership is an agreement between the SAMRC and the Gates Foundation. The SAMRC will contribute approximately R90m over 3 years whereas the Gates Foundation will contribute approximately R120m. The agreement is for 3 years (ending 2016/17) with the possibility of an extension. For this funding initiative, the SAMRC funding is supplied by the DST.
- The Gates Foundation – SA Grand Challenges is an agreement between the SAMRC and the Gates Foundation that focuses on maternal and child health interventions. The SAMRC will contribute a maximum of R30m over 3 years whereas the Gates Foundation will contribute approximately \$3m. The agreement is for 3 years (ending 2017/18) with the possibility of an extension.

For the SAMRC to sustain these projects and to ensure that projects are completed and results submitted, the SAMRC will require an annual budget allocation of R150m up to and including 2017/18. It is therefore critical that the SAMRC's ECSP funding level is maintained up to and including 2017/18 to at least R150m.

Over the ECSP funding period, several projects will be funded with potentially important and critical outputs. To support these projects, the SAMRC requires additional funding to be made available in 2018/19. At this stage we anticipate a budget allocation of approximately R45m above our annual baseline allocation to sustain world class projects over this 5-year funding initiative.

3.3 Expenditure estimates

Table 7: Expenditure estimates

The SAMRC budget for 2016/17 is attached as **Annexure A**.

Statement of comprehensive income	Audited		Audited		Preliminary		Budget		Outcome/ Budget Average %	Average growth rate (%)	Expenditure/ total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ total: Average (%)
	Budget	Outcome	Budget	Outcome	Budget	Outcome	Budget estimate	Revised estimate				2017/18	2018/19	2019/20		
R thousand	2013/14	2014/15	2014/15	2015/16	2015/16	2016/17	2016/17	2016/17	2013/14-2016/17			2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20
Revenue																
Tax revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-tax revenue	349,135	315,827	308,056	303,854	413,480	339,097	381,154	356,154	40.6%	4.1%	38.5%	372,762	332,496	366,562	1.0%	35.8%
Sale of goods and services other than capital assets	321,885	287,805	283,006	278,813	359,221	306,766	322,954	322,954	36.1%	3.9%	35.0%	342,414	300,024	335,079	1.2%	32.6%
of which:																
Administrative fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sales by market establishment	321,885	287,805	283,006	278,813	359,221	306,766	322,954	322,954	36.1%	3.9%	35.0%	342,414	300,024	335,079	1.2%	32.6%
Other sales	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other non-tax revenue	27,250	28,022	25,050	25,041	54,259	32,331	58,200	33,200	4.4%	5.8%	3.4%	30,348	32,472	31,483	-1.8%	3.2%
Transfers received	416,460	416,460	460,638	446,331	623,892	623,892	657,590	657,590	59.4%	16.4%	61.5%	614,961	624,829	659,819	0.1%	64.2%
Total revenue	765,595	732,287	768,694	750,185	1,037,372	962,989	1,038,744	1,013,744	100.0%	11.5%	100.0%	987,723	957,325	1,026,381	0.4%	100.0%
Expenses																
Current expenses	767,406	676,609	808,694	699,122	990,754	825,632	979,987	954,987	96.3%	12.2%	92.4%	976,185	925,009	952,159	-0.1%	92.4%
Compensation of employees	330,722	298,099	235,811	277,270	312,162	283,168	334,638	334,638	33.3%	3.9%	35.4%	357,394	378,124	399,299	6.1%	35.7%
Goods and services	417,483	356,022	553,358	402,460	658,192	522,591	624,849	599,849	60.8%	19.0%	54.5%	597,791	524,667	529,398	-4.1%	54.6%
Depreciation	19,100	16,556	19,500	18,022	20,400	18,627	20,500	20,500	2.2%	7.4%	2.2%	21,000	22,218	23,462	4.6%	2.1%
Interest, dividends and rent on land	101	5,932	25	1,370	-	1,246	-	-	0.0%	-100.0%	0.3%	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total expenses	767,406	727,753	808,694	753,934	1,067,372	902,250	1,060,744	1,035,744	100.0%	12.5%	100.0%	1,051,624	1,001,743	1,033,190	-0.1%	100.0%
Surplus/(Deficit)	(1,811)	4,534	(40,000)	(3,749)	(30,000)	60,739	(22,000)	(22,000)		-269.3%		(63,901)	(44,418)	(6,809)	-32.4%	

3.4 Relating expenditure trends to strategic outcome oriented goals

Over the period 2013/14 to 2016/17, the SAMRC's income grew by 41.8% (R306m). This growth is mainly due to our baseline funding increase of 57.9% (R241m) over the same period. Over the MTEF period 2017/18 to 2019/20, the SAMRC's estimated funding will only increase by 2.7% (-R29m). This projected lower than projected inflation rate growth is due to the termination of the ECSP as reflected in the Transfers Received row (Table 6), reduced from R657m in 2016/17 to R624m in 2018/19.

Over the period 2013/14 to 2016/17, the expenditure of the SAMRC increased by 45.8% (R333m). Salaries, one of the SAMRC's greatest expenditure items, reflected a lower than inflation average annual growth of 3.9%. This was due to the revitalisation process where non-relevant research units were closed and affected staff transferred to other institutions. Over the same period, goods and services grew on average at 20.6% annually mainly due to increased funding in collaborative research through the Flagship Project funding and other major collaborations.

Over the MTEF period 2017/18 to 2019/20, the SAMRC's budget expenditure is estimated to increase by about 0.2% (R7m). Salary expenditure will be the second greatest expense item and will grow at an average annual rate of 6.1% to constitute approximately 34.5% of the average total expenditure over the MTEF. Goods and services, the main expense item, will contract at an average negative annual rate of -3.4% to constitute approximately 56.7% of the average total expenditure over the MTEF. The negative growth is due to the termination of the ECSP programme in 2018/19 which negatively impacts collaborative research projects. The SAMRC plans to have deficit budgets in 2017/18 (R70m), 2018/19 (R64m) and a zero deficit budget in 2019/20.



PART B
PROGRAMME AND SUB-PROGRAMME PLANS

PART B PROGRAMME AND SUB-PROGRAMME PLANS

The SAMRC's nine strategic objectives informs the research agenda and action plans of the organisation for the next 3 years. Implementation will be through the relevant research projects conducted by both intra- and extramural research entities of the SAMRC, as well as through funding of self-initiated projects and capacity development initiatives. The performance plans to achieve the strategic objectives are presented in the next section clustered into the following two broad programmes:

- Research Programmes,
- Support Programmes.

Table 7 summarises the strategic goals and objectives presented in the SAMRC 2015/16 – 2019/20 Strategic Plan.

Table 8: SAMRC's strategic goals and objectives

Goals and objectives	
Strategic goals	Objectives
1. Administer health research effectively and efficiently in South Africa	1.1. To ensure good governance, effective administration, a clean audit opinion and compliance with government regulations
	1.2. To promote the organisation's administrative efficiency to maximise the funds available for research
2. Lead the generation of new knowledge and facilitate its translation into policies and practices to improve health	2.1 To produce and disseminate new scientific findings and knowledge on health
	2.2 To promote scientific excellence and the reputation of South African health research
	2.3 To provide leadership in the generation of new knowledge in health
	2.4 To facilitate the translation of SAMRC research findings into health policies and practices
	2.5 To provide funding for the conduct of health research
3. Support innovation and technology development to improve health	3. To provide funding for health research innovation and technology development
4. Build capacity for the long-term sustainability of the country's health research	4. To enhance the long-term sustainability of health research in South Africa by providing funding for the next generation of health researchers

The strength of the SAMRC lies in its truly comprehensive, integrated and national health research approach; borne of many years of experience in conducting (intramural) and supporting (extramural) medical research focused on national health priorities. The SAMRC's activities uniquely straddle issues of health, including population health (with specific social science expertise), disease and disease mechanisms (with specific biomedical science expertise) and health systems, settings and policy research, in which the SAMRC plays a unique and crucial national role.

Support programmes

The support programmes provide operational services to the organisation and are listed as follows:

Office of the President

To lead the development and implementation of the SAMRC's strategy as delegated by the SAMRC Board through providing strategic leadership by organising and mobilising internal resources to achieve the mission of the SAMRC. The following offices operate through the Office of the President:

- Chief of Staff,
- Board Secretariat,
- Executive Management Committee Secretariat,
- Legal and Compliance Services,
- Corporate and Marketing Communications.

Research Directorate

To provide research support by administering, managing and awarding various research grants, bursaries, and research internships targeting different levels of researchers within the SAMRC and in South African Higher Education Institutions (HEIs). To actively pursue strategic research initiatives to ensure that the organisation's growth meets the needs of the changing health research environment through various initiatives, e.g. the Flagship Projects.

Grants, Innovation and Product Development (GIPD)

GIPD manages all external grant mechanisms of the SAMRC (with the exception of career development awards), including various strategic partnerships and research initiatives such as the Flagship Programme, SHIP, Grand Challenges South Africa, the Newton Fund partnerships, the USA-South Africa Programme for Collaborative Biomedical Research with the National Institutes of Health (NIH), etc. It is also responsible for driving and managing Innovation at the SAMRC through SHIP, the Technology Transfer Office and the Global Health Innovation Accelerator (GHIA).

Finance Directorate

To provide an efficient and cost effective financial and operational management support service that ensures that all goods and services are procured within the accountability framework of the Public Finance Management Act (PFMA). The sub-programme services the SAMRC intra- and extramural community, the SAMRC Board and external clients such as funders, HEIs and service providers.

Human Resources Directorate

To create an enabling environment that will attract, recruit, motivate and retain talented and productive individuals in a positive, diverse, healthy and safe work environment in order to promote decent work and economic growth in line with SDG number 8.

Strategic outcome oriented goals in line with the SDGs and NDP 2030

The SAMRC has 4 strategic goals that are aligned with the Sustainable Development Goals (SDG) and the National Development Plan (NDP) 2030. (Tables 8 and 9) and contributes to the strategic objectives of the National Department of Health.

Table 9: Strategic outcome oriented goals in line with the SDG's and NDP 2030

Strategic goal 1	Administer health research effectively and efficiently in South Africa
Goal statement	Strengthening of financial processes towards a clean audit opinion from the Auditor General
Strategic objectives	1.1. To ensure good governance, effective administration, a clean audit opinion and compliance with government regulations 1.2. To promote the organisation's administrative efficiency to maximise the funds available for research
Objective statement	To strengthen financial management, monitoring and evaluation
Baseline (2016-17)	Improved financial management at all levels within the SAMRC and a clean audit opinion
Indicator/s	1.1. Compliance with legislative prescripts, reflected in the final audit report relating to the processes and systems of the SAMRC 1.2. Percentage (%) of the 2017/18 SAMRC total budget spent on salaries and operations of all corporate administrative functions

Strategic goal 2	Lead the generation of new knowledge and facilitate its translation into policies and practices to improve health
Goal statement	Promote the improvement of health and quality of life (prevention of ill health, improvements in public health and treatment) in South Africa through research
Strategic objectives	2.1 To produce and disseminate new scientific findings and knowledge on health 2.2 To promote scientific excellence and the reputation of South African health research 2.3 To provide leadership in the generation of new knowledge in health 2.4 To facilitate the translation of SAMRC research findings into health policies and practices 2.5 To provide funding for the conduct of health research
Objective statement	Number of indexed journal articles published during the year to create and disseminate new quality knowledge through research with expert endorsement from specialists in the field
Baseline (2016-17)	2.1 Five-hundred (500) 2.2 One hundred and thirty (130) 2.3 Fourteen (14) 2.4 One hundred and seventy (170) 2.5 Four (4) 2.6 One hundred and twenty (120)
Indicator/s	2.1 Number of published journal articles, book chapters and books by SAMRC researchers within intramural, extramural research units and collaborating centres at the SAMRC (Malaria, TB, HIV and Cancer), Self-Initiated Research, SHIP and Flagship projects 2.2 Number of journal articles published by SAMRC grant-holders with acknowledgement of SAMRC support during the reporting period

¹ Baseline (2016/17): Indicator 2.3: The significant over-achievement in publications in the past financial year is due to the SAMRC now including all publications with an impact factor ≥ 5.0 , whereas in the past only the publications in a few select journals were acknowledged.

	<p>2.3 Number of published indexed impact factor journal articles with a SAMRC affiliated author</p> <p>2.4 Number of journal articles where the first and/or last author is affiliated to the SAMRC during the reporting period</p> <p>2.5 Number of policies and guidelines that reference SAMRC research during the reporting period</p> <p>2.6 Number of research grants (new and renewals) awarded by the SAMRC during the reporting period</p>
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Strategic goal 3	Support innovation and technology development to improve health
Goal statement	Promote the improvement of health and quality of life (prevention of ill health, improvements in public health and treatment) in South Africa through innovation, technology development and transfer
Strategic objective	3. To provide funding for health research innovation and technology development
Objective statement	Number of innovations to promote the improvement of health and quality of life in the country through innovation, technology development and transfer (innovation projects supported, invention disclosures, patents filed and licences concluded) developed in the year
Baseline (2016-17)	<p>3.1 Thirty (30) innovation and technology developments funded</p> <p>3.2 Two (2)</p>
Indicator/s	<p>3.1 Number of innovation and technology projects funded by the SAMRC to develop new diagnostics, devices, vaccines and therapeutics</p> <p>3.2 Number of new diagnostics, devices, vaccines and therapeutics progressed to the next stage of development during the reporting period</p>

Strategic goal 4	Build capacity for the long-term sustainability of the country's health research
Goal statement	To provide research support in the broad field of health research, describing original research initiated by a researcher at a recognised research institution and creating and maintaining collaborative research initiatives in collaboration with research programmes. The guiding elements for each initiative/project are: Long-term and sustainable; Focused; Strong corrective action; Private - public partnerships; Africa centric perspective; Innovation; Operationally - best business practices; Technology infrastructure
Strategic objectives	4 To enhance the long-term sustainability of health research in South Africa by providing funding for the next generation of health researchers
Objective statement	Study bursaries, scholarships and fellowships are awarded to students towards a postgraduate degree in health research
Baseline (2016-17)	<p>4.1 Seventy (70) bursaries/scholarships/fellowships</p> <p>4.2 Fifty (50)</p>
Indicator	<p>4.1 Number (new and renewals) of SAMRC bursaries, scholarships and fellowships funded for postgraduate study at masters, doctoral and postdoctoral levels</p> <p>4.2 Number of masters and doctoral students graduated during the reporting period</p>

Table 10: Strategic objectives annual targets for 2015/16 – 2019/20

*Refer to Annexure A

No	Strategic objective	Performance indicator	SP target for the period 2015/16 – 2019/20	Audited	Actual performance (estimated)	Estimated performance	Medium-term targets	
				2015/16	2016/17	2017/2018	2018/2019	2019/2020
1	To ensure good governance, effective administration and compliance with government regulations	1.1 Compliance with legislative prescripts, reflected in the final audit report relating to the processes and systems of the SAMRC	Clean audit	Clean audit	Clean audit	Clean audit	Clean audit	Clean audit
	To promote the organisation's administrative efficiency to maximise the funds available for research	1.2 Percentage (%) of the 2017/18 SAMRC total budget spent on salaries and operations of all corporate administrative functions	20%	19%	20%	20%	20%	20%
2	To produce and disseminate new scientific findings and knowledge on health	2.1 *Number of published journal articles, book chapters and books by SAMRC researchers within intramural, extramural research units and collaborating centres at the SAMRC (Malaria, TB, HIV and Cancer), Self-Initiated Research, SHIP and Flagship projects	3150	400	500	700	750	800
		2.2 *Number of journal articles published by SAMRC grant-holders with acknowledgement of SAMRC support during the reporting period	825	100	130	185	196	214
	To promote scientific excellence and the reputation of South African health research	2.3 *Number of published indexed impact factor journal articles with a SAMRC affiliated author	*90	10	14	17	22	27
	To provide leadership in the generation new knowledge in health	2.4 *Number of journal articles where the first and/or last author is affiliated to the SAMRC during the reporting period	1035	160	170	230	235	240
	To facilitate the translation of SAMRC research findings into health policies and practices	2.5 *Number of policies and guidelines that reference SAMRC research	27	4	4	6	6	7
	To provide funding for the conduct of health research	2.6 Number of research grants (new and renewals) awarded by the SAMRC (new/renewals)	750	100	120	168	176	186
3	To provide funding for health research innovation and technology development	3.1 Number of innovation and technology projects funded by the SAMRC to develop new diagnostics, devices, vaccines and therapeutics	180	30	30	40	40	40
		3.2 Number of new diagnostics, devices, vaccines and therapeutics progressed to the next stage of development during the reporting period	New indicator	New indicator	2	2	2	2
4	To enhance the long-term sustainability of health research in South Africa by providing funding for the next generation of health researchers	4.1. Number (new and renewals) of SAMRC bursaries, scholarships and fellowships funded for postgraduate study at masters, doctoral and postdoctoral levels	435	60	70	98	101	106
		4.2 *Number of new masters and doctoral students graduated during the reporting period	New indicator	New indicator	50	55	60	65

Note: * signifies that data will be contributed by both intramural and extramural units. Where the symbol does not appear, the data is only from intramural units or SAMRC administrative processes.

1. Purpose

The purpose of the SAMRC is to conduct relevant and responsive health research to build a healthy nation. In pursuing this goal, the organisation also promotes capacity development to build a cadre of future health researchers to ensure sustainability and research continuity in building and advancing a healthy nation.

2. Strategic objective annual targets for 2017/18

Table 10 presents the projected performance information emanating from all the sub-programmes within the SAMRC.

3. Quarterly targets for 2017/18

Table 11: Quarterly targets

No.	Programme performance indicator	Reporting period 2017/18	Frequency	Quarterly targets			
				1 st	2 nd	3 rd	4 th
1.1	Compliance with legislative prescripts, reflected in the final audit report relating to the processes and systems of the SAMRC	Clean audit	Annual				Clean audit
1.2	Percentage (%) of the 2017/18 SAMRC total budget spent on salaries and operations of all corporate administrative functions	20%	Quarterly	20%	20%	20%	20%
2.1	*Number of published journal articles, book chapters and books by SAMRC researchers within intramural, extramural research units and collaborating centres at the SAMRC (Malaria, TB, HIV and Cancer), Self-Initiated Research, SHIP and Flagship projects	700	Quarterly	125	175	175	225
2.2	*Number of journal articles published by SAMRC grant-holders with acknowledgement of SAMRC support during the reporting period	185	Quarterly	55	55	25	50
2.3	*Number of published indexed impact factor journal articles with a SAMRC affiliated author	650 ²	Quarterly	155	170	150	175
2.4	*Number of journal articles where the first and/or last author is affiliated to the SAMRC during the reporting period	450	Quarterly	120	125	95	110
2.5	*Number of local/international policies and guidelines that reference SAMRC research during the reporting period	6	Bi-Annual		3		3
2.6	Number of research grants (new and renewals) awarded by the SAMRC during the reporting period	168	Annual				168
3.1	Number of innovation and technology projects funded by the SAMRC to develop new diagnostics, devices, vaccines and therapeutics	40	Annual				40
3.2	Number of new diagnostics, devices, vaccines and therapeutics progressed to the next stage of development during the reporting period	2	Annual				2
4.1	Number (new and renewals) of SAMRC bursaries, scholarships and fellowships funded for postgraduate study at masters, doctoral and postdoctoral levels	98	Annual				98
4.2	*Number of masters and doctoral students graduated during the reporting period	55	Annual				55

Note: * signifies that data will be contributed by both intramural and extramural units. Where the symbol does not appear, the data is only from intramural units or SAMRC administrative processes.³

² Refer to Annexure A to view changes to SP targets 2.1-2.4



PART C
LINKS TO OTHER PLANS

PART C: LINKS TO OTHER PLANS

4. Links to long-term infrastructure and other capital plans

The SAMRC is currently busy with various infrastructure and recapitalisation projects which include but are not limited to safety, security, information technology, buildings, plant and machinery improvements. The SAMRC proposes to address these projects and programmes by funding through the SAMRC reserves to assist the organisation in achieving its strategic objectives.

Table 12: Links to long-term infrastructure and other capital plans

No.	Project	Programme	Project description/type of structure	Outputs	Estimated project cost	Project duration		Revised estimate	Medium-term expenditure estimate		
						Start	Finish		2016/17	2017/18	2018/19
1. New and replacement assets (R Millions)											
1.1.	Voice over internet protocol (VOIP)	Operations/IT	Integration of voice and data into one platform	Using one IT platform	2.2	Apr 2015	Jan 2017	0.8			
1.2.	Close circuit camera television (CCTV)	Operations	Additional security measures	Recording of events for security purposes	7.5	Apr 2015	Mar 2017	2.6		-	-
1.3.	Generators for regions	Operations	Back-up electricity supply	Continuous electricity supply in case of power failure	1.5	Jul 2015	Mar 2017	0.2		-	-
1.4.	Fire detection system (particularly for laboratories)	Operations	Installation of fire and smoke detector system	Early warning system in case of fire	4.2	Oct 2014	Mar 2017	2.3		-	-
1.5.	Replacement of air conditioning	Operations	Replace old air conditioners	Better working environment	2.7	Apr 2015	Mar 2017	1.3		-	-
1.6.	Construct a boundary wall at Delft premises	Operations	Build a boundary wall around Delft premises	Secure environment	7.3	Jan 2016	Mar 2017	7.3			
1.7.	New Video conferencing for admin/management/research collaboration, etc	IT			1.9	Apr 2015	Jul 2018	1	0.5		
1.8.	Replace ESX servers	IT	Maintain relevant IT infrastructure	Relevant IT infrastructure to support research	2.4	Apr 2017	Mar 2018		2.4		
1.9.	Replace current PCs, laptops, printers and other IT related	IT	Replace outdated IT equipment	New technology to support research	18.0	Apr 2015	Mar 2018	6.0	6.0	6.0	

No.	Project	Programme	Project description/type of structure	Outputs	Estimated project cost	Project duration		Revised estimate 2016/17	Medium-term expenditure estimate		
						Start	Finish		2017/18	2018/19	2019/20
	equipment										
1.10.	Purchase new laboratory equipment to replace existing equipment	Research Units	Replace outdated laboratory equipment to ensure research of the highest standards	Quality and reliable research outputs	3.6	April 2016	Mar 2017	3.6			
	Total							25.1	8.9	6.0	
2. Maintenance and repairs (R millions)											
	Total							-	-	-	-
3. Upgrades and additions (R millions)											
3.1.	Electrical compliance review and repair	Operations	Ensuring compliance of the electricity infrastructure	Electricity infrastructural adherence to regulations	4.0	Jul 2015	Mar 2017	3.9			-
3.2.	Renovation of gate entrances (Medina, Pretoria and Ridge Road)	Operations	Install/ upgrade/ extend shelter and access gate	Restricted access and providing shelter for the security personnel, SAMRC staff and visitors	2.0	April 2016	Mar 2017	2.0		-	-
3.3.	Upgrade of electric fencing at various SAMRC buildings	Operations	Upgrade current electric fencing at SAMRC buildings	Secure environment	0.85	Sep 2015	Mar 2017	0.5			
3.4.	Upgrade security access control system	IT	Upgrade current access control system	Secure environment	2.3m	Apr 2016	Mar 2017	2.3			
3.5.	General IT maintenance and replacements	IT	Maintain IT infrastructure	Reliable IT infrastructure	10.45	Apr 2015	Jul 2017	5.0	2.5		
	Total							13.7	2.5		
4. Rehabilitation, renovations and refurbishments (R millions)											
4.1.	Re-roofing of buildings with existing asbestos roofs and general building maintenance and renovations	Operations	Remove asbestos roof sheets and replace with appropriate roof sheets	Adherence to environmental law related to asbestos	16.8	Apr 2015	Jul 2017	14.5	2.3		-
	Total										-
GRAND TOTAL								38.8	11.4	6.0	



ANNEXURES

Annexure A: Strategic objective annual targets for 2015/16 – 2019/20

Table 13: Strategic objective annual targets for 2015/16 – 2019/20

No	Strategic objective	Performance indicator	SP target 2015/16 – 2019/20	Audited	Actual performance (estimated)	Estimated performance	Medium-term targets	
				2015/16	2016/17	2017/2018	2018/2019	2019/2020
1	To ensure good governance, effective administration and compliance with government regulations	1.1 Compliance with legislative prescripts, reflected in the final audit report relating to the processes and systems of the SAMRC	Clean audit	Clean audit	Clean audit	Clean audit	Clean audit	Clean audit
	To promote the organisation's administrative efficiency to maximise the funds available for research	1.2 Percentage (%) of the 2017/18 SAMRC total budget spent on salaries and operations of all corporate administrative functions	20%	19%	20%	20%	20%	20%
2	To produce and disseminate new scientific findings and knowledge on health	2.1 *Number of published journal articles, book chapters and books by SAMRC researchers within intramural, extramural research units and collaborating centres at the SAMRC (Malaria, TB, HIV and Cancer), Self-Initiated Research, SHIP and Flagship projects	3150	400	500	700	750	800
		2.2 *Number of journal articles published by SAMRC grant-holders with acknowledgement of SAMRC support during the reporting period	825	100	130	185	196	214
	To promote scientific excellence and the reputation of South African health research	2.3 *Number of published indexed impact factor journal articles with a SAMRC affiliated author	*2124 ⁴	10	14	650	700	750
	To provide leadership in the generation new knowledge in health	2.4 *Number of journal articles where the first and/or last author is affiliated to the SAMRC during the reporting period	*1830	160	170	450	500	550
	To facilitate the translation of SAMRC research findings into health policies and practices	2.5 Number of policies and guidelines that reference SAMRC research	27	4	4	6	6	7
	To provide funding for the conduct of health research	2.6 Number of research grants (new and renewals) awarded by the SAMRC (new/renewals)	750	100	120	168	176	186
3	To provide funding for health research innovation and technology development	3.1 Number of innovation and technology projects funded by the SAMRC to develop new diagnostics, devices, vaccines and therapeutics	180	30	30	40	40	40
		3.2 Number of new diagnostics, devices, vaccines and therapeutics progressed to the next stage of development during the reporting period	New indicator	New indicator	2	2	2	2
4	To enhance the long-term sustainability of health research in South Africa by providing funding for the next generation of health	4.1. Number (new and renewals) of SAMRC bursaries, scholarships and fellowships funded for postgraduate study at masters, doctoral and postdoctoral levels	435	60	70	98	101	106

⁴ Refer to Annexure A to view changes to SP targets 2.1-2.4

	researchers	4.2 *Number of new masters and doctoral students graduated during the reporting period	New indicator	New indicator	50	55	60	65
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Note: * signifies that data will be contributed by both intramural and extramural units. Where the symbol does not appear, the data is only from intramural units or SAMRC administrative processes for 2015/16 – 2019/20

Annexure B – Detailed SAMRC Budget

Programmes/activities/objectives

South African Medical Research Council of South Africa

	Audited Outcome	Audited Outcome	Preliminary outcome	Revised estimate	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/total: Average (%)	
							2013/14	2014/15	2015/16			2016/17
R thousand												
Administration	175,327	163,116	170,348	182,450	1.3%	20.6%	199,232	214,799	228,466	7.8%	20.0%	
Core research	471,099	444,501	535,096	603,212	8.6%	60.3%	603,247	559,907	534,311	-0.0%	55.8%	
Innovation and technology	59,015	112,058	151,747	199,598	50.1%	14.8%	190,992	168,230	215,254	2.5%	18.8%	
Capacity development	22,312	34,229	45,059	50,484	31.3%	4.4%	58,153	58,807	55,160	3.0%	5.4%	
Total expense	727,753	753,904	902,250	1,035,744	12.5%	100.0%	1,051,624	1,001,743	1,033,191	0.2%	100.0%	

SAMRC’s MATERIALITY AND SIGNIFICANCE FRAMEWORK: 2017/2018

The materiality and Significance Framework for the SAMRC, in terms of the Treasury Regulation 28.3.1 and the National Treasury Practice Note on Applications under of Section 54 of the Public Finance Management Act (PFMA), is as follows –

Section 50: Fiduciary duties of accounting authorities:

1) The accounting authority for a public entity must –

PFMA Section	Quantitative [Amount]	Qualitative [Nature]
(c) on request, disclose to the executive authority responsible for that public entity or the legislature to which the public entity is accountable, all material facts, including those reasonably discoverable, which in any way may influence the decisions or action of the executive authority or that legislature;	Disclose all material facts.	The Board will disclose to the National Department of Health all material facts as requested and all material facts not requested, including those reasonably discoverable, which in any way may influence the decisions or action of the National Department of Health, at the discretion of the Board.

Section 51: General responsibilities of accounting authorities:

1) An accounting authority for a public entity –

PFMA Section	Quantitative [Amount]	Qualitative [Nature]
(g) must promptly inform the National Treasury on any new entity which that public entity intends to establish or in the establishment of which it takes the initiative, and allow the National Treasury a reasonable time to submit its decision prior to formal establishment; and	Disclose all material facts timeously.	Full particulars to be disclosed to the Minister of Health for approval after which it is to be presented to Treasury.

Section 54: Information to be submitted by accounting authorities:

2) Before a Public Entity concludes any of the following transactions, the Accounting Authority for the Public Entity must promptly and in writing inform the relevant Treasury of the transaction and submit relevant particulars of the transaction to its Executive Authority for approval of the transaction:

PFMA Section	Quantitative [Amount]	Qualitative [Nature]
a) establishment of a company;	Any proposed establishment of a legal entity.	Full particulars to be disclosed to the Minister of Health and Minister of Finance (National Treasury) for approval (simultaneous submission).
b) participation in a significant partnership, trust, unincorporated joint venture or similar arrangement;	Qualifying transactions exceeds R12,5m (based on 2% of total average SAMRC assets, as at 31 March 2016). This includes research collaborative arrangements	
c) acquisition or disposal of a significant shareholding in a company;	Greater than 20% of shareholding.	
d) acquisition or disposal of a significant asset;	Qualifying transactions exceeds R12,5m (based on 2% of total average SAMRC assets, as at 31 March 2016). Including Financial Leases	

PFMA Section	Quantitative [Amount]	Qualitative [Nature]
e) commencement or cessation of a significant business activity; and	Any activity not covered by the mandate / core business of the SAMRC and that exceeds the R12,5m transaction value (based on 2% of total average SAMRC assets, as at 31 March 2016).	Full particulars to be disclosed to the Minister of Health and Minister of Finance (National Treasury) for approval (simultaneous submission).
f) a significant change in the nature or extent of its interest in a significant partnership, trust, unincorporated joint venture or similar arrangement.	Qualifying transactions exceeds R12,5m (based on 2% of total SAMRC assets, as at 31 March 2016)	

Section 55: Annual report and financial statements

2) The annual report and financial statements referred to in subsection (1) (d) (“financial statements”) must -

- a) fairly present the state of affairs of the Public Entity, its business, its financial results, its performance against predetermined objectives and its financial position as at the end of the financial year concerned;
- b) include particulars of—

PFMA Section	Quantitative [Amount]	Qualitative [Nature]
(i) any material losses through criminal conduct and any irregular expenditure and fruitless and wasteful expenditure that occurred during the financial year;	All instances	<ul style="list-style-type: none"> • Report quarterly to the Minister of Health. • Report annually in the Annual Financial Statements
(ii) any criminal or disciplinary steps taken as a consequence of such losses or irregular expenditure or fruitless and wasteful expenditure;		
(iii) any losses recovered or written off;		
(iv) any financial assistance received from the state and commitments made by the state on its behalf; and		
(v) any other matters that may be prescribed.		
	All instances, as prescribed	

Section 56: Assignment of powers and duties by accounting authorities

PFMA Section	Quantitative [Amount]	Qualitative [Nature]
1) The accounting authority for a public entity may— (a) In writing delegate any of the powers entrusted or delegated to the accounting authority in terms of this Act, to an official in that public entity (b) Instruct an official in that public entity to perform any of the duties assigned to the accounting authority in terms of this Act.	Values excluded from the Delegation of Authority Framework Policy.	Instances that are excluded from the Delegation of Authority Framework Policy.
2) A delegation or instruction to an official in terms of subsection (1)— (c) Is subject to any limitations and conditions the accounting authority may impose; (d) May either be to a specific individual or to the holder of a specific post in the relevant public entity; and (e) Does not divest the accounting authority of the responsibility concerning the exercise of the delegated power or the performance of the assigned duty.	Values excluded from the Delegation of Authority Framework Policy.	Instances that are excluded from the Delegation of Authority Framework Policy.

Treasury Circulars and Guidelines related to Supply Chain Management

- 1) National Department of Health and National Treasury are to be notified of procurement transactions exceeding R12,5 m;
- 2) Obtained prior written approval from National Treasury for variation amounts in excess of:
 - a. 20% or R20 m (including applicable taxes) for construction related orders; and
 - b. 15% or R15 m (including applicable taxes) for goods / service related orders

The materiality level mentioned above was calculated using the guidance practice note of the National Treasury. Using these parameters, the SAMRC materiality level calculation outcomes were as follows:

Element	% rand to be applied against R value	Unaudited Value at 31 March 2016	Calculated Materiality & Significance Value
Total Assets (1%-2%)	2%	R 628 635 288.00	R 12 572 705.76

The SAMRC materiality and significant value will be R12,5 m based on the highest percentage of the total asset element and the significant fluctuations in the month-to-month total asset value. This is the most stable element, given the performance statement outcomes associated with the current economic climate challenges.

Annexure D – SAMRC Strategic Risks

The focus of risk management in the SAMRC is on identifying, assessing, managing and monitoring all known major risks, with the current mitigation strategies, that could influence the achievement of the SAMRC's strategic objectives. While risk cannot be fully eliminated, the SAMRC endeavours to minimise its exposure by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied across the entity. The risk management activity has received corporate endorsement and risk management processes have been formalised and adopted. The strategic risk management activities are reported to the Board on a quarterly basis.

The register of strategic risks is updated as and when emerging risks are identified. Where appropriate, management action plans to further improve the management of the risk are timeously developed and implemented.

Key risks and mitigating activities:

During the financial year under review, the SAMRC Executive Management and Board identified, and took necessary mitigating actions on the key business (strategic) risks identified.

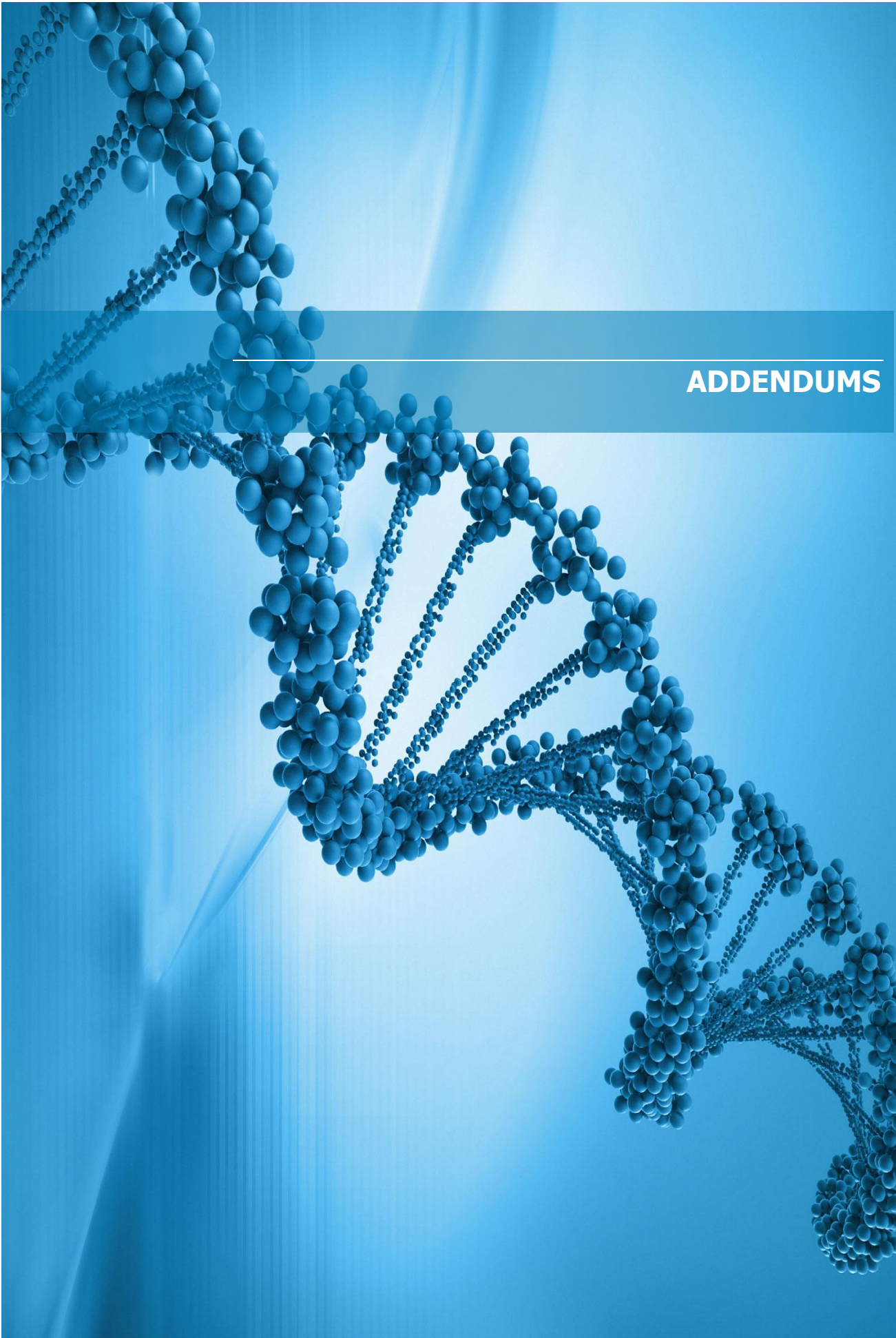
The table below shows the alignment between strategic focus areas and business risks facing the organisation:

Key business risks	Selected risk mitigation decisions and key actions taken / in progress
Strategic Goal 1: Administer health research effectively and efficiently in South Africa	
Relationship with organised Labour	<ul style="list-style-type: none"> • Monthly meetings with the Union in order to strengthen the relationship. • Industrial relations within the organisation to be strengthen
Inefficiencies in Corporate Processes	<ul style="list-style-type: none"> • Contracts in place for 80% procurement spend • Implementation of pre contract management award processes • Implement contract management software
Outdated MRC Act	<ul style="list-style-type: none"> • On-going consultation and engagement with NDoH on the progress on amending the MRC Act and timeline for Parliamentary submission
Insufficient facility management, including movable and immovable assets	<ul style="list-style-type: none"> • Identify Ridge Road building unused lab / research / IT assets and office equipment for transfer to existing Units, donations to Universities and/or sale • Revamping and leasing out of office space in Ridge Road building
Communication challenges	<ul style="list-style-type: none"> • No further actions identified
Non-compliance to legal and regulatory requirements as well as policies and procedures	<ul style="list-style-type: none"> • The HSE Office to implement a more active role in both construction projects and projects with HSE related activities
Strategic Goal 2: Lead the generation of new knowledge and facilitate its translation into policies and practices to improve health	
Formation of NAPHISA: Overlap in mission and research between the SAMRC and NAPHISA	<ul style="list-style-type: none"> • On-going engage with NDoH on the establishment of NAPHISA and Parliamentary discussions
Inferior quality of research output / Lack of research integrity	<ul style="list-style-type: none"> • Development of formal guidelines for data management • Development of systems and processes for managing, promoting and monitoring responsible conduct of research. (incl. considering the establishment of a Quality Assurance Department)

	<ul style="list-style-type: none"> • Oversight of the conduct of animal research and the functioning of the Animal Research Committee. (ECRA)
Research focus not aligned to national health priorities	<ul style="list-style-type: none"> • Ensure the distribution of baseline funding across the research focus areas of the IMUs of SAMRC are aligned to the national health priorities
Ineffective management of extramural research units and collaborating research centres	<ul style="list-style-type: none"> • Streamline the management of EMU and Cancer Centres: <ul style="list-style-type: none"> • Relook at the organisational design of the functional area • Need to design and implement management and monitoring processes
Inability to attract, develop and retain appropriately skilled staff or sufficient capacity	<ul style="list-style-type: none"> • Development of Career Ladder Progression Model • Roll out of leadership interventions, coaching and mentoring programmes
Limited SAMRC national research footprint	<ul style="list-style-type: none"> • No further actions identified
Transformation challenges	<ul style="list-style-type: none"> • Approval of the draft EE Strategy and Plan • Appointment of Intramural Unit Deputy Directors
Inability to sustainably grow funding	<ul style="list-style-type: none"> • No further actions identified
Strategic Goal 3: Support innovation and technology development to improve health	
Ineffective support for innovation, partnerships, platforms and technology development	<ul style="list-style-type: none"> • Appointment to the newly created SHIP Commercialisation Director / Specialist post to be implemented.
Strategic Goal 4: Build capacity for the long-term sustainability of the country's health research	
Limited research capacity	<ul style="list-style-type: none"> • Develop a medium / long term strategy for supporting the development of HDI research scientist., including research focus areas and transformation criteria for selecting institutes, individuals, etc.

Annexure E – Acronyms and Abbreviations

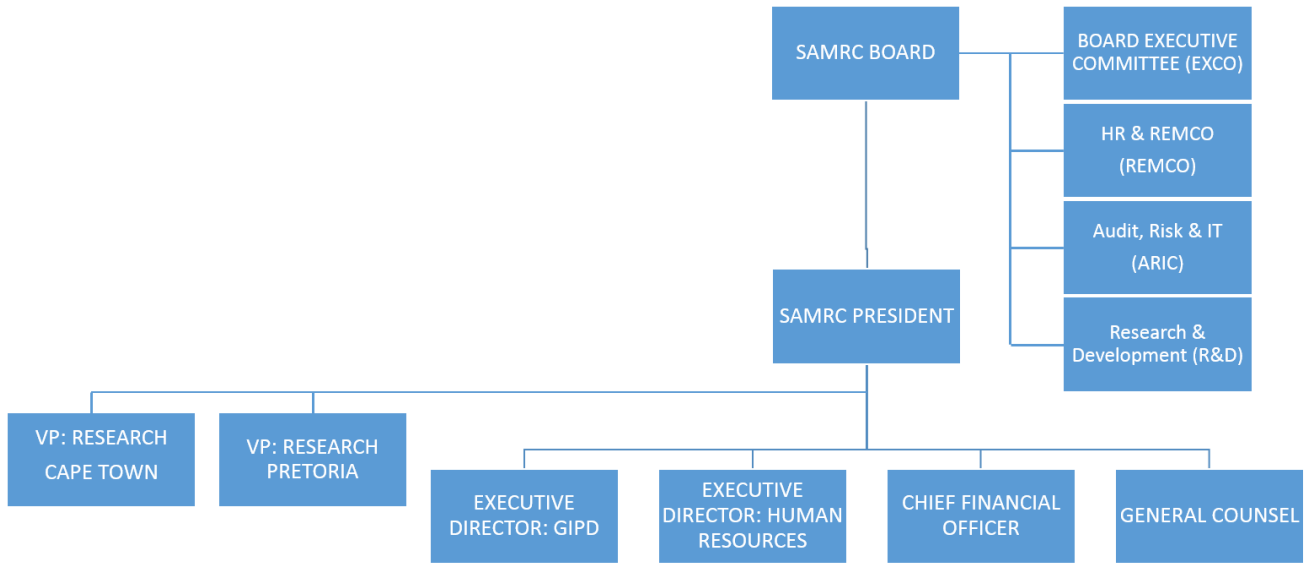
AIDS	Acquired immune deficiency syndrome	NDoH	National Department of Health
APP	Annual Performance Plan	NDP	National Development Plan
ATOD	Alcohol, Tobacco and Other Drug	NHI	National Health Insurance
BoD	Burden of Disease	NIH	National Institutes of Health
BRICS	Brazil, Russia, India, China and South Africa	NNMU	Nelson Mandela Metropolitan University
CAMS	Chinese Academy of Medical Sciences	NRF	National Research Foundation
CAPRISA	Centre for the AIDS Programme of Research in South Africa	NSDA	Negotiated Service Delivery Agreement
CCTV	Close circuit camera television	PC	Personal Computer
CEO	Chief Executive Officer	PFMA	Public Finance Management Act
CFO	Chief Financial Officer	PhD	Doctor of Philosophy
CIHR	Canadian Institutes of Health Research	PPIP	Perinatal Problem Identification Programme
CPUT	Cape Peninsula University of Technology	RAF	Roadmap Accelerator Fund
CRA	Comparative Risk Assessment	RFA	Requests for applications
DST	Department of Science and Technology	RSV	Respiratory Syncytial Virus
ECSP	Economic Competitiveness Support Package	SAAVI	South African AIDS Vaccine Initiative
EDCTP	European and Developing Countries Clinical Trials Partnership	SACENDU	South African Community Epidemiology Network on Drug Use
EMC	Executive Management Committee	SACRA	South African Comparative Risk Assessment
GBS	Group B Streptococcus	SADHS	South African Demographic & Health Survey
GHIA	Global Health Innovation Accelerator	SAMRC	South African Medical Research Council
GIPD	Grants, Innovation and Product Development	SA NBoD	South African National Burden of Disease
GSK	GlaxoSmithKline	SDG	Sustainable Development Goals
HDI	Historically Disadvantaged Institutions	SETI	Science, Engineering and Technology Institution
HEI	Higher Education Institutions	SHIP	Strategic Health Innovation Partnerships
HeLTI	Healthy Life Trajectories Initiative	SIR	Self-Initiated Research
HIV	Human immunodeficiency virus	SP	Strategic Plan
HVTN	HIV Vaccine Trials	STATS SA	Statistics South Africa
IT	Information Technology	STIs	Sexually Transmitted Infections
MD	Medical Doctor	TB	Tuberculosis
MDGs	Millennium Development Goal	UK	United Kingdom
MoU	Memorandum of Understanding	UKMRC	United Kingdom Medical Research Council
MTSF	Medium Term Strategic Framework	USA	United States of America
MTEF	Medium Term Expenditure Framework	VP	Vice President
MUT	Mangosuthu University of Technology	VOIP	Voice Over Internet Protocol
NAPHISA	National Public Health Institutes of South Africa	WHO	World Health Organization
NCD	Non-Communicable Disease	WSU	Walter Sisulu University



ADDENDUMS

Addendum 1 to Strategic Plan (SAMRC Organisational Structure)

The SAMRC organisational structure



Addendum 2 to Strategic Plan (SAMRC expenditure estimates)

SAMRC Expenditure Estimates

Statement of comprehensive income	Audited		Audited		Preliminary		Budget		Outcome/ Budget Average %	Average growth rate (%)	Expen- diture/ total: Average (%)	Medium-term estimate			Average growth rate (%)	Expen- diture/ total: Average (%)
	Budget	Outcome	Budget	Outcome	Budget	Outcome	estimate	estimate				2013/14	2014/15	2015/16		
R thousand	2013/14		2014/15		2015/16		2016/17		2013/14-2016/17			2017/18	2018/19	2019/20	2016/17 - 2019/20	
Revenue																
Tax revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-tax revenue	349,135	315,827	308,056	303,854	413,480	339,097	381,154	356,154	40.6%	4.1%	38.5%	372,762	332,496	366,562	1.0%	35.8%
Sale of goods and services other than capital assets	321,885	287,805	283,006	278,813	359,221	306,766	322,954	322,954	36.1%	3.9%	35.0%	342,414	300,024	335,079	1.2%	32.6%
of which:																
Administrative fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sales by market establishment	321,885	287,805	283,006	278,813	359,221	306,766	322,954	322,954	36.1%	3.9%	35.0%	342,414	300,024	335,079	1.2%	32.6%
Other sales	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other non-tax revenue	27,250	28,022	25,050	25,041	54,259	32,331	58,200	33,200	4.4%	5.8%	3.4%	30,348	32,472	31,483	-1.8%	3.2%
Transfers received	416,460	416,460	460,638	446,331	623,892	623,892	657,590	657,590	59.4%	16.4%	61.5%	614,961	624,829	659,819	0.1%	64.2%
Total revenue	765,595	732,287	768,694	750,185	1,037,372	962,989	1,038,744	1,013,744	100.0%	11.5%	100.0%	987,723	957,325	1,026,381	0.4%	100.0%
Expenses																
Current expenses	767,406	676,609	808,694	699,122	990,754	825,632	979,987	954,987	96.3%	12.2%	92.4%	976,185	925,009	952,159	-0.1%	92.4%
Compensation of employees	330,722	298,099	235,811	277,270	312,162	283,168	334,638	334,638	33.3%	3.9%	35.4%	357,394	378,124	399,299	6.1%	35.7%
Goods and services	417,483	356,022	553,358	402,460	658,192	522,591	624,849	599,849	60.8%	19.0%	54.5%	597,791	524,667	529,398	-4.1%	54.6%
Depreciation	19,100	16,556	19,500	18,022	20,400	18,627	20,500	20,500	2.2%	7.4%	2.2%	21,000	22,218	23,462	4.6%	2.1%
Interest, dividends and rent on land	101	5,932	25	1,370	-	1,246	-	-	0.0%	-100.0%	0.3%	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total expenses	767,406	727,753	808,694	753,934	1,067,372	902,250	1,060,744	1,035,744	100.0%	12.5%	100.0%	1,051,624	1,001,743	1,033,190	-0.1%	100.0%
Surplus/(Deficit)	(1,811)	4,534	(40,000)	(3,749)	(30,000)	60,739	(22,000)	(22,000)		-269.3%		(63,901)	(44,418)	(6,809)	-32.4%	

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