

THE BABRAHAM INSTITUTE

REPORT OF THE TRUSTEES (INC THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

The Trustees are pleased to present their annual Trustees' Report together with the consolidated financial statements of the charity and its subsidiaries for the year ending 31 March 2024 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY

LEGAL STATUS

The Trustees, who are the trustees of the charity and directors of the charitable company the "Babraham Institute" (BI) (registered charity in England and Wales number 1053902; a company limited by guarantee, registered in England and Wales number 03011737), present their report together with the audited financial statements for the year ended 31 March 2024. The charity is governed by a Memorandum and Articles of Association adopted 24 June 2011, and its Institute Grant Agreement with the Biotechnology and Biological Sciences Research Council (UKRI-BBSRC) by whom it is strategically funded. UKRI-BBSRC is part of UK Research and Innovation (UKRI), a body working in partnership with universities, research organisations, businesses, charities and government.

The charity has two trading subsidiaries: Babraham Research Campus Limited (BRCL) (Registered in England and Wales number 03241492) and Babraham Institute Enterprise Limited (BIE) (Registered in England and Wales number 06331858); referred to as the "Group" throughout.

PRINCIPAL ACTIVITY

The principal activity of the group and the charitable company, as set out in the Memorandum and Articles of Association, is education, through undertaking research; the dissemination of the results of such research for the public benefit and the training of research scientists. The charitable company aims to be the UK's premier research institute for work on lifelong health and healthy ageing through frontier research into molecular and cell biology and development. The chief funder of the Institute is UKRI. Operating across the whole of the UK with a combined budget of more than £9 billion, UKRI became operational on 1 April 2018 and has brought together the seven Research Councils (including UKRI-BBSRC), Innovate UK and a new organisation, Research England.

BRCL has management and development responsibilities for the Babraham Research Campus to ensure the Campus provides both the buildings and communal environment to benefit all the organisations on Campus. Its principal activities focus on supporting early stage companies and growing biomedical enterprises. This is delivered through the provision of specialised office and laboratory accommodation, access to scientific expertise and equipment (including to the Institute's eight science facilities and specialist equipment which is overseen by the Institute), and to support a research-centric community helping translate early stage science into products and services.

The primary role of BIE is to support the commercialisation of the Institute's science, and the company has responsibility for managing and commercialising the Institute's intellectual property portfolio through partnerships with industry, licencing activities, and the formation of spin-out companies. BIE also facilitates access to the Institute's cutting-edge scientific facilities for companies both on and off the Babraham Research Campus, thereby supporting the life science industry.

THE BABRAHAM INSTITUTE

REPORT OF THE TRUSTEES (INC THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

STRUCTURE, MANAGEMENT AND GOVERNANCE

BOARD OF TRUSTEES

Up to and including the year ended 31 March 2024, the Board of Trustees consisted of up to sixteen individuals who acted as trustees and directors and are all guarantors of the charitable company, of an amount not exceeding £1, during the period of their appointment and for a year after resignation.

The following were members of the Board of Trustees during the year:

Prof Peter Rigby FRS	– resigned 1 September 2023
Mr Graham Allen	
Mr Geoff Braham	– resigned 27 November 2023
Dr James Briscoe FRS	
Prof Gordon Brown FRS	
Dr Lynne Gailey	– resigned 27 November 2023
Prof Petra Hajkova #	– appointed 1 October 2023
Prof Nic Jones	– resigned 1 September 2023
Prof Paul Lehner FRS	– appointed 1 October 2023
Mr Timothy Livett #	– appointed 27 November 2023
Mr John Macy	– appointed 27 November 2023
Prof Peter Parker FRS	– resigned 27 November 2023
Prof Dame Linda Partridge FRS	
Ms Alexandra Pygall #	
Prof Helen Walden	– appointed 1 October 2023
Dr John Wells #	– appointed 27 November 2023

Denotes members of the Audit Committee as at 31 March 2024.

Membership of the charity consists of two Trustee Members (*ex officio* the Chair of the Board of Trustees and the Chair of the Audit Committee) and one Corporate Member, UK Research and Innovation (UKRI).

The Institute's process for Trustee recruitment combines both targeted approaches through the use of an executive recruitment agency and open application. A shortlist is compiled after review of submitted applications and shortlisted candidates are interviewed by at least the Chairman and a selection of other Trustees. Following interviews, new Trustees are appointed by the interviewing Trustees with delegated authority from the Board. Trustees are appointed for a period of up to four years from the date of appointment (usually three) and are eligible for re-appointment at the end of their term. None of the Board of Trustees holds any interest in the shares of any of the subsidiary companies.

Trustees are provided with an induction pack containing key information about the Institute, participate in a face-to-face introduction to the main operational and scientific areas of the Institute, and are offered training in trusteeship by one of the recognised training providers in this area. Most Trustees also take the opportunity to visit the Institute and meet with its wider staff, outside of a formal Board of Trustees meeting.

Separate Audit Committees operate during the year for the Institute and BRCL. Additionally, a joint audit committee is convened annually to ensure proper scrutiny of Group finances and operations and as such incorporates some of the functions of a Finance and General Purposes Committee, although most of such functions are carried out by the Board itself.

The Board delegates the day to day running of the Institute to the senior management team led by Dr Simon Cook as Institute Director.

THE BABRAHAM INSTITUTE

REPORT OF THE TRUSTEES (INC THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

BOARD OF TRUSTEES (CONTINUED)

The Company Secretary and Chief Operating Officer (COO) is Mr Simon Jones. The CEO of BRCL, one of the Institute's trading subsidiaries, Mr Derek Jones, is employed on a BRCL contract. BIE is managed by senior management of the institute.

TRUSTEES' RESPONSIBILITIES STATEMENT

The charity's Trustees (who are also directors of the Babraham Institute for the purposes of company law) are responsible for preparing an annual Trustees' Report and financial statements in accordance with applicable law and regulations. Company law requires the Trustees to prepare financial statements for each financial year.

Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 the Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP (FRS 102)
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in business

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In so far as the Trustees are aware at the time of approving our annual Trustees' Report:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

COMPLIANCE WITH SECTION 172(1) OF THE COMPANIES ACT 2006

Institute governance dictates that key strategic decisions are made at the Babraham Executive Committee (BEC; chaired by the Director), which responds to advice from the Board of Directors, Scientific Advisory Panel and other key stakeholders including UKRI-BBSRC and other funding agencies. BEC is comprised of senior managers from across all functional areas, bringing a broad perspective of opinions to Institute business.

THE BABRAHAM INSTITUTE

REPORT OF THE TRUSTEES (INC THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

COMPLIANCE WITH SECTION 172(1) OF THE COMPANIES ACT 2006 (CONTINUED)

The Institute is committed to making a positive impact not only on the protection of the environment but to enhance it, while ensuring our research is maintained at a world-class standard. The Institute has developed a bespoke action plan for sustainability, working with UK-SOS, BRCL and several campus companies. A Gold Award was received by the Institute from the SOS-UK Green Impact programme in October 2022. This award was extended to a Platinum Green Impact Award (<https://www.babraham.ac.uk/news/2023/10/institute-receives-platinum-green-impact-award>) in October 2023, reflecting continued work by the Institute's Green Labs initiative at the Institute and also with BRCL companies (15 campus companies participated in the cross-campus sustainability network as part of the SOS-UK Green Impact programme accreditation awarded in October 2023). Continuation of this work as part of the next cycle of the Green Impact programme will achieve further environmental action with expanded participation across BRCL. The vision is that the Campus is Carbon Neutral by 2040.

The Institute recognises that in order to maintain productive relationships with key stakeholders, the Institute must uphold high standards of business conduct. Operational teams hold and update relevant professional accreditations and undertake continuing personal development to ensure they are working in an effective manner. In 2020-21 a Research Integrity Steering Group was established to oversee the policies, management systems and processes supporting research integrity at the Institute. This will enable others to have confidence that our research is founded on rigour and excellence and is of the highest international quality.

The Institute has numerous mechanisms to foster relationships with key stakeholders. As the principal funder, relations with UKRI-BBSRC are maintained through many formal interactions. The Institute Director and Chair of the Board of Trustees hold regular partnership meetings with the Chief Executive of the UKRI-BBSRC. In addition, the Directors of all UKRI-BBSRC Institutes meet regularly with UKRI-BBSRC to discuss their strategic alliance. Furthermore, the Chief Operating Officer and senior members of the operations team hold frequent bilateral meetings with their counterparts at UKRI-BBSRC. Both BI and BBSRC are shareholders in the campus development company, BRCL.

As a majority shareholder the Institute maintains close and productive relationships with BRCL management and Board. One area to highlight is in regard to environmental sustainability, where representatives from complementary functional areas, including engineering and facilities management, work collectively to reduce the impact of the campus on the local and wider environment. In addition to this, the Institute and BRCL are working collaboratively on a series of knowledge exchange networking events, have coordinated on successful UKRI-BBSRC Collaborative Training Partnership (CTP) studentship programme and a UKRI-BBSRC Campus Impact Acceleration initiative, which has funded a range of Campus networking and collaborative opportunities. More details are given in the Knowledge Exchange and Commercialisation update.

Beyond the UKRI-BBSRC, the Institute is part of additional formal and informal networks. As part of the EU-LIFE alliance, a collection of independent European research institutes in the life sciences, the Institute plays a key role in building and promoting excellence in the life sciences. Institute scientists all belong to their collaborative research networks, bringing together ideas from across the globe. A notable demonstration is the inception of the UK Proteostasis Network in 2023 by two Institute leads, Dr Della David and Dr Oliver Florey, and two counterparts at the University of Cambridge, Dr Laura Itzhaki, Department of Pharmacology and Dr Ritwick Sawarkar, MRC Toxicology Unit. The Network brings together all career stages of researchers working in proteostasis-related areas, both from academic and commercial research. The Network held its inaugural conference meeting in May 2024, with over 170 attendees. Over 130 individuals across the UK have registered for updates and communications from the Network and 43 research groups are now listed as members of the UK Proteostasis Network (via the PI contact) on the Network's website. For grants running in 2023/24 the Institute had collaborations with 106 organisations across 20 countries.

The Institute continues to be committed to the principles of the Modern Slavery Act 2015 and the abolition of modern slavery and human trafficking. Procurement for goods and services is provided by a wide range of suppliers and the contractual terms and conditions that the Institute puts in place with third parties are regularly reviewed and have been updated to include provisions designed to ensure that any risks of modern slavery in the Institute's supply chain are appropriately and effectively addressed. The Institute's modern slavery statement is published on its website.

THE BABRAHAM INSTITUTE

REPORT OF THE TRUSTEES (INC THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

COMPLIANCE WITH SECTION 172(1) OF THE COMPANIES ACT 2006 (CONTINUED)

Institute science interfaces with many key areas of policy from public health to education, and from animal welfare to big data. Our life science research has significant potential to shape and inform policy on topics such as gene editing, stem cell research, human development and the effect of dietary restriction over the course of a person's life.

We also participate in broader discussions including animal welfare and the importance of the bioeconomy. A notable activity connecting future policy development and public dialogue was concluded in October 2023 with the publication of a report on a public dialogue exercise (<https://www.babraham.ac.uk/news/2023/10/public-support-extending-14-day-rule>) undertaken by the Human Developmental Biology Initiative (HDBI) and led by the Institute on public perceptions of early human embryo research. Our researchers and staff place significant value on working with policymakers and policy organisations through discussion, evidence and debate.

In 2019, the HR department commissioned a series of three employee engagement surveys (in collaboration with The Survey Initiative). The first was launched in 2020, the second in early 2022 and the final survey in early 2024. The surveys have helped to identify key issues and priorities for improvement, as well as highlighting areas of success, good practice and progress within the Institute.

In addition, the Institute completed an internal consultation project across all staff (voluntary participation) which ran from October 2023 to March 2024. This project included stakeholder interviews, focus groups, online engagement and workshops to identify the barriers and enablers hindering or supporting a positive research culture at the Institute and inform a roadmap to embed a Team Science approach across the Institute.

The Institute is committed to creating, maintaining and promoting equality, diversity and inclusivity (EDI) in all aspects of its policies, procedures and activities, and to the principles of the Equality Act 2010. Our 'equity4success' strategic initiative unites all EDI activities and regularly consults with individuals to monitor the implementation of this goal (<https://www.babraham.ac.uk/about-us/e4s>).

The Institute became a signatory to the Technician Commitment in 2019 to pledge action against the key challenges that affect our technical staff. Consultations with stakeholders identified the main objectives and a self-assessment providing contextual information about the Institute, progress to date and a detailed 24-month future action plan for embedding the Technician Commitment was developed (www.babraham.ac.uk/people/technician-commitment). The action plan was scheduled to run from 2020; however, an extension was given due to delays from the Covid-19 pandemic (which affected Technical Specialists particularly) and then further extended to enable staff to focus on the Institute Assessment Exercise (see page 8). Following stakeholder consultation, a detailed action plan is under development for implementation from 2024, over a three-year timeframe (submitted end July 2024) with progress being overseen by a Technician Commitment Steering Group. 2023-24 saw the second Animal Technician Conference, proposed and shaped by two animal technicians, held at Babraham. Successes for members of the cohort in winning external awards include: Dr Rachael Walker, Head of the Institute's Flow Cytometry facility, received a Papin Prize in recognition of her contribution to knowledge exchange. Animal Technician Aimee Paterson was presented with the inaugural Sir Colin Blakemore Memorial Award in recognition of her passion and bravery in talking about her work in animal research.

The mental health and wellbeing of our staff is paramount and the Institute has a number of ways to support staff. The Employee Assistance Programme (EAP) is a 24-hour helpline for Institute staff, including financial, legal, relationship and emotional support as well as telephone counselling. In 2020 we established the Mental Health First Aider (MHFA) scheme, recruiting volunteers from across the Institute to be trained up as Mental Health First Aiders to act as a first point of contact for staff who are experiencing a mental health issue or emotional distress and to help signpost staff to the appropriate support. Additionally (in 2020) we introduced the Access to Work Mental Health Support service delivered by Remploy which provides support to individuals who are experiencing difficulties at work due to depression, anxiety, stress and/or other mental health conditions. We continually strive to update and improve our wellbeing offering to staff and have run a number of wellbeing and mental health related webinars in 2023 as well as providing staff with monthly wellbeing themes and related resources. In addition, in 2023 we continued our annual calendar of wellbeing events including collaborative activities with the Green Labs strategic initiative, for example cycle to work initiatives, with the second phase of Babraham Boost, Cycle2Work Scheme being launched in August 2023.

THE BABRAHAM INSTITUTE

REPORT OF THE TRUSTEES (INC THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

COMPLIANCE WITH SECTION 172(1) OF THE COMPANIES ACT 2006 (CONTINUED)

This followed the launch of the first phase of Babraham Boost, the Institute's benefits platform which provides discount shopping vouchers for staff, thus assisting with financial wellbeing particularly during the cost of living crisis. The platform also contains a wealth of wellbeing information and support and is intended to be the centralised repository for all of the Institute's staff benefits provision, thus providing easy and quick access to the benefits available.

INSTITUTE ASSESSMENT EXERCISE

In 2023 Babraham Institute undertook an Institute Assessment Exercise (IAE). The IAE application sets out what the Institute will aim to deliver for the period 2024-2028 and the infrastructure needed to support that, to deliver our mission of securing health and maximising health span. It presents how our work is relevant to the global challenge of an ageing population and specifically, BBSRC's Strategic Priority of bioscience for an integrated understanding of health and wider government priorities for health. The main components of the IAE documentation are:

- Director's Statement: Comprising the Executive Summary, vision, strategic direction, social and economic impact delivery, and key outcomes from the previous funding cycle (2017-2023) plus financial overview.
- Institute Research Culture Statement: Setting out the Institute's aims, objectives and future actions for becoming a beacon of best practice for improving research culture.
- Institute Development Grant (IDG): Comprises plans for utilising the IDG as a flexible and agile funding stream to implement the aims and recommendations of BBSRC's Institute Strategy, the Knowledge Exchange and Commercialisation strategy and Open Access implementation.
- Proposals outlining our three Institute Strategic Programme Grants (ISPG):
 - Mechanisms underlying Epigenetic Resilience in Development and Ageing (Epigenetics ISP)
 - Immunity, Resilience and Repair (Immunology ISP)
 - Mechanisms governing homeostatic responses to stress across the life course (Signalling ISP)
- Core Capability Grant (CCG): Presenting the Institute's core capability to deliver the strategic plan of work set out in the IAE submission.

The Institute welcomed the inclusion of defining how we support and maintain a positive research culture and the move to team CVs, presenting the combined expertise across research and science-support roles that ensures the successful delivery of our science.

The IAE concluded in December 2023 with BBSRC confirming full funding for the Institute's ISP programmes, CCG, and other initiatives. The BBSRC assessment panel commended the Institute on its inclusive research culture confirming The Babraham Institute has been awarded £48m from BBSRC, part of UK Research and Innovation, to support its core research across epigenetics, immunology and cell signalling over the next four years. The focus of the Institute's fundamental research is to understand biology in relation to maintaining health, especially with regards to protecting and maximising good health in the later years of life.

OBJECTIVES AND ACTIVITIES

INSTITUTE OBJECTIVES

In the furtherance of the charitable objectives listed in the Memorandum and Articles of Association, the charitable company is guided by a comprehensive portfolio of integrated policies. Further details of the charitable company's mission can be found online (www.babraham.ac.uk/about-us). Information on funding, research activities, scientific facilities and wider Institute programmes such as public engagement, commercialisation and equality and diversity can be found in the Institute's 2021/22 review. This was reshaped in 2021 to adapt our former annual research reports into an update on the Institute's wider activities, importantly recognising the teams and people behind the Institute's success (www.babraham.ac.uk/our-research/annual-research-report).

THE BABRAHAM INSTITUTE

REPORT OF THE TRUSTEES (INC THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

INSTITUTE OBJECTIVES (CONTINUED)

SCIENTIFIC AIMS

The Institute's research operates across three science programmes (Institute Strategic Programmes, ISPs) focusing on epigenetics, signalling and immunology and is supported by UKRI-BBSRC strategic funding (renewed through an Institute Assessment Exercise in 2023 for the period 2024-2028). The programmes work towards our overarching goal of understanding the fundamental biological mechanisms and changes underlying development and healthy ageing. Key strategic objectives include:

- Understanding the molecular and cellular basis of immunity; the interaction between the immune system and other tissues in mechanisms of resilience and repair; the role of signalling pathways in the immune system as well as the effects of ageing on the immune response and vaccination response.
- Investigating the role of signalling pathways to coordinate cellular responses in response to stress or damage, with a major focus on proteostasis, in order to apply this knowledge in the development of new strategies to maintain health.
- Examining the mechanisms that establish epigenetic states and of epigenetic inheritance, stem cell differentiation and the impact of subtle epigenetic differences on cell diversity.
- Studying the impacts of diet and other lifestyle and environmental factors on epigenetics, signalling, metabolism, health and ageing.
- Leveraging the capital investment in Institute infrastructure and equipment, in particular the state-of-the-art scientific facilities and biological support unit, to attract investment from both the public and private sectors.

Each ISP contains a number of research Group Leaders who adopt complementary approaches to address a common set of biological questions. Group leaders are either appointed as tenure-track or tenured group leaders. In 2023 Dr Hayley Sharpe successfully completed her tenure review (<https://www.babraham.ac.uk/news/2023/11/dr-hayley-sharpe-becomes-tenured-group-leader>) and became a tenured group leader. The Institute also benefits from close collaboration with six Honorary Group Leaders, appointed for an initial period of five years, to provide multi-disciplinary dimensions to our research areas.

The Institute's current Honorary Group Leaders are:

- Dr Martin Howard (appointed 2020): senior group leader at the John Innes Centre. Hosted by the Epigenetics programme.
- Professor Valerie O'Donnell (appointed 2021): Professor of Biochemistry at Cardiff University. Hosted by the Signalling programme.
- Professor Kathy Niakan (appointed in 2021 Mary Marshall and Arthur Walton Professor of Reproductive Physiology and Director of the Centre for Trophoblast Research, University of Cambridge. Hosted by the Epigenetics programme.
- Professor Wolf Reik FRS (appointed 2022): Director, Altos Labs Cambridge Institute of Science, former group leader and Director at the Babraham Institute. Hosted by the Epigenetics programme.
- Professor Adrian Liston (appointed 2023): Professor of Pathology at the University of Cambridge, former group leader at the Babraham Institute. Hosted by the Immunology programme.
- Dr Yiliang Ding (appointed 2023): group leader at the John Innes Centre. Hosted by the Immunology programme.

The Institute's three ISPs receive funding from the UKRI-BBSRC in the form of Institute Strategic Programme Grants (ISPG) awarded to each programme. Each ISPG contains a list of objectives for the term of the grant, together with time plans and resource requirements; the grants are allocated for these specific, approved projects and funding may not be diverted to diverse activities. The ISPGs are summarised in the list of objectives above and a more detailed insight into the aims of each ISPG and research group can be found in the Institute's website.

Complementing ISPG funding there is a Campus Capability Grant (CCG) supporting the Institute and its core biological research facilities. The UKRI-BBSRC also provides a Knowledge Exchange and Commercialisation (KEC) grant which is used to enable the Institute to effectively disseminate knowledge and, where appropriate, facilitate partnerships or spin-out companies to maximise the impact of Institute research to translate research into action for social and economic benefit. A key part of the KEC strategy is to partner with industry, particularly biotech and pharma companies, to translate our research and support the bioeconomy. The grant also enables the Institute to employ a team of skilled KEC specialists to support and facilitate this work.

THE BABRAHAM INSTITUTE

REPORT OF THE TRUSTEES (INC THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

INSTITUTE OBJECTIVES (CONTINUED)

The Institute's research groups are structured so they can share resources, techniques and skills. Each Group Leader runs their own group and is expected to create, lead, maintain and develop an internationally competitive programme of innovative research.

Each ISP Lead is responsible for leading and co-ordinating a cohesive programme of research that contributes to the Institute's mission of understanding and helping to improve lifelong health. This involves coordinating and uniting the goals of several groups and ensuring appropriate annual reporting to the UKRI-BBSRC.

Each Group Leader is expected to raise additional funds for their research over and above the UKRI-BBSRC core ISPG funding, not only to support the critical mass of researchers needed, but also to form strong strategic partnerships with other funders (often from the medical charity sector or the biotech/pharma industry) that are interested in the translation of Babraham Institute science into technologies and discoveries with high impact for the benefit of lifelong health and wellbeing.

During 2023 a number of Group Leaders were successful in securing new funding from a range of grant funders. These included, Dr Hayley Sharpe (Signalling research programme) who was awarded an ERC Consolidatory Grant (<https://www.babraham.ac.uk/news/2023/11/hayley-sharpe-receives-erc-consolidator-grant>), Dr Martin Turner (Head of the Immunology research programme) who received a Wellcome Discovery Award, and Dr Michelle Linterman (Immunology) who as part of the new Ageing Cluster of the MRC National Mouse Genetics Network, joined the GSK Immunology Network as an academic partner in the UKRI-funded IMMPROVE (Immune Memory and Mechanisms of Protection from Vaccines) project.

The overall science direction of the Institute is determined by the Babraham Executive Committee (BEC; the senior executive committee responsible for the running of the Institute); additionally, the Science Policy Committee (SPoC; a subcommittee of BEC with additional membership from amongst the senior science staff and Grants Office) provides scientific leadership and vision and also monitors and assesses the science across all groups.

The impact of this research, for the public benefit, is a deeper understanding of the mechanisms of health and disease throughout life. The insights gained from the Institute's fundamental research aims to underpin translational research and the creation of new therapies and treatments to protect health and reduce age-related decline. Our research may also lead to changes to public advice on healthy living, wellbeing and ageing and influence public health policies.

Through understanding normal physiology in both humans and animals, the Institute's scientists are able to apply this knowledge to disease conditions, often partnering with medical research charities and organisations devoted to alleviating the effects of those particular diseases. As a fundamental research organisation, it is acknowledged that the Institute's research can be far removed from these final outcomes and there is an expectation that the translation of Institute research may take some years to come to fruition, yet over the course of its history the Institute has demonstrated its ability to deliver high-impact research advances (e.g., work on fundamental cell biology and inositol lipid signalling spanning work underpinned by discoveries made in the 1960s to current day).

Additional demonstrations include the involvement of Institute immunologists in the development of some of the world's first therapeutically useful monoclonal antibodies, leading to several monoclonal antibody drugs such as Herceptin (for metastatic breast cancer), infliximab (for Crohn's disease) and Vectibix (Panitumumab), licensed for the treatment of colorectal cancer, which was developed directly from research performed at the Institute more than a decade earlier.

INSTITUTE MISSION STATEMENT

- To be a world-leading life science and innovation research institution producing internationally recognised and respected science with a view to creating significant social and economic impacts through understanding and improving lifelong health.
- To maximise awareness, relevance and impact of our work through a diverse and creative programme of knowledge exchange, commercialisation, public engagement and communication. Particularly by building a reputation for collaboration, transparency and high-quality science and business acumen.

THE BABRAHAM INSTITUTE

REPORT OF THE TRUSTEES (INC THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

INSTITUTE OBJECTIVES (CONTINUED)

- To provide a unique and highly successful environment, establishing Babraham Research Campus as the leading campus for bioscience start-up and developing biomedical companies and for supporting the development and growth of those organisations.

INSTITUTE REMIT

- The Babraham Institute is an independent charitable life sciences Institute, strategically funded by the UKRI-BBSRC, carrying out world-leading innovative research and advanced training with relevance to the biological, biotechnological, biomedical, pharmaceutical and health research and user communities.
- The Institute's research focuses on determining the mechanisms whereby cell signalling and gene regulation control normal cellular processes and functions underpinning ageing, development and the maintenance of health and wellbeing.
- The advances made due to the Institute's research are publicly available and the Institute actively seeks partnership and knowledge exchange with relevant companies and with clinical and other researchers to ensure effective application of its research.
- To be an active participant of the Babraham Research Campus by supporting early-stage bioscience enterprise through collaboration and providing access to state-of-the-art equipment.

As part of the UK Science Base, the Institute contributes to the economic growth, quality of life and public engagement objectives of government. Our contribution is key in driving BBSRC's strategic research priorities around an integrated understanding of health, developing and applying transformative technologies and advancing our understanding of the rules of life. Our research aligns with the aspirations and vision of the BBSRC Strategic Delivery Plan (2022-2025) 1 and BBSRC Forward Look for UK Bioscience 2 which highlight ageing as a strategic challenge. Similarly, our research also closely aligns with the healthcare challenge of ageing and the ambition to understand the pathways associated with multi-system ageing in order to develop new diagnostics and therapies as outlined in the UK Government's Life Science Vision, in addition to our work being of relevance to some of the Vision's other challenge areas.

INSTITUTE CULTURE CONSULTATION

In 2023/24 Babraham Institute undertook an Institute Culture Consultation. This project aimed to review, redefine and update the Institute's Strategy. The goal, in alignment with the UKRI-BBSRC Institute Strategy, was to embed team science at the Institute. Working with Organisation Effectiveness Cambridge (OECam) a range of focus groups, workshops and online engagement sessions were undertaken to gather staff feedback from across the institute, engaging 40% of staff. The exercise was wide ranging, looking at the Institute structures and ways of working and how they enable the Institute to achieve a stronger implementation of its strategy across the three ISPGs and the Institute as a whole.

BABRAHAM GROUP BUSINESS OBJECTIVES

Delivery of World Class science, within the Institute's remit

- International leadership
- Synergistic and nationally strategic research
- Collaborative partnerships
- Socio-economic impact
- Graduate and postdoctoral training programme

Excellent fit-for-purpose infrastructure for science

- Technical
- Corporate
- Educational

THE BABRAHAM INSTITUTE

REPORT OF THE TRUSTEES (INC THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

BABRAHAM GROUP BUSINESS OBJECTIVES (CONTINUED)

The highest standards of Corporate Social Responsibility

- Values and impact of our research. The Institute holds and abides by the following values:
 - Benefit - *We make a difference*. As a world-leading centre of excellence in life sciences research we work to make discoveries for societal benefit that make a real difference in science, health and policy within the UK and globally
 - Innovation - *We extend the boundaries of knowledge*. We work at the forefront of creative discovery science, nurturing our people through development and training, and provide the environment for innovation to thrive
 - Integrity - *We are open, honest, and inclusive*. We work together to uphold the standards expected of us, operating with honesty and responsibility, creating an inclusive and motivating environment, and communicating openly and transparently
- Maintaining the highest standards of research integrity (for details see our Research Integrity Statement)
- Community partnerships
- Minimising the environmental impact of the Campus in line with net zero targets
- Public Engagement Programme to engage and inspire
- Openness and transparency in all aspects of the Institute's work
- Commitment to strengthening a positive research culture and to supporting the career development and wellbeing of our staff
- Widening access to opportunities to explore research and obtain practical experience of research
- Commitment to Equality, Diversity, and Inclusion (EDI)

An internationally recognised contribution to the UK's economic competitiveness

- Inward investment to the Babraham Research Campus
- Commercialisation and wealth creation
- Partnerships and knowledge flow

Robust sustainability

- Financial planning and estate strategy

Efficient and effective management

- Operations and People

A high standard of Corporate Governance

- Risk control and contingency planning
- Regulatory compliance
- Boards and subcommittees; executive decision-making structure and authorities

Within BRCL specifically, the key business objectives are:

- The delivery of research and innovation undertaken by the companies and academic researchers on the Campus
- The development of people and talent both in the academic and commercial settings
- The growth of Campus capabilities in order to support translation and company creation, and help to accelerate company growth and scale-up
- The nurturing of the ecosystem by being a vibrant, dynamic, and well-connected research and innovation location and playing an active part in that community
- Campus investment and ensuring sustainability
- The creation of new partnerships, and to sustain those we have created, with organisations both on and off the site and which have added value and contributed to the vibrancy of the Campus

THE BABRAHAM INSTITUTE

REPORT OF THE TRUSTEES (INC THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

EMPLOYEES

During the year the Babraham Group has continued to provide employees with relevant information and to seek their views on matters of common concern through groups, committees, staff updates, engagement surveys, through line managers and through an Institute Culture Consultation project. Priority is given to ensuring that employees are aware of all significant matters affecting the group's position and any significant organisational changes.

Information continues to be published regularly in the Institute-wide monthly newsletter and this is now an established part of the Institute's internal communication mechanisms. The newsletter has been successful in engaging the Institute community with recognition initiatives (such as Staff Recognition Awards and the Institute's Annual Prizes), personnel changes, and news and updates from teams across the Institute.

These scheduled communications are supplemented with tailored communications emailed directly to staff on issues of particular note, such as changes to Institute management and important health and safety notices. Although ad hoc, these emailed communications ensure that all staff receive information that is relevant to the situation, the mechanisms for communication and support are made clear and misinformation is avoided.

The Institute's intranet provides a 'one-stop-shop' for a wealth of information on teams, initiatives and processes across the Institute, most recently becoming the home for a consolidated learning and development programme overseen by the Institute's HR team. To support full awareness and transparency, the Institute's Institute Assessment Exercise documentation (barring sensitive information) was published on the Institute's intranet.

LabTalks, the Institute's internal annual symposium, was held on 15th September 2023 and two Institute-wide staff updates were presented on 13th June and 13th December, as well as a launch event for the Institute Culture Consultation on 31st October.

The Institute holds a Silver Athena SWAN award and is one of 164 Member organisations that currently hold Athena SWAN awards in the UK. The Athena SWAN Charter was launched in 2005 to recognise commitment to advancing women's careers in science, technology, engineering, mathematics and medicine (STEMM) employment in higher education. The awards recognise good practice in recruiting, retaining and promoting women in STEMM. The Charter believes that an organisation must have institutional support and underpinning institutional good practice, policies and procedures in place in order to achieve and sustain an award.

The group is aware of its statutory duty to support the employment of disabled persons where possible, both in recruitment and by retention of employees who become disabled whilst in the employment of the charity, as well as generally through training and career development. The charity is an equal opportunities employer and supports diversity in the workplace. The Institute follows the principles of the government's Disability Confident Scheme.

The Institute plans to build on ongoing good practice to further progress equal opportunities. A highlight of the impacts delivered by the Institute's equality4success initiative is the successful establishment of a Roving Researcher position, which provides support to researchers on long-term leave in order to maintain the momentum of research projects. After being established in 2020, the position has supported 11 researchers. There has been a high degree of interest from other organisations in how to establish similar schemes and we have given presentations on the programme. The Roving Researcher position and similar initiatives was covered in a Nature careers feature in February 2024 (<https://www.nature.com/articles/d41586-024-00354-8>), which highlighted the impact the support has on researchers who take leave and the uniqueness of the dynamic Roving Researcher role.

Following a recent review, Athena SWAN status must now be renewed every five years. In addition, the Institute successfully applied for an extension to allow for delays EDI work has faced due to the pandemic and changes to our directorship over the past few years. The Institute has submitted its application in 2024.

As mentioned earlier in the Trustees Report, the Institute joined the Technician Commitment in 2019, leading to the creation of a steering group to represent the variety of technical specialist roles found across the Institute. Key areas of focus and objectives have been mapped to the Technician Commitment themes of Visibility, Recognition, Career Development and Sustainability.

THE BABRAHAM INSTITUTE

REPORT OF THE TRUSTEES (INC THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

EMPLOYEES (CONTINUED)

Progress is being made towards meeting the objectives of the 2021-24 Action Plan, with a new 3-year plan being developed in 2024.

Remuneration of key management personnel is set annually by the Senior Remuneration Committee which comprises the Institute Chair and Deputy Chair along with at least one other trustee. The Committee is chaired by the trustee appointed to oversee HR matters on behalf of the Board.

SUMMARY PUBLIC BENEFIT STATEMENT

The charitable purpose of the Institute is to advance education, specifically to increase public learning and knowledge in the field of biological and biomedical sciences and also to provide training leading to a higher degree (PhD) in research techniques and provide a significant contribution to collective knowledge and impact in specific areas of study and expertise. The Trustees are mindful of their collective responsibility to ensure that the charity complies with public benefit guidance issued by the Charities Commission.

ACHIEVEMENTS AND PERFORMANCE

Key performance indicators focussing on non-financial performance during the reporting year are detailed below. The choice of performance indicators is based on readily available information which provides a useful comparison of achievements this financial year to last year.

Number of publications

The Institute's research continues to have biological / biomedical relevance and impact. Potentially a very wide cross-section of the public will benefit from our understanding of the ageing process and as a result of the translation of our findings into new medicines or treatments. Given the broad scope of our work, its relevance to everyone through their lifecycle, and our commitment to maximising research impacts through knowledge sharing with politicians, industry, policy organisations, charities, health and care services, we believe the Institute is making vital contributions to the future wellbeing and economy of the UK and beyond. In 2023 (calendar year) the Institute's scientists published a total 96 (2021: 97; 2022: 101) full and refereed research and review articles in journals. Though only published last year these papers have already been cited almost 1,000 times.

A full bibliographic list of all scientific publications is available on our website (www.babraham.ac.uk/publications) and under each group's webpage. As with all scientific research organisations, these publications are the main immediate tangible output of the Institute's activities.

New Grants

The Institute, during the year, continued to seek additional external funding from various sources both within the United Kingdom, European Union and further afield. The number of new grants with a start date in 2023/24, by funding source and the total awarded, are below:

	2023/24		2022/23		2021/22		2020/21	
	Number	£'000	Number	£'000	Number	£'000	Number	£'000
UKRI-BBSRC	7	1,349	3	1,218	3	1,154	0	0
UKRI-MRC	0	0	1	1,418	3	1,263	2	973
European Commission	3	2,124	4	3,383	2	243	5	2,743
Industry, levy boards	8	672	7	544	1	295	1	420
Trusts, foundations, charities, foreign governments	7	8,870	1	137	6	4,579	5	2,370
	25	13,015	16	6,700	15	7,534	13	6,506

THE BABRAHAM INSTITUTE

REPORT OF THE TRUSTEES (INC THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

As in past years, identifying, applying and securing new external funding sources remains a high priority of the Institute. Notable successes this year, and indicators of the quality of the Institute's research, are the award of prestigious Wellcome Discovery grants to Dr Peter Rugg-Gunn, Dr Della David and Dr Martin Turner. (<https://www.babraham.ac.uk/news/2023/02/dr-della-david-and-dr-peter-rugg-gunn-receive-wellcome-discovery-awards>) and (<https://www.babraham.ac.uk/news/2023/11/martin-turner-receives-wellcome-discovery-award>) and Hayley Sharpe's UKRI-BBSRC and ERC Consolidator Award.

Public Engagement

Overview

The Institute's vision is of an open, transparent and accountable organisation that is leading in its contribution of science to culture, society, economic development and growth. Public engagement at the Institute is embedded within its research and supports interactions between researchers and a variety of public groups. The Institute has a core Public Engagement Team that supports a varied and dynamic programme to help researchers engage with students, teachers, community groups, family and adult audiences. This support includes: operating a core programme of engagement opportunities, providing training in public engagement, administering internal public engagement seed funding, and providing expertise to shape external grants applications. The Institute's engagement programme has continued to enable societal impact of the Institute's research. The figures below highlight the Institute's commitment to these activities.

	2023/24	2022/23	2021/22	2020/21
Visitors to site	285	394	0 [^]	0 [^]
Outreach Events*	26	33	28	12
Total Public Audience Engaged	1,326	3,201	3,894	2,142
Proportion of audience being from areas of high deprivation	63.4%	52%	25.7%	24.9%
Website visits	202,243	159,425	127,222	154,650

*Visits to schools, science festival exhibits, public lectures, panel sessions, public dialogue workshops, hosting community tours on campus, including online / digital formats.

[^]No visitors to site occurred during the 2020-22 period due to the Covid-19 Pandemic.

Strategic Focus on Underserved Audiences

The Institute's public engagement programme continues to engage at local, national and international level with a focus on developing relationships with communities traditionally underserved by engagement programmes. Work in the sector to assess 'science capital' - a measure of a person's access to and engagement with science, has shown people living in areas of higher deprivation have lower levels of science capital. This imbalance is highly pronounced in Cambridgeshire and East Anglia where there are postcode areas with the lowest and highest levels of deprivation. Many of these deprived areas are in rural locations which have traditionally been underserved by engagement programmes due to the tendency to focus around Cambridge and other urban centres.

The Institute's public engagement work aims to contribute to improving equitable access to science. To achieve this, the team have continued to develop relationships with several key partners. These include direct links with schools and community groups in areas of high deprivation (identified based on the UK government's indices of multiple deprivation metrics). Through actively reaching out to these audiences and removing geographical and financial barriers, we enable these groups to engage with our research. This has led to 63.4% of our audience, in the 2023/24 year, being from these areas of high deprivation, up from 52% in 2022/23 and continuing to show the impact of the strategic change over the last few years, which began in earnest in 2019 when the proportion was just 4%.

THE BABRAHAM INSTITUTE

REPORT OF THE TRUSTEES (INC THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Public Engagement (continued)

Partnerships

We have also continued to build links with education sector partners such as the Youth STEMM award and T-level training providers to allow for more measurable impact of our work, whilst supporting non-traditional routes into science careers. Our move to operate student placements through the In2STEM (further education student focused) and In2Research (undergraduate student focused) programmes have enabled more equitable access to research experience at the Institute and we have seen great successes in these programmes with clear impacts on participants next step career destinations. Both these programmes are operated by the In2Science charity. Their work to build long-term partnerships with students from low-income backgrounds provides a route to directly engage and recruit students to the programmes.

To date, there have been 28 students take part in the Research Access Programme with 9 of them having gone on to apply for PhDs. Others have gone on to pursue other next steps such as: master's degrees, patent law, and scientific editing. Many have cited the programme as a key enabler of their next steps, with one student from last year saying: "I feel like I have learnt more in these 8 weeks than in four years of university, I feel like much more of a scientist." This programme is continually evaluated to ensure students are receiving the best support and experience possible.

School Audiences

The schools' programme has been highly successful over the last year, with a particular highlight being the marking of the 30th year of Schools' Day. This year we had over 200 students from 35 schools across the UK visiting the Institute to take part in hands-on practical projects. Almost all Institute research groups took part in hosting groups and we facilitated campus company involvement with Cancer Research Horizons and Sanofi also hosting students. The event received very positive feedback from students and teachers and also received good media coverage in the Cambridge Independent newspaper and on ITV Anglian News, highlighting the type of projects undertaken and the impact of the event on participants and our researchers. This year around 40% of students in attendance were from schools in traditionally underserved areas, up from 25% in 2023 and 8% in 2020.

Beyond this, relationships have been developed with more schools in these priority areas through our 'BioInspire' programme. This programme offers regular opportunities for staff to engage students and build deeper relationships with a small number of schools in our priority areas. We also sponsor these students to undertake the Youth STEMM Award which gives formal recognition of their extra curriculum engagement and enables our work to have a tangible positive impact on their post-education choices (for example the award is now recognised on UCAS applications). This year we expanded the 'BioInspire' programme to also include an online virtual cohort to enable students further from the Institute to engage.

Community Audiences

There has also been success in the community engagement programmes with a hybrid programme of in-person and online events. Events such as the Cambridge Festival have showcased Institute research whilst events focused in our local area have strengthened understanding and support for the Institute and campus. The team have also continued to engage on often controversial work such as that of the Biological Support Unit, through events such as our Science Spotlight events which provide the opportunity for audiences to virtually tour the facility and see behind the otherwise closed doors. This work continues to dispel misconceptions around Institute work and contribute to our commitment to openness in animal research.

Our public engagement work has also contributed to important national conversations and influenced science policy. Over the past 18 months the Institute led a public dialogue project to better understand public views on research involving the use of human embryos and the regulations governing this work. This project, funded through a Wellcome Enrichment Grant to the Human Developmental Biology Initiative and receiving matched funding through the UKRI Sciencewise programme, brought together the general public, people with experience of health-related impacts of the research, policy makers (such as the Human Fertilisation and Embryology Authority - HFEA), scientists, and bioethicists.

THE BABRAHAM INSTITUTE

REPORT OF THE TRUSTEES (INC THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Public Engagement (continued)

A series of discursive workshops facilitated discussions to help the public participants provide informed views on a range of topics such as their thoughts on the current 14-day limit on culturing embryos for research (the so called “14-day rule”). The information generated from this work has been taken forward to help inform the HFEA’s ongoing work to review the HFE Act (with the project additionally being highlighted in a recent POSTnote on the topic), shape future research direction, and initiate further public engagement around the topic. The HDBI public dialogue also generated media attention. A Science Media Centre briefing session was held around the results of the project resulting in a number of outlets featuring the project. These included the BBC who reported on the project via their News website and on the Radio 4 Today Programme, as well as other outlets such as the Lancet who published an editorial on the project.

The work has contributed to follow-on projects to further engage the public such as one led by Cambridge Reproduction, to bring public voices into the development of a code of practice to govern the use of stem cell derived embryo models, which currently fall into a grey area of the existing regulations. This project, and the development of Code of Practice, is supported by Institute researchers who are providing their scientific expertise and public engagement experience.

The Year Ahead

Throughout the year public engagement work has been well received by audiences, researcher contributors, funders and peers alike. Looking ahead, the public engagement team aims to continue to develop relationships with traditionally underserved audiences and provide opportunities for high quality, two-way engagement between staff and members of the public. This will enable the Institute to continue its leadership role in providing open, equitable and impactful engagement for public audiences with scientific research.

Knowledge Exchange and Commercialisation (KEC)

The Institute’s KEC programme aims to maximise the dissemination, impact and, where appropriate, the exploitation of knowledge generated by and held within the Institute. Implicit in this is the recognition that this knowledge is the product of public investment and that the Institute has a duty to maximise outcomes from this investment for societal and economic benefit.

Activities include the training of fellow scientists in new emerging techniques, through continued professional development (CPD), engagement with the Biotech / Pharma sector and other research organisations. In addition, the Institute aims to use its expertise to inform policy, direction and understanding of science by policy makers and industrialists at home and abroad. KEC is viewed as a two-way dialogue in which the Institute engages with industry and stakeholders to listen to their concerns and try to respond to their needs. Where appropriate the Institute seeks to maximise the impact of its research through commercialisation – this is managed by the Institute’s wholly-owned trading arm BIE.

On the commercialisation front, two commercial ventures were included in the 2023 Accelerate@Babraham programme operated by the Babraham Research Campus; Aila Biotech, spun out from the Liston lab’s research at the Institute in 2022, and CytoCalx, developed by the Head of the Institute’s Flow Cytometry Facility.

The Institute’s patent portfolio has grown to a set of fifteen patent families over the last year, these have strong potential clinical value in diverse clinical fields including personalised medicine, drug discovery, high-efficiency cell reprogramming, cancer therapeutics, traumatic brain injury, MS, cognitive decline, wound repair and ophthalmology, cardiovascular and chronic kidney disease. These filings are being actively developed to fund spin-out opportunities or high-value licensing opportunities.

On the knowledge exchange front, a UKRI-BBSRC grant of £180K was undertaken in 2023, providing support for a range of research collaborations, training opportunities, and knowledge exchange placements for Institute researchers and technicians, while in 2024, a £300K grant was secured that will be undertaken in collaboration with Newcastle University to enable similar knowledge exchange opportunities.

THE BABRAHAM INSTITUTE

REPORT OF THE TRUSTEES (INC THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

ACHIEVEMENTS AND PERFORMANCE (CONTINUED)

Knowledge Exchange and Commercialisation (KEC) (Continued)

Such supported collaborations and placements with industrial and institutional hosts have enabled exposure of technicians and research staff to a range of new commercial and academic environments and significantly enabled translational activities and market awareness across the three ISPs.

In 2021 the Institute and Campus successfully secured funding for fifteen PhD studentships from UKRI-BBSRC as part of a Collaborative Training Partnership (CTP), to date 9 student projects have started in collaboration with 8 Babraham Research Campus companies. In 2024 the UKRI-BBSRC extended this programme, offering a further 7 studentships and agreeing to widen the eligible set of companies to include those situated on the Granta Park. By October 2025 the CTP student cohort will be 22.

The range of Institute initiated Campus events continued to develop in 2023-24 on diverse translational, professional career and academic themes. These activities have been significantly enhanced by the UKRI-BBSRC Campus Impact Acceleration Account (CIAA) awarded to BRCL in July 2022 and March 2023, which is being delivered in partnership with the Institute. CIAA funding has supported six Institute-Campus company collaborations over the reporting period, as well as fully funding the creation and delivery of a Flow Cytometry course, and 4 Institute Campus networks. Overall the KEC team have produced 11 events over the year that have showcased Babraham Institute research, innovation and leadership to a range of commercial and academic audiences.

Separate to the CIAA activities, diverse translational training opportunities continue to be provided by KEC to Institute staff and students through scholarships awarded to students and staff to enable participation in the Judge Business School's EnterpriseTECH, Newton Venture Program and the BioSpark entrepreneurship programmes.

In 2023/24, Babraham Institute Enterprise Limited generated £2,036k (2022/23: £2,320k) in revenues from the commercialisation of its assets and activities. Most of the revenues arise from collaborations with industry and commercialisation of the Institute's scientific facilities.

SUSTAINABILITY

The Institute's Environmental Sustainability Vision is a commitment to making a positive impact on not only the protection of the environment but to enhance it while ensuring our research is maintained at a world class standard. The Institute's Chief Operating Officer has responsibility for environmental management.

The Institute continues to invest in energy saving opportunities exploiting funding opportunities from UKRI-BBSRC and UKRI to not only improve and reduce the carbon footprint of the Institute and its science but to maximise efficiency in its use of energy. Latest updates include:

- The Institute continues to operate a Tri-generation CHP unit to meet the sites heat and cooling loads. The unit remains registered with the Department for Science, Innovation and Technology (DSIT) CHP Quality Assurance (CHPQA) Programme and good quality certification has been achieved.
- Low energy LED and LED Smart lighting is now installed in all Babraham Institute buildings with only the ground floor lighting of the Biological Support Unit to be changed, funding for this project will hopefully be secured this financial year.

THE BABRAHAM INSTITUTE

REPORT OF THE TRUSTEES (INC THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

SUSTAINABILITY (CONTINUED)

2023/24 Streamlined Energy and Carbon Report (SECR) outcomes - Emissions Data

Greenhouse Gas Emissions		2023/24	2022/23	2021/22
Scope Emissions Indicators (tCO2e)	Total Gross Emissions	6,019	5,597	6,317
	Total Net Emissions	6,019	5,597	6,317
	Gross Emissions Scope 1 (Fuel)	5,464	4,295	5,771
	Gross Emissions Scope 1 (Transport x 100)	285	312	224
	Total Scope 1 Emissions	5,749	4,606	5,996
	Gross Emissions Scope 2 (Electricity)	270	990	320
Related Energy Consumption (MWh)	Electricity: Non-Renewable	7,814,955	4,187,202	7,785,672
	Electricity: Renewable	1,315,586	5,121,870	1,509,387
	Transport	11,573	12,422	8,942
	Gas	29,932,343	23,527,186	31,509,854

During 2022/23 the Tri-generation CHP unit underwent a major planned service. This resulted in lower gas, but higher electricity consumption in the year compared to both past and current years.

Methodology

- The report covers the emissions for which the Institute has financial control and this was the boundary defined by the organisation.
- Utility data was collected for the past three financial years; 2021/22, 2022/23 and 2023/24 for the period 1st April to 31st March consistently.
- Measurement of Scope 1 and Scope 2 emissions were based on billing data via invoices provided by the utility supplier and recorded mileage for transport emissions.
- Reporting was based on the analysis of the data, to highlight any trends, progress towards reduction and recognised improvements.
- An Intensity Ratio of tCO2e/Full Time Equivalent was selected by the Institute to present the data on a clear and transparent like-for-like basis.
- The methodology used to compile the data was that used in the fulfilment of the regulatory requirements for the Energy Savings Opportunity Scheme (ESOS).
- There are no process emissions within the organisation and emissions from air conditioning, refrigeration units in offices buildings are excluded due to cost of data collection. These are estimated to account for less than 0.2% of the total Scope 1 emissions.
- Emissions factors used are those from the UK Government GHG Conversion Factors for Company Reporting Standard Set 2018.

THE BABRAHAM INSTITUTE

REPORT OF THE TRUSTEES (INC THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

SUSTAINABILITY (CONTINUED)

Proposed Targets for 2024/25 - Net Zero Carbon

The Institute together with BRCL have engaged with consultants to create a report on the mechanical and electrical infrastructure serving the Babraham Research Campus. This report has now been completed and approved and will form the basis of the Institute's net zero strategy including a timeline for specific projects.

A Strategic Asset Management plan (SAMP) has been produced and this document provides the strategic vision for the Institute and identifies opportunities to further align its operational assets with current and future business needs. The SAMP has identified the need for a Space Management Plan, recognising the importance of the organisation's working environment. The next generation report will help the Institute define its needs over the next 15 years - recognising key constraints such as budget, pathway to net zero and the wider campus and key stakeholders. This will ensure net zero funding is used for the long-term benefit of both the Institute and the wider campus.

Funding for this plan has been approved with completion expected towards the end of 2024.

The Institute continues with its ongoing water saving measures with surveys and inspections of sections of water supply pipework. The subsequent survey report has highlighted internal cracking to several sections of the pipework that will require remedial action in the short to medium term. New Isolation valves have been installed in several areas which will help in identifying the location of any future leaks in the below ground water main.

The route to Net Zero commissioned last year focusses on Scope 1 and Scope 2 Energy Strategy Report for the Babraham Institute and BRCL. The Institute continues to invest in energy reduction schemes with its smart lighting project. Other investments include B607 Energy Centre district heating pumps, replaced with inverter driven direct drive pumps - further reducing electricity consumption.

In summary, the overriding objective for the Institute and BRCL is to undertake the effectively phased replacement of all existing fossil fuel energy systems with low to zero carbon systems by 2040 at the latest.

Initial actions taken from the report are;

- Undertake a thermal imaging survey on buildings identified through the Space Management Plan.
- Fabric survey of all Institute buildings identified in the Space Management Plan, investigating potential energy savings through improved insulation (wall and floor) and improved glazing.
- Undertake a site-wide survey to investigate suitability of roof mounted solar arrays on Institute buildings where the local planning authority allow.

GROUP ESTATE ACTIVITIES

The Babraham Research Campus for which Babraham Research Campus Limited (BRCL) has the on-going development and management responsibility, maintains as a significant location for life-science companies to establish and grow in the Cambridge life science cluster.

There are over 60 organisations operating within the Babraham Research Campus. Tenants are located in a number of purpose-built buildings with both laboratory and office space. In total, occupied space is in excess of 25,000 square meters.

The campus maintains its distinct features: the co-location of world-leading academic research and commercial life-science activity, campus facilities that reflect the space needs of early-stage and scale-up companies, access to on-site science capability, and a community focussed upon human healthcare on a single site. We believe the campus is well placed for future growth and development.

THE BABRAHAM INSTITUTE

REPORT OF THE TRUSTEES (INC THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

INSTITUTE FUTURE DEVELOPMENTS

The Institute will continue to be engaged in the field of basic bioscience with a strong emphasis on research into healthy ageing. The Institute's science programmes will determine the significance of biological changes for the ageing process from conception onwards.

The priority is to ensure that all our UKRI-BBSRC funded research is internationally competitive with the best academic groups in our area of endeavour. We continue to prioritise the need to control costs in all categories including pay expenditure, but note the need to invest strategically to reach new collaborators and expand the reach of the Institute wherever possible.

Attracting the most gifted staff remains a strategic priority for the Institute, complemented by a 'grow your own' approach where we invest in and support existing members of our community to develop in their roles. We have successfully participated in a range of apprenticeship schemes, particularly across technical specialist roles. These strategies support the continued programme of succession planning, which remains an important issue. This will continue to be achieved through new recruitment to priority areas as well as through advancing the progression of early career scientists and other staff and ensuring that they are fully equipped to take leading roles in the future development of the organisation.

GROUP FUTURE DEVELOPMENTS

During this reporting period, the joint venture between BRCL and Biomed Realty Inc (BMR), a US corporation which was announced in 2022, took delivery of a new 40,000 ft² laboratory and office building in February 2024. This building was designed to accommodate companies already on the campus, wishing to grow on site. The property is currently 75% let and BRCL are supplying the facilities management services both to the joint-venture, and the individual companies located in the property.

The campus maintains its distinct features: the co-location of world-leading academic research and commercial life-science activity, campus facilities that reflect the space needs of early-stage and scale-up companies, access to on-site science capability and a community focussed upon human healthcare on a single site.

With regard to the future developments and in support of the agreed strategy between the campus partners (UKRI-BBSRC, the Babraham Institute and BRCL) a pre-planning application programme was initiated, funded by the freeholder UKRI-BBSRC - to allow the submission in 2025 of an outline planning application ensuring the campus is well placed for future growth.

RISK MANAGEMENT

The Institute Board of Trustees is responsible for ensuring there are effective and adequate risk management and internal control systems in place to manage the major risks to which the charity is exposed. The Audit Committee agrees an annual risk-based internal audit plan which covers major risks identified by management and the Board of Trustees. It receives reports from RSM internal auditors on the effectiveness of internal controls, progress against the internal audit plan and progress on recommendations made in reports. The Board of Trustees reviews a full risk report annually tracking major risks. The Science and Impact Advisory Committee (SIAC) also assess the science quality and vision covered in various sections of the risk register. The table below summarises how the Institute manages its key risks.

Following an extensive review of the Corporate Risk Register in 2023/24, including a consolidation of 32 corporate risks to 12, focus this year has been on moving departmental risk registers to 4Risk software and on management of these registers. In addition, this year has seen a comprehensive review and update of Institute Business Continuity Plans (BCPs) – both the overarching Institute plan and departmental plans - and their supporting documentation. A BCP table-top exercise involving all lead members of the Crisis Management Team was run in June 2024.

THE BABRAHAM INSTITUTE

REPORT OF THE TRUSTEES (INC THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

RISK MANAGEMENT (CONTINUED)

Risk Area	Description of Risk	Risk Management
Business Sustainability	The Institute having to manage the loss or reduction of UKRI-BBSRC funding. The inability for the institute to remain financially viable, managing energy price increases, insufficient capital budget and failures to secure enough competitive grant income. A lack of technological investment at the institute to enable research.	<ul style="list-style-type: none"> • Annual budget setting and monitoring to ensure effective use of resources. Defined policy and procedure to spend Institute reserves and effective investment of reserves under the Treasury Management Policy. • Participating in a UKRI-BBSRC-wide Institute Financial sustainability agenda and Peer review process. • Review to ensure progress against ISPG, CCG and KEC objectives. • Capital Equipment Policy and Procedures in place to prioritise business cases for each UKRI-BBSRC capital equipment funding call. • Review and approve quality/science alignment of grants, and advising the grant applicant on how to strengthen proposals.
Reputational Maintenance	The Institute having to manage reputational damage caused by poor contribution to bioscience, scientific misconduct or an honest failure to replicate results, staff breaching the code of conduct and the threats posed by animal rights activism. A lack of technological investment at the institute which degrades reputation.	<ul style="list-style-type: none"> • Effective Public Engagement strategy in place to raise Institute's profile. Events / conferences for the scientific community to raise the Institute's profile. • Scientific collaborations to raise the Institute's profile. • Showcasing the Institute through external communication mechanisms, including the website, social media, the science annual report and press engagement. • Biennial Research Integrity Assurance Review (including Lab notebook OneNote procedures). • Promotion of a good Research Integrity Culture through policies. • Strategic Security Consultant ensures the Institute's interests are protected and that BRCL delivers security to the correct specification, reducing the risk of breach/failure.
IT System Failure	The Institute being subject to a cyber-attack, threats due to unresolved system vulnerabilities, the lack of training of knowledge of staff or negligence. The risk of a major incident on site such as a power outage, fire, flood etc effecting on site data centres.	<ul style="list-style-type: none"> • Continual review of IT procedures, assessment of new risks as they develop and regular system upgrades to ensure systems are fit for purpose. • Maintain Network Security. Urgent recommendations (e.g., critical vulnerabilities) are implemented in response to notifications from Janet CSIRT service (the network provider for UK Education, Research and other public sector entities) and other notification services. Cyber Essentials Certification in place. • Multi-layered backup strategy in place. • IT staff are trained in IT security and have regular CPD in this area to ensure knowledge is up to date. Regular training and communication to staff on new and existing threats to build knowledge and awareness. • Secure authentication strategy in place for all system and account access.
Business Continuity	The Institute is unable to continue day to day operation due to severe business disruption to science and research.	<ul style="list-style-type: none"> • Equipment and logistical steps in place along with ensuring policies and SOPs are fit for purpose and reflect current best practice. Supply chain resilience is built in as far as possible. • A reciprocal agreement is in place to use facilities at the CRUK Cambridge Institute as an emergency centre. • Business Continuity Plan and Crisis Management Team is in place to provide a framework and table top exercises annually. • Commercial insurance in place to cover financial loss through business disruption.

THE BABRAHAM INSTITUTE

REPORT OF THE TRUSTEES (INC THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

RISK MANAGEMENT (CONTINUED)

Risk Area	Description of Risk	Risk Management
HR Management	The Institute is unable to recruit and retain staff due to staff burnout, inadequate team resources and poor planning.	<ul style="list-style-type: none"> Attractiveness of the Babraham Research Campus and good infrastructure such as provision, housing, parking, etc. Competitive pay scheme and benefits including research support package. Benchmarking of pay and benefits with other organisations to ensure parity. Provision and maintenance of excellent science facilities and equipment and support for immigration licenses and visas and an employee assistance programme to support staff wellbeing.

Within BRCL, the Directors carry out regular reviews of the risks to which the company may be exposed both at regular Board Meetings and through the company's Audit Committee. Where necessary the company can call upon the Group's internal auditors RSM to act as an independent internal audit service. The principal strategic risks considered by the BRCL board include:

- Global Economics and Political Changes
- Increase in local market competition
- Investment into the life-science sector
- Rent Negotiations with UKRI-BBSRC

FINANCIAL REVIEW

During the year, the total group reserves increased from £156m to £159m, with details of the movement in group funds shown in the Statement of Financial Activities on page 31.

The individual results within the group are detailed below.

BABRAHAM INSTITUTE

Overall results for the Babraham Institute show an increase in total funds from £143m to £144m. Restricted revenue funds increased by £289k, Restricted Capital funds increased by £2,394k and Unrestricted Revenue funds decreased by £1,855k totalling an increase of £828k across all funds.

The Institute's deficit on unrestricted funds for the year of £1,855k compared to a deficit of £1,891k last year. The operating deficit before investment gains/losses, depreciation and transfers is £2,743k and £3,927k respectively for 2024 and 2023.

	2024 £'000	2023 £'000
Deficit before Investment gains/losses, depreciation and transfers – unrestricted funds	(2,743)	(3,927)
Depreciation	(6,842)	(6,255)
Transfers from capital and revaluation reserves	7,038	8,776
Fair Value adjustment to investment properties	(1,200)	(400)
Investment Income (dividends and interest)	75	255
Investment gains/(losses) - realised and unrealised	1,817	(340)
Deficit for year – unrestricted funds	(1,855)	(1,891)

Revenue income increased from £26.2m to £28.1m in the year (£1.9m). Funding from URKI-BBSRC increased by £1.7m with funding across all other areas remaining comparable to the previous year.

Costs, excluding depreciation charges were £30.5m for 2024/25 and £30.4m for 2023/24. Whilst salary costs increased by £503k in the year, lower energy (£254k), recruitment (£75k) and library costs (£113k) offset the increase in staff costs.

THE BABRAHAM INSTITUTE

REPORT OF THE TRUSTEES (INC THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

FINANCIAL REVIEW (CONTINUED)

Annual revaluations within the Institute (£4,898k) to land and buildings have further increased capital reserves in the year (note 9). Capital funds within the Institute continue to be released from capital reserves against depreciation charges in the year. During the year £4,534k of capital funding was received (2023 : £3,233k).

The Institute continues to maximise its returns on funds by holding investments managed by Royal Bank of Canada. This allowed the Institute to benefit from investment income of £75k in the year (2023 : £255k), together with unrealised gains of £1.8m (2023 loss £340k) on investments held.

The Institute has continued to actively monitor its cost base and strive for efficiency savings where possible to ensure the Institute continues to maximise its operations based on the funding received. Looking to the future the Institute continues to remain on a tight financial budget and a longer-term focus will need to be placed upon continuing to seek and secure fresh income streams.

BABRAHAM RESEARCH CAMPUS LIMITED (BRCL)

The profit for the year after taxation amounted to £1,541k (2023: £1,958k). Both income and costs have increased compared to last year, driven by higher rent and facilities management revenue. The rise in costs is attributed to expanded facilities management activities and increased investment in BRCL science and entrepreneurship initiatives, including mentoring schemes, the accelerate@babraham programme, and broader cluster engagement. Additionally, a present value adjustment of £393k was applied to the shareholder loan to the joint venture with Biomed, detailed in note 16.

No Gift Aid (2023: £220k) was paid to The Babraham Institute relating to the year 2023/24.

BABRAHAM INSTITUTE ENTERPRISE LIMITED (BIE)

Babraham Institute Enterprise Limited made a profit after tax of £618k (2023: profit £191k). Excluding investment impairments/impairment reversals, operating results are £209k profit for 2023/24 and £322k profit for 2022/23. Turnover including licencing income for the year of £2,036k compared to £2,320k for the previous year, a decrease of £284k. This decrease in activity also led to lower costs of £171k in the year, and these movements account for the change in operating results.

Gift aid of £534k (2023: £nil) was paid in the year to Babraham Institute; £334k relating to profits from 2022/23 and £200k from 2023/24.

RESERVES POLICY

The Group's reserves are held to support financial solvency, manage uncertainty and fund future activities. The level of reserves required by the Group is therefore determined by reference to:

- Future operational and capital expenditure requirements
- Potential financial risks identified in the Risk Register
- Funding required for strategic investments not included in the operating budget
- Working capital / liquidity requirements

The Trustees have reviewed the reserves of the Group. The review encompasses the nature of the income and expenditure streams, the need to match variable income with fixed commitments, and the nature of the reserves. The Trustees concluded that to facilitate long-term planning they aim to achieve unrestricted reserves of £19m, covering 3 months working capital and any other financial obligations should the business cease to operate.

The Trustees are satisfied that there are sufficient unrestricted reserves (£20.3m) to provide the necessary funds to mitigate financial risks associated with operational and capital expenditure identified in the Risk Register.

THE BABRAHAM INSTITUTE

REPORT OF THE TRUSTEES (INC THE STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2024

PRINCIPAL FUNDING SOURCES AND REVIEW OF EXPENDITURE

The Babraham Institute is one of eight Institutes receiving strategic funding from the UKRI-BBSRC. Funding is derived from our principal sponsor, the UKRI-BBSRC, together with external grants or fellowships competitively gained from other research councils, charities and industry.

Expenditure incurred as analysed in the Statement of Financial Activities relates to Charitable Activities, including support costs. Commercial trading activities are shown separately.

Staff costs form the largest single component of group expenditure £19.1m (2023: £18.1m), followed by consumables (laboratory and general) £4.1m (2023: £4.7m), repairs and maintenance costs £4.3m (2023: £3.6m) and rent, rates and insurance £2.5m (2023: £2.3m).

Total expenditure for the year of £49.9m compares to £46.4m in 2022-23 an increase of £3.5m. Increases in salary costs (£1.1m), repairs and maintenance (£0.7m), fuel charges (£0.4m), depreciation charges (£0.6m) and taxation (£0.5m) account for the majority of the increase in expenditure in this reporting year.

GOING CONCERN

The Babraham Institute is dependent on various funding sources including UKRI-BBSRC to meet its liabilities as they fall due within future years. As part of the quinquennial Institute Assessment Exercise (IAE), completed in the year, funding has now been confirmed for 2024/25 and provisional funding allocations set for the next three years to 2027/28. As part of financial forecasting, various scenarios have been explored for 2024/25 and 2025/26 on future income streams and costs. Forecasts will include elements of estimations, however the level of uncertainty in our plans is not considered material.

UKRI-BBSRC continues to invest significant capital funds (£4.5m in 2023/24) and indicates that the Institute remains a key strategic organisation within the wider UKRI-BBSRC research community. The Institute will be reviewing its operating and group governance model in 2024/25 in consultation with UKRI-BBSRC, in order to focus on its long-term financial sustainability.

The following developments should be taken into consideration as part of the review:

- the Institute has now received indicative funding for the next four years from UKRI-BBSRC to 2027/28
- the Institute does not envisage any issues with funding in this four-year period
- UKRI-BBSRC funding assurance reviews regarding financial management are positive
- the successful outcome regarding science direction and funding from the Institute Assessment Exercise (IAE)
- group governance and operating models will be reviewed in the near future regarding improved financial sustainability

Therefore, the Trustees believe that a combination of confirmed grant funding and commercial income, existing cash reserves held by the Institute and its subsidiaries, and the planned review into future governance conducted by UKRI-BBSRC and BI, together provide assurance that the group can continue to fulfil its mission and objectives.

Accordingly, after making appropriate enquiries and reviewing various scenarios including reductions in rental income, gift aid and science service facility income, the Trustees consider the Group and Parent Charity have adequate resources to continue in operational existence for the foreseeable future being a minimum of twelve months from when these financial statements are approved. For this reason, the financial statements have been prepared on a going concern basis.

The Trustees' Report incorporating the Strategic Report was approved on behalf of the Board

Tim Livett

Mr T Livett
Chairman of the Audit Committee, Trustee and Member
 Date: 16/10/2024