



**South African Medical Research Council**  
**(SAMRC)**

**ANNUAL PERFORMANCE PLAN**

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**For 2015/2016**

**Date of Tabling: 11 March 2015**

## FOREWORD

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The South African Medical Research Council (SAMRC) strategic planning is guided by the country's health priorities. South Africa is facing significant health development challenges, in particular, the quadruple Burden of Disease, mainly HIV and AIDS and TB, Maternal and Child Mortality, Non-Communicable Diseases and Violence and Injuries. The global economic recession and socio-political situation have also contributed to the deteriorating quality of life attributed to current significant levels of unemployment, poverty and disease burden in South Africa.

With this Annual Performance Plan 2015/16, the South African Medical Research Council continues to cooperate and strengthen relationships with the National Department of Health (NDoH) and health sector partners to facilitate and support the implementation and achievement of Millennium Development Goals

(MDGs), National Service Delivery Agreement (NSDA) outcomes and outputs, the National Development Plan (NDP) as well as the National Department of Health's 10 Point Plan. The SAMRC also continues to play a critical role in engaging and providing technical support to the NDoH in the area of National Health Insurance (NHI) Policy.

The Annual Performance Plan takes into account the recent SAMRC reviews which have been undertaken and the revitalisation process of the SAMRC that took place during the period 2012/13 - 2013/14. It is in this context that the SAMRC, together with the support from line Ministry in the Department of Health, the Department of Science and Technology, national, regional and international partners and collaborators, will guide and support growth in medical research and technology.



**DR AARON MOTSOALEDI, MP  
MINISTER OF HEALTH**

**SIGNATURE:**

## OFFICIAL SIGN-OFF

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

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

- Takes into account all the relevant policies, legislation and other mandates for which the South African Medical Research Council is responsible.
- Accurately reflects the strategic outcome oriented objectives and performance targets which the South African Medical Research Council will endeavour to achieve over the period 2015-16 as a result of implementing its 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:**  
Executive Authority

**Signature:**

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PART A  
**STRATEGIC OVERVIEW**

## PART A: STRATEGIC OVERVIEW

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### 1. Situational analysis

#### 1.1 Research and Performance at SAMRC

The SAMRC's research mandate is guided by the SAMRC Act, the country's health needs and priorities. SAMRC research aims to promote the improvement of the health and quality of life of all who live in South Africa. The SAMRC both conducts and funds research that may lead to drug or vaccine discovery, affordable diagnostics and devices that will impact on the wellbeing of South Africans. To achieve this, the SAMRC works with the Department of Health, the Department of Science & Technology, Science Councils, Medical Schools, Universities, Research Institutes and international collaborators.

Coordination and alignment of SAMRC research priority areas occurs in the context of the National Burden of Disease. SAMRC researchers serve on strategic national, regional and international advisory boards, committees and work groups and in doing so provide input 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 Department of Health 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 survey and include:

- The Burden of Disease Survey (BOD),
- The Comparative Risk Assessment (CRA),
- The Perinatal Problem Identification Programme (PPIP),
- The South African Community Epidemiology Network on Drug Use (SACENDU)

This research enables the Department of Health to plan programmes. Findings from these surveillance platforms and results from our clinical and epidemiological research has the potential to be translated into policy and practice.

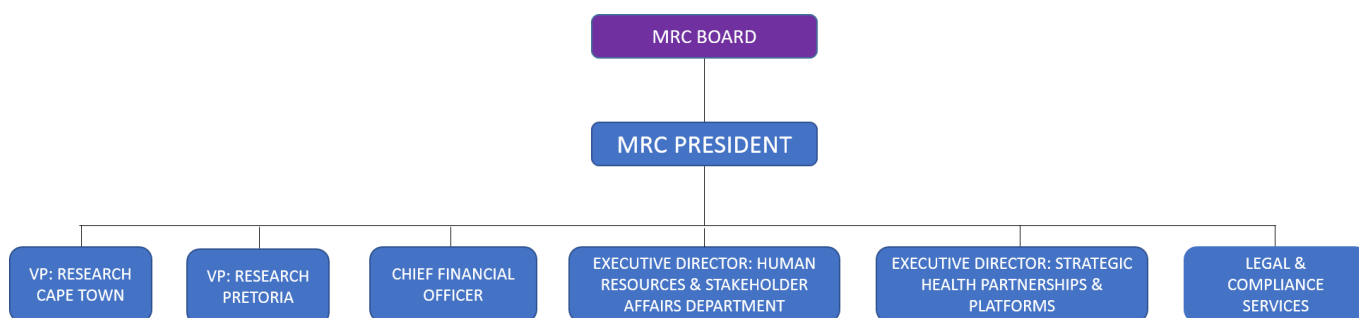
#### 1.2 Organisational Environment

##### 1.2.1. Organisational Structure

The SAMRC's newly appointed President, Professor Glenda Gray, a medical doctor who specialised in paediatrics, will lead the SAMRC for the next five years (2014-2019). Professor Gray is the first woman president of the SAMRC since its inception in 1969. She is an NRF A-rated scientist, of international acclaim who brings vast knowledge and expertise in the field of HIV (mother to child transmission, HIV vaccines and microbicides). This is evident from the fact that she was awarded the Nelson Mandela Health and Human Rights Award for pioneering work done in the field of Mother-to-Child Transmission of HIV-1. In 2013 she received the country's highest honour, the Order of Mapungubwe, granted by the president of SA for

achievements in the international arena which have served South Africa's interest. Her leadership will take the organisation to greater heights and sustain the gains made through revitalisation.

**Diagram 1: The SAMRC organisational structure**



### 1.2.2. Organisational functioning

Since its inception in 1969, the South African Medical Research Council (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 local and international experts in 1997 (the SETI review) revealed that the SAMRC was “a national asset”, which is being successfully transformed to discharge its responsibilities and functions.

After the SETI review conducted in 2010, the review panel recommended a significant revamp of the organisation, to position itself to be globally relevant. The SAMRC engaged in a period of revitalisation from 2011-2013. The organisation is now poised to meet its objectives of custodian of health research in South Africa. It is also in a position to enhance the stature of South African medical research through world-class science that may impact on policy and practice aimed to improve the health of the nation. The SAMRC Strategic Plan and APP remains aligned to the new mandate of the reformed health sector and the changing research needs within South Africa, placing the SAMRC in a critical position to respond to the Millennium Development Goals (MDG), the National Development Plan (NDP) 2030 vision, and the Medium Term Strategic Framework (MTSF 2014 – 2019), as well as the National Department of Health's 10-point Plan and National Service Delivery Agreement (NSDA). The recently approved strategic plan encompasses 4 goals with a central feature being high impact world-class medical research.

The SAMRC has undertaken several new initiatives during this year:

- 1) The prioritisation and focus of the intramural research will create a new ethos of high-quality science and health impact.
- 2) The restructuring process of the intramural units ensures that the focus is on the 10 most common causes of mortality in South Africa.
- 3) Piloting a Scientific Advisory Board concept in the HIV Prevention Research Unit.
- 4) Improved funding of intramural units

The SAMRC has revamped extramurally funded research in the following ways:

- 1) Through a Memorandum of Understanding between the National Institutes for Health (NIH) in the United States of America (USA) and the SAMRC we have created a mechanism to foster biomedical research. This joint venture has led to the creation of the USA-South Africa Program for Collaborative Biomedical Research, which is worth approximately \$40 million. The intent of this

funding agreement is to foster, stimulate, and/or expand basic, translational, behavioural and applied research that will advance scientific discovery and engage USA and South African researchers working collaboratively in the areas of TB, HIV/AIDS biomedical and behavioural science, and HIV-related co-morbidities, including malignancies.

- 2) Funding for extramural research has increased significantly with R45 million allocated for 12 SA university flagship projects in 2013/14. This is aimed at enhancing science at our universities in South Africa.
- 3) New funding streams have been created for technology and research through a new innovation entity: the Strategic Health Innovation Partnerships (SHIP). SHIP was created in April 2013 as a funding and project management mechanism based at the SAMRC. Substantial funding of over R480 million has been secured for SHIP from various sources including the Department of Science and Technology, SAAVI/Department of Health, the Bill and Melinda Gates Foundation and Anglo-American. SHIP is currently funding the largest malaria and TB drug discovery projects in Africa linking 7 academic institutions on one research project to address Africa's needs. The lead program is in clinical trials in South Africa. SHIP is also funding a large range of Medical Device projects focussing 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. SHIP is investing large sums of money to investigate Vaccine development both for TB and HIV. We were the only country in Africa to ever design an HIV vaccine which was put into humans in two trials both in SA & USA – this was achieved through SAAVI funding. In addition SHIP supports trial site development in rural communities. SHIP is investing large sums of money to investigate Vaccine development both for TB and HIV.

#### **SAMRC Lead Research Platforms**

**The Primate Research Unit** at the SAMRC is the only one of its kind in Africa and has been conducting research and pre-clinical toxicology for nearly 30 years. It is a very experienced group conducting world class research. It has established a rhesus macaque facility that will be vital in the next few years as SAAVI revives the HIV vaccine candidate development programme for South Africa.

**The Diabetes Research Platform** - Diabetes is reaching an epidemic scale in Africa and the SAMRC is investing the causes and potential mechanisms for reversing the effects of type II diabetes. The team has expanded significantly in the last 10 years and is seeking to develop interventions to diagnose (early) and treat the onset of diabetes. A key focus is on prevention rather than cure.

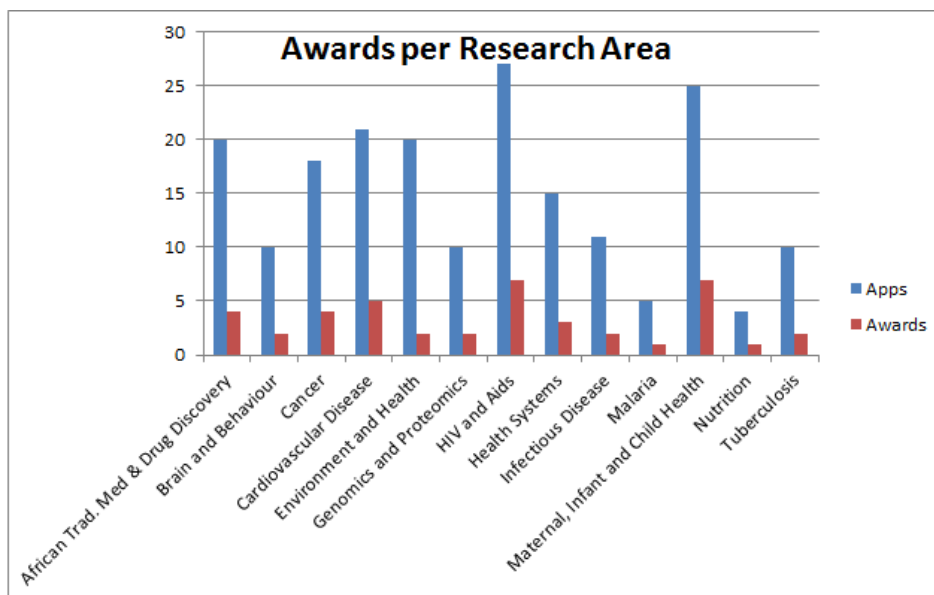
**The Malaria Research Platform** - Although not a major health burden in South Africa, Malaria remains one of the major diseases of the continent responsible for more than 700,000 deaths per year – mostly children. The SAMRC Research platform focussed on Malaria transmission and epidemiology of the disease and is closely linked to the drug discovery programs of the SAMRC.

Today, the SAMRC is in a much better position than it was two years ago. It is richer, more focused, and efficient and is better placed to deliver 'a healthy nation through research'. Substantial funds have been allocated by the SAMRC for a variety of existing and new funding mechanisms for health research and development in the country. These funds are being awarded and distributed through various requests for applications (RFAs) during the current and next two years.



### 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 recognized research institution. Awardees qualify for funding amounting to R200, 000 p.a. for a maximum of 3 years. In 2014/15, R7.5m for 42 new projects and R17.6m for 115 continuation projects was allocated. Researchers from twenty (20) Higher Education Institutions and Research Organisations in SA were awarded grants in 2014. The following graph depicts the disease areas to which grants were awarded.



### SAMRC Extramural Research Units

SAMRC Extramural Research Units are established within research institutions (primarily universities) in South Africa with the prime goal of generating new knowledge. They are built around the 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.

SAMRC research sub-programmes	SAMRC research units	Unit Director	Institution
<b>Health promotion and disease prevention</b>  NSDA 1: Increasing life expectancy	Anxiety and Stress Disorders Research Unit	Prof Dan Stein	University of Stellenbosch (US)
	Cancer Epidemiology Research Unit	Prof Chantal Babb	National Health Laboratory Service (NHLS)
	Exercise Science and Sports Medicine Research Unit	Professor Tim Noakes	University of Cape Town (UCT)
	Rural Public Health and Health Transition Research Unit	Prof Stephen Tollman	University of the Witwatersrand (WITS)
<b>Maternal, child and women's health</b>  NSDA 2: Decreasing maternal and child mortality	Development Pathways Research Unit	Prof Shane Norris	University of the Witwatersrand (WITS)
	Maternal and Infant Health Care Strategies Research Unit	Prof R.C. Pattinson	University of Pretoria (UP)
<b>HIV, AIDS, TB and other communicable diseases</b>  NSDA 3: Combating HIV and AIDS and decreasing	Diarrhoeal Pathogens Research Unit	Prof Duncan Steele	University of Limpopo (Medunsa Campus)
	Molecular Mycobacteriology Research Unit	Prof Valerie Mizrahi	University of Cape Town (UCT)
	Respiratory and Meningeal	Prof. Shabir Madhi	Chris Hani Baragwanath

the burden of disease from tuberculosis	Pathogens Research Unit		Hospital
<b>Health systems strengthening</b> NSDA 4: Strengthening health system effectiveness	Health Policy Research Unit	Prof. Laetitia Rispel	University of the Witwatersrand (WITS)
<b>Public health innovation</b>	Drug Discovery and Development Research Unit	Prof Kelly Chibale	University of Cape Town (UCT)
	Medical Imaging Research Unit	Prof Tania Douglas	University of Cape Town (UCT)
<b>Biomedical research</b>	Bioinformatics Capacity Development Research Unit	Prof Alan Christoffels	University of the Western Cape (UWC)
	Human Genetics Research Unit	Prof. Rajkumar S Ramesar	University of Cape Town (UCT)
	Immunology of Infectious Diseases Research Unit	Prof. Frank Brombacher	University of Cape Town (UCT)
	Inter-University Cape Heart Research Unit	Prof Peter Zilla	University of Cape Town (UCT)
	Receptor Biology Research Unit	Prof A. A. Katz	University of Cape Town (UCT)

### 1.2.3. Human Resource Management and Transformation

Appropriate strategic human resource management including training and development are important areas of focus for the MRC in the next five years. We aim to undertake meaningful transformation and equitable representation to specifically target management of research units. Areas of concern are from chief specialist scientist level up to unit director level in relation to the demographic representation. Currently 7% employees (54/614) are at the Senior Management level. This is constituted as follows; 16,7% (9/54) African; 16,7% (9/54) Indian; 20,4% (11/54) Coloureds; and 46,3% (25/54) Whites; of which 44,4% (24) are male and 55,6% (30) female. [See table 1 below]

Table 1: Senior Management

African		Indian		Coloured		White	
9		9		11		25	
16.7%		16.7%		20.4%		46.3%	
Male	Female	Male	Female	Male	Female	Male	Female
5	4	4	5	4	7	11	14
9.3%	7.4%	7.4%	9.3%	7.4%	13.0%	20.4%	25.9%

SAMRC has a staff complement of 614 of which 41,4% (254/614) are African; 20,2% (124/614) are Indian; 22,5% (138/614) are Coloured; 16% (98/614) are White; 72,3% (444/614) are female and 27,7% (170/614) male. [See table 2 below]

Table 2: SAMRC Staff

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		5	9	22	18	21	75	254
	Female		3	28	94	46	8	179	
Indian	Male		3	7	11	2	4	27	124
	Female		3	41	43	10		97	
Coloured	Male		3	7	19	7	6	42	138
	Female		5	23	51	10	7	96	
White	Male	1	14	7	3		1	26	98
	Female	1	16	32	17	6		72	
<b>TOTAL BY LEVEL</b>		<b>2</b>	<b>52</b>	<b>154</b>	<b>260</b>	<b>99</b>	<b>47</b>	<b>614</b>	<b>614</b>

The SAMRC is focussing on Transformation in terms of many areas including but not limited to race, gender, disability and age. We are developing a transformation plan that moves the SAMRC from its current state of being under represented by designated groupings in key occupational levels to an SAMRC that will be representative of the country's profile. The process has started with conversations with Unit Directors to agree on transformation (Employment Equity) objectives that will be presented to the board through its sub-committee for approval. The SAMRC is committed to making this project a success by retaining the designated talent it currently has and attracting more scientists from the designated groupings through a talent management strategy. By the next reporting cycle we would have moved the SAMRC to a much more improved position than where it is currently.

Succession planning will be used as one of the tools to achieve continuity and sustainability of the organisation and it will be supported by the Accelerated Development Programme which aims to develop scientists and in particular black in general, and African scientists, in particular, from senior specialist level to prepare them for future managerial responsibilities. For this programme to be effective it needs to be coupled with a robust and clearly defined succession plan. Through effective talent management, the SAMRC aims to attract, develop and retain skills to ensure a high level of research productivity in pursuance of its vision.

The SAMRC Board, through the Executive management team aims to lead and facilitate the implementation of the Human Resource Management Strategy and Plan which will guide the development of skills and competencies in identified areas needed for the alignment and achievement of the Department of Health'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

During the current financial year the SAMRC will engage in a consultation process to review the current SAMRC Act. A draft amendment bill (or proposed amendments) will be submitted to the Department for further 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.

The SAMRC will establish a 'Scientific Advisory Committee', and craft suitable terms of reference for the Committee that will guide and advise the Board on research strategy and policy.

## 3. Overview of 2014/15 budget and 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 2011/12 to 2014/15 the total budget of the SAMRC grew at an average rate of 12.6% from R580m to R828m. This is an increase of 42.7%.

Over the MTEF period (2015/16 to 2017/18) the SAMRC's annual budget is projected to grow at an average rate of 6.9% annually. The SAMRC's budget will increase by 23% from 2014/15 to 2015/16 due to the additional Economic Competitiveness Support Package allocation (R50m) and the R35m leverage funding which the SAMRC will leverage through baseline funding. In 2017/18 the SAMRC's annual baseline budget decreases by 5.2% due to the cut of R50m in the Economic Competitiveness Support Package.

This additional funding that the SAMRC will receive over the MTEF period will be allocated to core business, Research and Innovation.

- **Administration** grew at an average rate of 4% and the average ratio of Administration versus total expenses is 23.9% over the period 2011/12 to 2014/15. In 2014/15 it is anticipated that Administration will constitute 19.5% of the total SAMRC expenses. As part of the revitalisation process the processes of Support and Administration were reviewed to improve its efficiency and effectiveness. The anticipated outcomes of this review will ensure that Administration will grow at an average rate of 3.9% over the MTEF period whereas the total expenses will grow at an average rate of 6.9%. This growth will bring down the ratio of Administration versus total expenses to 18.1%. This anticipated lower than inflation growth in Administration will allow the SAMRC to allocate more funding resources to the core business (research).
- **Core Research** grew at an average rate of 9.1% over the period 2011/12 to 2014/15 and the average ratio of Core Research versus total expenses is 68.6%. Over the MTEF period these rates will change to 5.2% and 62.8%.
- **Innovation and Technology** grew at an average rate of 156.2% over the period 2011/12 to 2014/15 and the average ratio of Innovation and Technology versus total expenses is 5.1%. Over the MTEF period these rates will change to 22% and 15.4%. This average growth rate is due to the leverage funding we will receive through baseline investment.
- **Capacity Development** grew at an average rate of 61% over the period 2011/12 to 2014/15 and the average ratio of Innovation and Technology versus Total expenses is 2.4%. Over the MTEF period these rates will change to 3.9% and 3.7%.

## Budget allocation across Strategic Objectives

	Audited Outcome	Audited Outcome	Audited Outcome	Revised estimate	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/total: Average (%)
							2011/12	2012/13	2013/14		
R thousand											
Administration	143,962	156,463	175,327	161,793	4.0%	23.9%	171,666	187,978	181,215	3.9%	18.1%
Core research	423,423	406,011	471,099	549,329	9.1%	68.6%	597,911	655,893	640,139	5.2%	62.8%
Innovation and technology	4,951	7,752	59,015	83,247	156.2%	5.1%	215,296	161,612	151,242	22.0%	15.4%
Capacity development	8,207	6,726	22,311	34,231	61.0%	2.4%	35,201	37,261	38,444	3.9%	3.7%
-	-	-	-	-	-	-	-	-	-	-	-
<b>Total expense</b>	<b>580,543</b>	<b>576,952</b>	<b>727,752</b>	<b>828,600</b>	<b>12.6%</b>	<b>100.0%</b>	<b>1,020,074</b>	<b>1,042,744</b>	<b>1,011,040</b>	<b>6.9%</b>	<b>100.0%</b>

### 3.2 Economic Competitiveness Support Package (ECSP)

The SAMRC received funding from the ECSP as reflected in the table below:

2013/14	2014/15	2015/16	2016/17	2017/18
R90m	R100m	R150m	R158m	R100m (reduce by R58m)

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

#### SAMRC Flagship Projects

The SAMRC established a new high-profile funding opportunity for universities and SAMRC intramural research units to undertake Flagship Projects aimed at addressing South Africa's key health problems. A Flagship Project is an institution's highest impact and most prestigious research project. They are "**big ideas, big science for big impact**". The launch of Flagship Projects at public universities and SAMRC intramural research units was initiated in April 2012 through a RFA (Request for Applications). Six (6) category 1 flagship projects i.e. budgets of R5m, R5.5 and R6m pa over 3 years, six (6) category 2 flagship projects i.e. budgets of R2.5m, R2.7m and R3m pa over 3 years were approved for funding at universities. In total, twelve (12) universities were awarded flagship projects. Five (5) category 2 projects were approved for SAMRC intramural units. Flagship project funds may be used for research equipment, infrastructure, students and scientific staff. The research programme areas of these flagship projects cover a wide number of disease areas including HIV, TB, malaria, burden of disease, cardiovascular and metabolic disease, alcohol and drug abuse and women's health; areas of health that present a major challenge in South Africa. All projects are currently in progress.

#### Leverage funding agreements

The SAMRC has formed a SAMRC/NIH collaboration agreement at R46m p.a. (USD4m). With the SAMRC/NIH collaboration agreement the SAMRC is leveraging US\$4m annually from NIH funding which will provide a total annual funding pool of around R92m (USD8m). **The initial agreement with NIH is for 3 years (ending 2016/17) with a possible 2 year extension till 2017/18.**

The SAMRC will be entering into more leverage funding agreements with institutions in the USA and the UK in 2015/16 for 3 years where SAMRC will contribute R35m p.a. and the institutions in the aforementioned countries will also contribute R30m in total to fund priority research areas.

For the SAMRC to sustain these projects and to ensure projects are completed and results submitted, the SAMRC will require an annual budget allocation of R155m up to and including 2017/18. It is therefore critical that the SAMRCs Economic Competitiveness Support Package (ECSP) funding level is maintained up to and including 2017/18 at a level of at least R160m.

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

**SA UNIVERSITY FLAGSHIP PROJECTS**  
**SCHEDULE OF APPLICATIONS – GRANT AWARDEES 2013**

No.	Institution	PI and Research Grants Administration information	Title	Research Program Area	Amount
1.	Department of Biomedical Sciences, Faculty of Health & Wellness Sciences, Cape Peninsula University of Technology,	Prof Tandi Matsha	Progressive research on risk factors of type 2 diabetes and cardiovascular diseases in South Africa	Cardiovascular and Metabolic Diseases	Y1 – R2.5m Y2 – R2.75m Y3 – R3m <b>Total: R8.25m</b>
2.	Centre of Excellence for Pharmaceutical Sciences, Faculty of Health Sciences North-West University	Prof Richard K Haynes	Development to the Clinical Phase of Oxidant and Redox Drug Combinations for Treatment of Malaria, TB and Related Diseases (MALTB REDOX)	Malaria / TB	Y1 – R2.5m Y2 – R2.75m Y3 – R3m <b>Total: R8.25m</b>
3.	Dept of Biochemistry, Microbiology and Biotechnology, Faculty of Science Rhodes University	Prof Heinrich Hoppe	Integration of bioassay capacity, target identification and multidisciplinary research for the discovery of drug lead compounds (CCBR-RU)	Drug development	Y1 – R2.5m Y2 – R2.75m Y3 – R3m <b>Total: R8.25m</b>
4.	Dept of Psychiatry Faculty of Medicine and Health Sciences Stellenbosch University	Prof Soraya Seedat	Understanding the SHARED ROOTS of Neuropsychiatric Disorders and Modifiable Risk Factors for Cardiovascular Disease (SHARED ROOTS)	Mental Health /Cardiovascular and Metabolic Diseases	Y1 – R5m Y2 – R5.5m Y3 – R6m <b>Total: R16.5m</b>
5.	Desmond Tutu HIV Centre IIDMM Faculty of Health Sciences University of Cape Town	Prof Robin Wood	Tuberculosis Transmission: Host, Bacterium and Environment	TB	Y1 – R5m Y2 – R5.5m Y3 – R6m <b>Total: R16.5m</b>
6.	Dept of Medical Physics School of Medicine University of the Free State	Dr Frederik du Plessis	High energy X-ray Beam Advanced Radiation Dosimetry and Verification (HARD)	Medical Physics	Y1 – R2.5m Y2 – R2.75m Y3 – R3m <b>Total: R8.25m</b>
7.	Africa Centre for Health and Population Studies, School of Health Sciences University of KwaZulu-Natal	Prof Tulio de Oliveira	A multi-disciplinary approach to understand the causes and consequences of HIV transmission and drug resistance in hyper-epidemic setting in rural South Africa (UKZNHIVEPI)	HIV	Y1 – R5m Y2 – R5.5m Y3 – R6m <b>Total: R16.5m</b>
8.	Dept of Intensive Care Medicine, Faculty of Medicine/Health Sciences, Medunsa Campus University of Limpopo	Prof Akhter Goolam-Mahomed	Evaluating a new treatment regimen for patients with extensively drug-resistant TB (XDR-TB) and resistance beyond XDR-TB – a randomised controlled trial (NEXT-RCT)	TB	Y1 – R5m Y2 – R5.5m Y3 – R6m <b>Total: R16.5m</b>

No.	Institution	PI and Research Grants Administration information	Title	Research Program Area	Amount
9.	Department of Immunology School of Medicine Faculty of Health Sciences University of Pretoria	Prof Michael S Pepper	Stem cell research and therapy – addressing South Africa’s disease burden (Stem cells)	Stem cells	Y1 – R5m Y2 – R5.5m Y3 – R6m <b>Total: R16.5m</b>
10.	South African National Bioinformatics Institute, Faculty of Science University of Western Cape	Prof Alan Christoffels	Comprehensive Bacterial Analytical ToolKit for Tuberculosis Research (COMBAT-TB)	TB	Y1 – R2.5m Y2 – R2.75m Y3 – R3m <b>Total: R8.25m</b>
11.	Centre for HIV & STI’s, NICD/NHLS, Faculty of Health Sciences University of the Witwatersrand	Prof Lynn Morris	Antiviral properties of HIV vaccine-elicited antibodies	HIV	Y1 – R5m Y2 – R5.5m Y3 – R6m <b>Total: R16.5m</b>
12.	Department of Medicine Faculty of Health Sciences Walter Sisulu University	Prof Abolade A Awotedu	Investigation of the Management of Pericarditis Trial II: A Randomized Comparison of Complete Percutaneous Pericardiocentesis plus Interferon Gamma Testing Versus Empiric Treatment Without Pericardiocentesis in Suspected Tuberculosis Pericarditis (IMPI-2 Trial)	Cardiovascular and Metabolic Diseases	Y1 – R2.5m Y2 – R2.75m Y3 – R3m <b>Total: R8.25m</b>



**SAMRC INTRAMURAL FLAGSHIP PROJECTS  
SCHEDULE OF APPLICATIONS – GRANT AWARDEES 2013**

No.	Institution	PI and Research Grants Administration information	TITLE	Research Program Area	[amounts include VAT – 2013/14 to 2015/16 (3 years)]
1	Alcohol, Tobacco and Other Drug Research Unit South African Medical Research Council	Prof Charles Parry	Effectiveness of an Alcohol-Focused Intervention in improving adherence to antiretroviral therapy and HIV treatment outcomes	Behavioural Research / Drug	Year 1 – R2.5m Year 2 – R2.75m Year 3 – R3m <b>Total: R8.25m</b>
2	Burden of Disease South African Medical Research Council	Prof Debbie Bradshaw	2 <sup>nd</sup> South African comparative risk assessment	Public Health	Year 1 – R2.5m Year 2 – R2.75m Year 3 – R3m <b>Total: R8.25m</b>
3	Centre for Tuberculosis Research South African Medical Research Council	Prof Paul van Helden	Improving TB Diagnosis and Treatment through basic, applied and health systems research	TB	Year 1 – R2.5m Year 2 – R2.75m Year 3 – R3m <b>Total: R8.25m</b>
4	Gender and Health South African Medical Research Council	Prof Naeemah Abrahams	The impact of rape in women on HIV acquisition and retention and linkages to care: a longitudinal study	HIV	Year 1 – R2.5m Year 2 – R2.75m Year 3 – R3m <b>Total: R8.25m</b>
5	South African Cochrane Centre South African Medical Research Council	Dr Tamara Kredo	South African guideline evaluation project	Public Health	Year 1 – R2.5m Year 2 – R2.75m Year 3 – R3m <b>Total: R8.25m</b>

## SAMRC fund leveraging

In leveraging funding, the SAMRC will enter into collaborations at a ratio of 1:1. The SAMRC will invest R35m per annum and, in return potentially receive R30m out of the following international collaborations:

1. **Grand Challenges 2015** (Bill and Melinda Gates Foundation)  
Through this collaboration the SAMRC will leverage ZAR 10 million in the domain of TB transmission and maternal and child health.
2. **NEWTON FUND: SAMRC, UK MRC and Wellcome Trust** - Joint research call in TB and co-morbidities to fund 3 year research projects

The SAMRC will commit R10m per annum over a period of three years for this activity which will be co-funded by MRC UK and **Wellcome Trust** through a collaborative funding agreement with the Newton Fund.

3. **NEWTON FUND: SAMRC, UK MRC and GlaxoSmithKline (GSK)** - Joint research call in non-communicable diseases with to fund 3 year research projects

\*

The SAMRC will commit R10m per annum over a period of three years for this activity which will be co-funded by MRC UK and GSK through a collaborative funding agreement with the Newton Fund.

### 3.3 Expenditure Estimates

Table A.3 Medical Research Council of South Africa

Statement of financial performance	Audited Outcome				Revised estimate	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/total: Average (%)
	2011/12	2012/13	2013/14	2014/15				2011/12 - 2014/15	2015/16	2016/17		
R thousand												
<b>Revenue</b>	<b>326,216</b>	<b>282,754</b>	<b>315,825</b>	<b>338,269</b>		1.2%		<b>396,182</b>	<b>385,154</b>	<b>396,079</b>	5.4%	39.5%
<b>Non-tax revenue</b>												
Sale of goods and services other than capital assets	303,481	257,569	287,804	306,839		0.4%	45.2%	356,981	348,080	357,224	5.2%	35.7%
of which:												
Administrative fees	-	-	-	-		-	-	-	-	-	-	-
Sales by market establishment	303,481	257,569	287,804	306,839		0.4%	45.2%	356,981	348,080	357,224	5.2%	35.7%
Other sales	-	-	-	-		-	-	-	-	-	-	-
Other non-tax revenue	22,735	25,185	28,021	31,430		11.4%	4.1%	39,201	37,074	38,855	7.3%	3.8%
<b>Transfers received</b>	<b>237,899</b>	<b>249,003</b>	<b>416,460</b>	<b>446,331</b>		<b>23.3%</b>	<b>50.7%</b>	<b>623,892</b>	<b>657,590</b>	<b>614,961</b>	<b>11.3%</b>	<b>60.5%</b>
<b>Total revenue</b>	<b>564,115</b>	<b>531,757</b>	<b>732,285</b>	<b>784,600</b>		<b>11.6%</b>	<b>100.0%</b>	<b>1,020,074</b>	<b>1,042,744</b>	<b>1,011,040</b>	<b>8.8%</b>	<b>100.0%</b>
<b>Expenses</b>												
<b>Current expenses</b>	<b>580,543</b>	<b>576,952</b>	<b>676,608</b>	<b>773,787</b>		<b>10.1%</b>	<b>96.6%</b>	<b>943,457</b>	<b>961,987</b>	<b>935,520</b>	<b>6.5%</b>	<b>92.7%</b>
Compensation of employees	312,493	316,120	298,099	280,783		-3.5%	45.9%	301,915	336,757	353,603	8.0%	32.7%
Goods and services	252,967	244,503	356,021	474,504		23.3%	48.0%	622,542	604,730	560,917	5.7%	57.9%
Depreciation	15,001	16,176	16,556	18,000		6.3%	2.5%	19,000	20,500	21,000	5.3%	2.0%
Interest, dividends and rent on land	82	153	5,932	500		82.7%	0.2%	-	-	-	-100.0%	0.0%
Tax payment	-	-	51,144	54,813		-	3.4%	76,617	80,757	75,520	11.3%	7.3%
<b>Total expenses</b>	<b>580,543</b>	<b>576,952</b>	<b>727,752</b>	<b>828,600</b>		<b>12.6%</b>	<b>100.0%</b>	<b>1,020,074</b>	<b>1,042,744</b>	<b>1,011,040</b>	<b>6.9%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>(16,428)</b>	<b>(45,195)</b>	<b>4,533</b>	<b>(44,000)</b>		<b>38.9%</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>100.0%</b>	

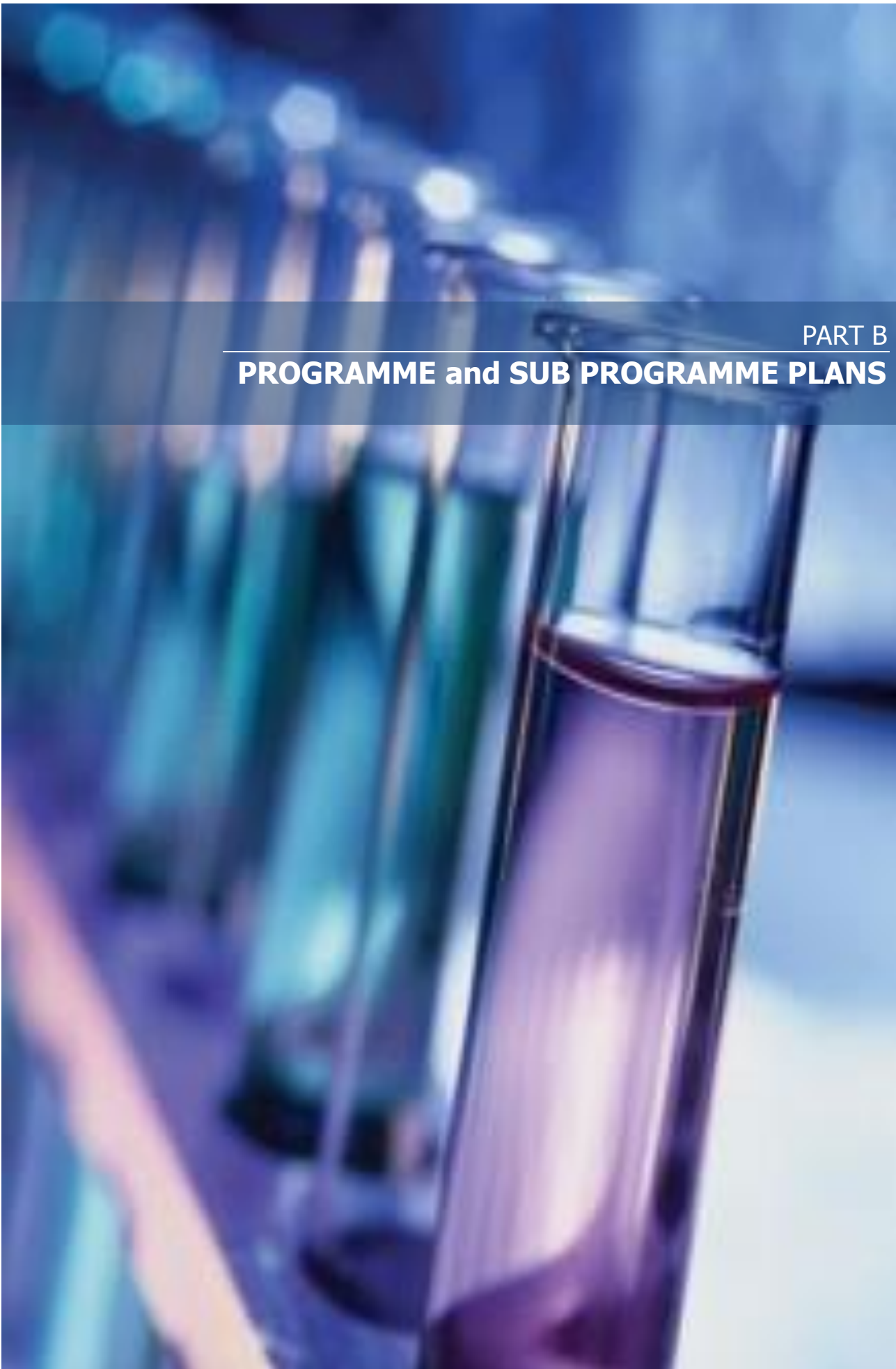
The SAMRC Budget for 2015/16 is attached as **Annexure A**.

### 3.4 Relating expenditure trends to strategic outcome oriented goals

Over the period 2011/12 to 2014/15 the SAMRC's income grew by 42% (R248m). This growth is mainly due to our baseline funding increase of 87% (R208m) over the same period. Over the MTEF period 2015/16 to 2017/18 the SAMRC's estimated funding will grow by 22% (R182m). This projected growth is due to a 16% increase in donor funding and a 37% increase in baseline funding. The increase in baseline funding is due to the Economic Competitiveness Support Package.

Over the period 2011/12 to 2014/15 the expenditure of SAMRC increased by 42% (R248m). Salaries, one of the SAMRC's biggest expenditure items, show a negative average annual growth of -3.5%. This is due to the revitalisation process where non-relevant research units were closed down and effected staff transferred to other institutions who could house them. Over the same period goods and services grew on average at 23.3% annually mainly due to increase funding in collaborative research through the Flagship funding and other major collaborations mentioned.

Over the MTEF period 2015/16 to 2017/18 the SAMRC's budget expenditure is estimated to grow by about 22% (R182m). Salary expenditure will be the second biggest expense item and will grow at an average annual rate of 8% to make up about 33% of the average total over the MTEF. Goods and services, the biggest expense item, will grow at an average annual rate of 5.7% to make up about 57.6% of the average total over the MTEF. This is due to the increased collaborations and the leveraging of donor funding with baseline funding. SAMRC plan to have zero deficit budgets over the MTEF period.



PART B

**PROGRAMME and SUB PROGRAMME PLANS**

## PART B PROGRAMME AND SUB-PROGRAMME PLANS

The SAMRC's strategic objectives (n=9) inform the research agenda and action plans of the organisation for the next three years. Implementation will be through the relevant research projects conducted by both intra- and extra-mural 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 (2) broad programmes:

- Research Programmes
- Support Programmes

The table below summarises the strategic goals and objectives as presented in the SAMRC 2014/15 – 2018/19 Strategic Plan

Revised Goals, Objectives and Indicators	
Strategic Goals	Objectives
1. Administer health research effectively and efficiently in South Africa	1.1. To ensure good governance, effective administration 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

A 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 in all its dimensions. The SAMRC's activities uniquely straddle issues of health, including population health (with special social science skills), disease and disease mechanisms (with special biomedical science skills) and health systems, settings and policy research, in which the SAMRC plays a unique 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 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:

- Project Management Office,
- Legal and Compliance Services,
- EMC Secretariat

### **Research Directorate**

To provide research support by administering, managing and awarding various research grants and bursaries and research internships targeting different levels of researchers within the SAMRC and South African Higher Education Institutions (HEI). 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.

### **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, higher education institutions and service providers.

### **Human Resources Department**

To create an enabling platform to attract, recruit, motivate and retain talented individuals in a positive, diverse, healthy and safe work environment.

### **Strategic Health Innovation Partnerships (SHIP)**

To fund, through multi-disciplinary and multi-institutional partnerships, the development of new or improved drugs, diagnostics, vaccines, devices, prevention strategies and treatments to address SA's major health problems.

## Strategic Goals in line with NSDA

The SAMRC has 4 strategic goals that link with the 4 outputs of the Health Sector NSDA which contributes to outcome 2 “A Long and Healthy Life for all South Africans”. The SAMRC’s mandate will be reviewed from time to time and goals will be aligned accordingly.

<b>Strategic Goal 01</b>	Administer health research effectively and efficiently in South Africa
<b>Goal statement</b>	Strengthening of financial processes towards an unqualified audit opinion from the Auditor General
<b>Strategic Objectives</b>	1.1. To ensure good governance, effective administration and compliance with government regulations 1.2. To promote the organisation’s administrative efficiency to maximise the funds available for research
<b>Objective Statement</b>	To strengthen financial management, monitoring and evaluation
<b>Baseline (2014-15)</b>	Improved financial management at all levels within the SAMRC and an Clean Audit
<b>Indicator/s</b>	1.1. Compliance with legislative prescripts, reflected in audit findings relating to the processes and systems of the SAMRC 1.2. % of the government allocated SAMRC budget spent on administration

<b>Strategic Goal 02</b>	Lead the generation of new knowledge and facilitate its translation into policies and practices to improve health
<b>Goal statement</b>	Promote the improvement of health and quality of life (prevention of ill health, improvements in public health and treatment) in South Africa through research
<b>Strategic Objectives</b>	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
<b>Objective Statement</b>	Number of high impact journal articles published during the year to create new quality knowledge through research with expert endorsement from specialists in the field
<b>Baseline (2014-15)</b>	2.1 400 2.2 100 2.3 10 2.4 160 2.5 4 2.6 100
<b>Indicator/s</b>	2.1 Number of published journal articles, book chapters and books by South African Medical Research Council (SAMRC) MRC (Medical Research Council) and Medical Research Council of South Africa (MRCSA) researchers within intramural, extramural research units and Collaborating centres at the SAMRC (Malaria, TB, HIV and Cancer) and Self-Initiated Research , SHIP and the flagship projects. 2.2 Number of published journal articles by SAMRC/MRC/ MRCSA grant-holders during the reporting period, with an acknowledgement of SAMRC/MRC/ MRCSA funding support. 2.3 Number of published indexed high impact factor journal articles with an SAMRC/MRC/MRCSA affiliated author. 2.4 Number of journal articles where the first-author and/ or the last author is

	<p>affiliated to the SAMRC/MRC/ MRCSA during the reporting period.</p> <p>2.5 Number of new local/international policies and guidelines that reference SAMRC research.</p> <p>2.6 Number of research grants awarded by the SAMRC.</p>
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<b>Strategic Goal 03</b>	<b>Support innovation and technology development to improve health</b>
<b>Goal statement</b>	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
<b>Strategic Objective</b>	3. To provide funding for health research innovation and technology development
<b>Objective Statement</b>	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
<b>Baseline (2014-15)</b>	30 innovation and technology developments
<b>Indicator/s</b>	3.1 Number of innovation and technology projects funded by the SAMRC to develop new diagnostics, devices, vaccines and therapeutics

<b>Strategic Goal 04</b>	<b>Build capacity for the long-term sustainability of the country's health research</b>
<b>Goal statement</b>	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 arrangements; Africa centric perspective; Innovation; Operationally – best business practices; Technology infrastructure
<b>Strategic Objectives</b>	4 To enhance the long-term sustainability of health research in South Africa by providing funding for the next generation of health researchers
<b>Objective Statement</b>	Study bursaries/scholarships/fellowships are awarded to students towards a postgraduate degree in health research
<b>Baseline (2014-15)</b>	60 bursaries/ scholarships/fellowships
<b>Indicator</b>	4.1 Number of SAMRC bursaries/scholarships/fellowships provided for post-graduate study at masters, doctoral and post-doctoral levels



No	Strategic Objective	Performance Indicator	SP Target 2015/16 - 2019/20	Actual Performance	Estimated Performance	Medium-term Targets			
				2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/20
1	To ensure good governance, effective administration and compliance with government regulations	Compliance with legislative prescripts, reflected in audit findings relating to the processes and systems of the SAMRC.	Clean audit	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	% of the government allocated SAMRC budget spent on administration	25%	30	25	23	23	24	24%
2	To produce and disseminate new scientific findings and knowledge on health	Number of published journal articles, book chapters and books by South African Medical Research Council (SAMRC) MRC (Medical Research Council) and Medical Research Council of South Africa (MRCSA) researchers within intramural, extramural research units and Collaborating centres at the SAMRC (Malaria, TB, HIV and Cancer) and Self-Initiated Research , SHIP and the flagship projects.	3150	400	450	500	550	600	650
		Number of published journal articles by SAMRC/MRC/MRCSA grant-holders during the reporting period, with an acknowledgement of SAMRC/MRC/MRCSA funding support.	825	100	115	130	145	160	175
	To promote scientific excellence and the reputation of South African health research	Number of published indexed high impact factor journal articles with an SAMRC/MRC/MRCSA affiliated author.	90	10	12	14	16	18	20
	To provide leadership in the generation new knowledge in health	Number of journal articles where the first-author and/ or the last author is affiliated to the SAMRC/MRC/MRCSA during the reporting period	1035	160	165	170	175	180	185
	To facilitate the translation of SAMRC research findings into health policies and practices	Number of new local/international policies and guidelines that reference SAMRC research	27	4	4	4	5	5	5
	To provide funding for the conduct of health research	Number of research grants awarded by the SAMRC	750	100	110	120	130	140	150
3	To provide funding for health research innovation and technology development	Number of innovation and technology projects funded by the SAMRC to develop new diagnostics, devices, vaccines and therapeutics	180	30	30	30	30	30	30
4	To enhance the long-term sustainability of health research in South Africa by providing funding for the next generation of health researchers	Number of SAMRC bursaries/ scholarships/ fellowships provided for post-graduate study at masters, doctoral and post-doctoral levels	435	60	65	70	75	80	85

## 1. Purpose

The purpose of the organisation is to perform relevant and responsive health research in order to build a healthy nation. In pursuing this, the organisation also ensures capacity development in order to build a cadre of future scientists and researchers. Through this the sustainability of the organisation is guaranteed as there will be people to carry forward the work of building a healthy nation.

## 2. Strategic objective annual targets for 2015/16

The following table presents the projected performance information emanating from all the sub-programmes within the SAMRC.

## 3. Quarterly targets for 2015/16

No.	Programme Performance Indicator	Reporting period 2015/16	Frequency	Quarterly targets			
				1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
1.1	Compliance with legislative prescripts, reflected in audit findings relating to the processes and systems of the SAMRC.	Clean	Annual				
1.2	% of the government allocated SAMRC budget spent on administration	25	Annual				
2.1	Number of published journal articles, book chapters and books by South African Medical Research Council (SAMRC) MRC (Medical Research Council) and Medical Research Council of South Africa (MRCSA) researchers within intramural, extramural research units and Collaborating centres at the SAMRC (Malaria, TB, HIV and Cancer) and Self-Initiated Research , SHIP and the flagship projects	450	Quarterly	115	125	95	115
2.2	Number of published journal articles by SAMRC /MRC/MRCSA grant-holders during the reporting period, with an acknowledgement of SAMRC /MRC/MRCSA funding support.	115	Quarterly	30	30	25	30
2.3	Number of published indexed high impact factor journal articles with an SAMRC/ MRC/MRCSA affiliated author.	12	Quarterly	3	4	2	3
2.4	Number of journal articles where the first-author and/ or the last author is affiliated to the SAMRC/MRC/MRCSA during the reporting period	165	Quarterly	45	45	35	40
2.5	Number of new local/international policies and guidelines that reference SAMRC research	4	Bi-Annual		2		2
2.6	Number of research grants awarded by the SAMRC	110	Annual				
3.1	Number of innovation and technology projects funded by the SAMRC to develop new diagnostics, devices, vaccines and therapeutics	30	Annual				
4.1	Number of SAMRC bursaries/ scholarships/ fellowships provided for post-graduate study at masters, doctoral and post-doctoral levels	65	Annual				



PART C  
**LINKS TO OTHER PLANS**

## PART C: LINKS TO OTHER PLANS

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

There are several infrastructural projects and recapitalization programmes that were previously not highlighted. These include but are not limited to safety, security, information technology, buildings-, and plant & machinery. The SAMRC proposes to address these projects and programmes by funding them from the SAMRC reserves.

No	Project	Programme	Project description/ type of structure	Outputs	Estimated Project cost	Project duration		Revised estimate	Medium-term expenditure estimate			
						Start	Finish		2014/15	2015/16	2016/17	2017/18
<b>1. New and replacement assets (R Millions)</b>												
1.1.	Voice over Internet Protocol (VOIP)	Operations	Integration of voice and data into one platform	Using one IT platform	0.7			0	0.5	0.2	-	
1.2.	Close circuit camera television (CCTV)	Operations	Additional security measures	Recording of events for security purposes	5.0			4.0	1.0	-	-	
1.3.	Generators for regions	Operations	Back-up electricity supply	Continuous electricity supply in case of power blackouts	1.5	Jul 2014	Feb 2015	1.5	-	-	-	
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	Oct 2015	1.2	3.0	-	-	
1.5.	Replacement of air conditioning	Operations	Replace old air conditioners	Better working environment	1.0	Apr 2014	Mar 2015	1.0	-	-	-	
1.6.	Central time & attendance system	IT	Install and implement the system	Promote corporate governance	2.3	Oct 2014	Jul 2016	1.5	0.5	0.3	-	
1.7.	Video Conferencing	IT			5.0	April 2014	July 2016	2.0	1.5	1.5		
	<b>Total</b>							11.2	6.5	2.0	-	
<b>2. Maintenance and repairs (R millions)</b>												
	<b>Total</b>							-	-	-	-	
<b>3. Upgrades and additions (R millions)</b>												
3.1.	Electrical compliance review & repair	Operations	Ensuring compliance of the electricity infrastructure	Electricity Infrastructural adherence to regulations	4.0	Nov 2014	Jul 2016	1.0	3.0	1.0	-	

No	Project	Programme	Project description/ type of structure	Outputs	Estimated Project cost	Project duration		Revised estimate 2014/15	Medium-term expenditure estimate		
						Start	Finish		2015/16	2016/17	2017/18
3.2.	Renovation of reception areas	Operations	Interior design/ redecoration	Renovations	4.0	Sep 2014	Mar 2016	2.0	1.0	1.0	-
3.3.	Renovation of gate entrances (Medicina, 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	1.5	Sep 2014	Mar 2014	1.5	-	-	-
3.4.	Replacement of Core switches - CPT	IT	Maintain IT infrastructure	Reliable IT infrastructure	0.2	Apr 2015	Mar 2016	-	0.2	-	-
3.5.	General IT maintenance and replacements	IT	Maintain IT infrastructure	Reliable IT infrastructure	10.0	Apr 2014	Jul 2016	4.4	2.9	2.7	-
	<b>Total</b>							8.9	7.1	4.7	-
<b>4. Rehabilitation, renovations and refurbishments (R millions)</b>											
4.1.	Re-roofing of buildings with existing asbestos roofs and general building maintenance	Operations	Remove asbestos roof sheets and replace with appropriate roof sheets	To be in line with the law related to asbestos	13.8	Apr 2014	Jul 2016	8.8	3.5	1.5	-
4.2.	Refurbishment of elevators	Operations	Refurbishment of elevators	Safe working environment	1.5			1.6	-	-	-
4.3.	Repairs, renovation and maintenance of plant and machinery	Operations	Repairs, renovation and maintenance of plant and machinery	Reliable operational equipment	3.5	Apr 2014	Jul 2016	1.0	1.5	1.0	-
	<b>Total</b>							11.4	5.0	2.5	-
	<b>GRAND TOTAL</b>							<b>31.5</b>	<b>18.6</b>	<b>9.2</b>	<b>-</b>



**ANNEXURES**

## Annexure A– Detailed SAMRC Budget

### Programmes/activities/objectives

#### South African Medical Research Council of South Africa

	Audited Outcome	Audited Outcome	Audited Outcome	Revised estimate	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/total: Average (%)
	2011/12	2012/13	2013/14	2014/15	2011/12 - 2014/15		2015/16	2016/17	2017/18	2014/15 - 2017/18	
R thousand											
Administration	143,962	156,463	175,327	161,793	4.0%	23.9%	171,666	187,978	181,215	3.9%	18.1%
Core research	423,423	406,011	471,099	549,329	9.1%	68.6%	597,911	655,893	640,139	5.2%	62.8%
Innovation and technology	4,951	7,752	59,015	83,247	156.2%	5.1%	215,296	161,612	151,242	22.0%	15.4%
Capacity development	8,207	6,726	22,311	34,231	61.0%	2.4%	35,201	37,261	38,444	3.9%	3.7%
-	-	-	-	-	-	-	-	-	-	-	-
<b>Total expense</b>	<b>580,543</b>	<b>576,952</b>	<b>727,752</b>	<b>828,600</b>	<b>12.6%</b>	<b>100.0%</b>	<b>1,020,074</b>	<b>1,042,744</b>	<b>1,011,040</b>	<b>6.9%</b>	<b>100.0%</b>

## Annexure B– SAMRC’s Materiality and Significance Framework: 2015/16

The proposed Materiality and Significance Framework for the MRC, 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 <b>significant</b> partnership, trust, unincorporated joint venture or similar arrangement;	Qualifying transactions exceeds R10Mil (based on 2% of total MRC assets, as at 31 March 2014).  This includes research collaborative arrangements	
c) acquisition or disposal of a <b>significant</b> shareholding in a company;	Greater than 20% of shareholding.	
d) acquisition or disposal of a <b>significant</b> asset;	Qualifying transactions exceeds R10Mil (based on 2% of total MRC assets, as at 31 March 2014).  Including Financial Leases	Any asset that would increase or decrease the overall operational functions of the MRC, outside of the approved strategic plan and budget.
e) commencement or cessation of a <b>significant</b> business activity; and	Any activity not covered by the mandate / core business of the MRC and that exceeds the R10Mil transaction value (based on 2% of total	Full particulars to be disclosed to the Minister of Health and Minister of Finance (National Treasury) for approval (simultaneous



PFMA Section	Quantitative [Amount]	Qualitative [Nature]
	MRC assets, as at 31 March 2014).	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 R10Mil (based on 2% of total MRC assets, as at 31 March 2014)	

**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"> <li>• Report quarterly to the Minister of Health.</li> <li>• Report annually in the Annual Financial Statements</li> </ul>
(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**

National Department of Health and National Treasury are to

- 1) be notified of procurement transactions exceeding R10 Million;
- 2) be informed of amounts in excess of
  - a. 20% or R20 Million (including applicable taxes) for construction related orders; and
  - b. 15% or R15 Million (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 MRC materiality level calculation outcomes were as follows:

<b>Element</b>	<b>% rand to be applied against R value</b>	<b>Audited Value at 31 March 2014</b>	<b>Calculated Materiality &amp; Significance Value</b>
Total Assets (1%-2%)	2%	R 509 138 383.00	R 10 182 767.66

The MRC materiality and significant value will be R10Million based on the highest percentage of the total asset element. This is the most stable element, given the performance statement outcomes associated with the current economic climate challenges.

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## Annexure C– Acronyms and abbreviations

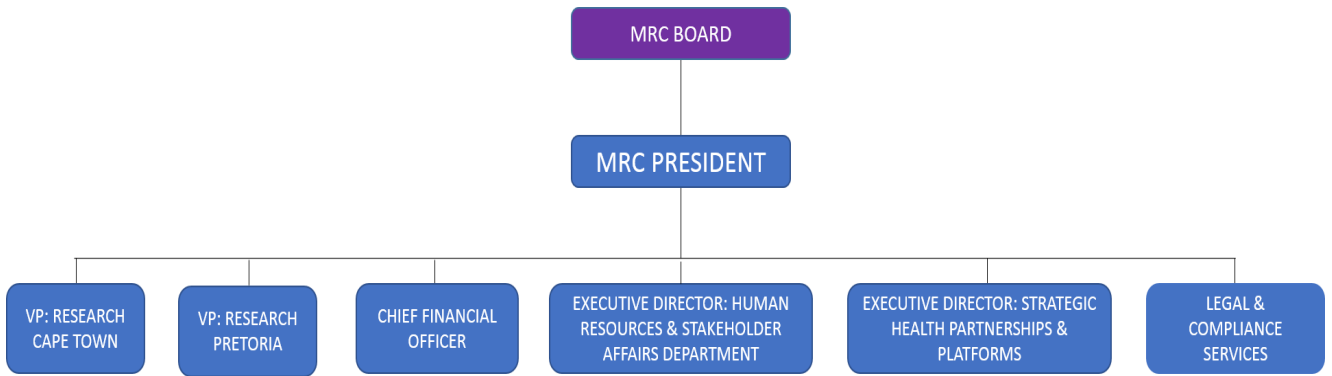
APP	Annual Performance Plan	NHLS	National Health Laboratory Services
AIDS	Acquired immune deficiency syndrome	NHRC	National Health Research Committee
ASSAf	Academy of Science for South Africa	NIH	National Institutes of Health
ART	Anti-Retroviral Therapy	NIMSS	National Injury and Mortality Surveillance System
AU	African Union	NPO	Non-Profit Organisation
BOD	Burden of Disease	NSDA	Negotiated Service Delivery Agreement
BRIC	Brazil, Russia, India and China	PEPFAR	President's (US) Emergency Plan for AIDS Relief
CARISA	Cancer Research Initiative of South Africa	PFMA	Public Finance Management Act
CEO	Chief Executive Officer	PHC	Primary Health Care
CFO	Chief Financial Officer	PPIP	Perinatal Problem Identification Programme
CRA	Comparative Risk Assessment	PROMECS	Programme on Mycotoxins and Experimental Carcinogenesis
DRC	Democratic Republic of the Congo	RFA	Request for Application
DST	Department of Science & Technology	SAAVI	South African AIDS Vaccine Initiative
ECSP	Economic Competitiveness Support Package	SACENDU	South African Community Epidemiology Network on Drug Use
EMC	Executive Management Committee	SADC	South African Development Community
GBV	Gender-based violence	SADHS	South African Demographic Health Survey
HEI	Higher Education Institutions	SAMI	South Africa Malaria Initiative
HIV	Human Immunodeficiency Virus	SAMRC	South African Medical Research Council
HPCSA	Health Professionals Council of South Africa	SATRI	South African Tuberculosis Research Initiative
HR	Human Resource	SETI	Science, Engineering and Technology Institution
ISI	Institute for Scientific Information	SHARP	South African HIV/AIDS Research (and Innovation) Platform
MAC	Ministerial Advisory Committee	SHIP	Strategic Health Innovation Partnerships
MBCHB	Bachelor of Medicine and Bachelor of Surgery	SP	Strategic Plan
MDG	Millennium Development Goals	TB	Tuberculosis
MMED	Master of Medicine	UCT	University of Cape Town
MSTF	Medium Term Strategic Framework	UFS	University of Free State
MTEF	Medium Term Expenditure Framework	UKZN	University of Kwa-Zulu Natal
NDOH	National Department of Health	US	University of Stellenbosch
NDP	National Development Plan	UWC	University of Western Cape
NEJM	New England Journal of Medicine	WHO	World Health Organisation
NHI	National Health Insurance	YRBS	Youth Risk Behaviour Survey



**ADDENDUMS**

*Addendum1 to Strategic Plan (SAMRC Organisational Structure)*

**The SAMRC organisational structure**



## Addendum2 to Strategic Plan (SAMRC Expenditure Estimates)

### SAMRC Expenditure Estimates

Table A.3 Medical Research Council of South Africa

Statement of financial performance	Audited Outcome				Revised estimate	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/total: Average (%)
	2011/12	2012/13	2013/14	2014/15			2015/16	2016/17	2017/18	2014/15 - 2017/18		
R thousand												
<b>Revenue</b>												
<b>Non-tax revenue</b>	<b>326,216</b>	<b>282,754</b>	<b>315,825</b>	<b>338,269</b>	1.2%	49.3%	<b>396,182</b>	<b>385,154</b>	<b>396,079</b>	5.4%	39.5%	
Sale of goods and services other than capital assets of which:	303,481	257,569	287,804	306,839	0.4%	45.2%	356,981	348,080	357,224	5.2%	35.7%	
Administrative fees	-	-	-	-	-	-	-	-	-	-	-	
Sales by market establishment	303,481	257,569	287,804	306,839	0.4%	45.2%	356,981	348,080	357,224	5.2%	35.7%	
Other sales	-	-	-	-	-	-	-	-	-	-	-	
Other non-tax revenue	22,735	25,185	28,021	31,430	11.4%	4.1%	39,201	37,074	38,855	7.3%	3.8%	
<b>Transfers received</b>	<b>237,899</b>	<b>249,003</b>	<b>416,460</b>	<b>446,331</b>	<b>23.3%</b>	<b>50.7%</b>	<b>623,892</b>	<b>657,590</b>	<b>614,961</b>	<b>11.3%</b>	<b>60.5%</b>	
<b>Total revenue</b>	<b>564,115</b>	<b>531,757</b>	<b>732,285</b>	<b>784,600</b>	<b>11.6%</b>	<b>100.0%</b>	<b>1,020,074</b>	<b>1,042,744</b>	<b>1,011,040</b>	<b>8.8%</b>	<b>100.0%</b>	
<b>Expenses</b>												
<b>Current expenses</b>	<b>580,543</b>	<b>576,952</b>	<b>676,608</b>	<b>773,787</b>	<b>10.1%</b>	<b>96.6%</b>	<b>943,457</b>	<b>961,987</b>	<b>935,520</b>	<b>6.5%</b>	<b>92.7%</b>	
Compensation of employees	312,493	316,120	298,099	280,783	-3.5%	45.9%	301,915	336,757	353,603	8.0%	32.7%	
Goods and services	252,967	244,503	356,021	474,504	23.3%	48.0%	622,542	604,730	560,917	5.7%	57.9%	
Depreciation	15,001	16,176	16,556	18,000	6.3%	2.5%	19,000	20,500	21,000	5.3%	2.0%	
Interest, dividends and rent on land	82	153	5,932	500	82.7%	0.2%	-	-	-	-100.0%	0.0%	
Tax payment	-	-	51,144	54,813	-	3.4%	76,617	80,757	75,520	11.3%	7.3%	
<b>Total expenses</b>	<b>580,543</b>	<b>576,952</b>	<b>727,752</b>	<b>828,600</b>	<b>12.6%</b>	<b>100.0%</b>	<b>1,020,074</b>	<b>1,042,744</b>	<b>1,011,040</b>	<b>6.9%</b>	<b>100.0%</b>	
<b>Surplus/(Deficit)</b>	<b>(16,428)</b>	<b>(45,195)</b>	<b>4,533</b>	<b>(44,000)</b>	<b>38.9%</b>		-	-	-	<b>100.0%</b>		

### **Addendum 3: REFERENCES**

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