BIS Department for Business Innovation & Skills

CLOSING THE RDAs

Lessons from the RDA Transition and Closure Programme

JULY 2012

Contents

Foreword

The closure of the regional development agency network presented many challenges which I am delighted to say the RDA and BIS teams have overcome. This was a necessary step to make way for a more locally focussed approach to economic growth, recognising the benefits of supporting relevant economic geographies through Local Enterprise Partnerships. This process has also released resources for the Regional Growth Fund, now in its third round, supporting job creation in those areas hardest hit by the downturn in the economy.

I should like to pay tribute to all those involved in the RDA closure programme, in the RDAs, my Officials in BIS and elsewhere. The quality of the closure process is a testament to their hard work and professionalism and should be seen as a model across Whitehall. This Lessons Learned Report pulls out the key points and is a valuable document born of very real experience. I commend the advice it provides to all those faced with large, complex challenges in Government.

Mark Prisk

Minister of State for Business and Enterprise

The Regional Development Agency Closure Programme – Lessons Learned Report

Once the result of the 2010 General Election was known, it was very likely that the incoming Coalition Government would seek a new approach to generating growth at the sub-national level. This presented BIS Officials and the staff of the RDA network with a significant challenge – the orderly, cost effective, solvent & compliant closure of the eight RDAs outside London, the London Development Agency activities reverting to the Greater London Authority. This report covers the closure of the eight RDAs outside of London.

Many of the lessons contained in the following pages require little explanation and are generic, while others arose from experiencing a specific set of circumstances which may rarely be repeated. Together we feel that they represent a comprehensive set of warnings and pointers to avoiding the obvious and unforeseen pitfalls endemic in this kind of complex, large and sensitive exercise. If we were to summarise three overarching golden rules, they would probably be:-

- Decide very quickly what governance structure you will need and the resources – people and financial – necessary for the task. Then get the right people with the right skills in place early on, and find ways of keeping them. Closure is a totally different task to business as usual.
- Everything takes longer than you expect, so make decisions as early as possible so each workstream can at the very least start to plan from the start of the programme.
- Understand who your stakeholders are, ensure they understand what you are trying to do and get confirmation of their backing for your programme as early as possible in the process.

The RDA closure programme adhered to these golden rules most of the time, and noticed the problems when it didn't. However, with the dedication, professionalism and loyalty of the RDA and BIS closure teams, with support and challenge from various Whitehall Departments and with the NAO's in-depth involvement and support on important workstreams, the targets of operational closure on 31st March 2012 and final abolition on 1st July were achieved, just two years after the Chancellor of the Exchequer announced the Coalition Government's decision to close the RDAs. The programme accomplished its objectives on schedule and under budget and with minimal challenge, considering the sensitive and at times emotive nature of the programme. As the leaders of the RDA network and the BIS closure team respectively, we consider this a significant achievement.

Alan Clarke	Simon Edmonds
Chair of Chief Executives for the RDA Network	Director, RDA Closure

1.0 INTRODUCTION

This report shares the knowledge and lessons learnt from closing the RDAs with others who are reforming public bodies. It draws together lessons from the Transition and Closure Programme (2010-12) for eight English regional development agencies (RDAs) outside of London.

SUMMARY OF KEY LESSONS

Governance

- Ensure that the bodies retain enough authority/independence to close themselves down following instructions from the parent body. This ensures that they retain ownership and commitment to the process.
- Changing those instructions during a tight, fixed timetable, with dwindling resources, jeopardises the programme.
- Set in place strong authoritative governance of the overall programme, including the necessary lines of authority to ensure functions outside the core closure team offer support and co-operation as needed.

Legal

- Ensure that the mechanism and legal basis for transfers of staff, assets and liabilities and closures is clear at the start of the process (see HR lessons). Set in place sufficient legal resource, including appointing external lawyers if required.
- Ensure close contact with lawyers in the bodies being closed.
- Ensure that all workstream leads are plugged into legal advice.

Legislation

- Contingency planning for delays/changes in legislation is vital – contingencies must be identified for <u>all</u> workstreams.
- Impact assessments (and compliance with the public sector equality duty) must be planned into the closure process at the outset and exemptions explicitly confirmed.
- Understand who needs to be involved in making decisions and get senior buy-in from them at the start of the process.

- Ensure that all participants in the closure programme (sponsoring department, OGDs & the bodies being closed) are equally engaged with the issues and properly resourcing closure activity.

Managing Relationships

1) Ministers

- Vital to actively manage relations with Ministers on bodies that are being closed.

  (See Relationships lessons below.)

2) OGDs and other functional areas in the sponsoring department

- Colleagues in OGDs and elsewhere in the sponsoring department need to engage and participate in the closure programme from the start. Be prepared to escalate early if required.
- Agree common objectives with partners.

3) RDAs (the body being closed)

- Be clear who is managing the closure and ensure that subsequent actions support that decision.
- Senior level relationship management of bodies being closed greatly assists in trouble shooting issues before they get too big.
- The change from "business as usual" to closure requires a far more detailed knowledge of the bodies being closed. Need to commit time to finding what they actually do.

Project & Programme Management

- Ensure a formal structured approach to project management in the departmental closure team as well as the body being closed.
- Decisions relating to closure need to be timely to avoid nugatory work.
- Bring together all relevant parties to set out a framework at the start of the closure programme.
- Important to have a named sufficiently authoritative individual in each importing body with clear responsibility for managing the relationship with the closing body.
- OGC Gateway reviews and the BIS initiated peer reviews process provided challenge and assurance that the programme remained robust within the RDAs and also for the programme overall.

Leadership

- Strong leadership is essential to maintain programme momentum.
- Strong governance through a board that includes senior decision makers from government and the body being closed to ensure a smooth process.
- Ensure that organisations being closed quickly focus on closure – i) engage their Board; ii) set clear and appropriate objectives; and iii) ensure staff, systems & processes are re-aligned. Closure teams check early that this is happening.

Secondments

- Ensure that there are the right skills in the closure team, particularly experienced programme & project managers. Secondment of staff from the body being closed is a good way to bring in relevant expertise.

Communications

- Establish the closure team as the only source of government communications to the bodies being closed.
- Clear, concise and traceable project communications through a system of Action Notes ensures that all participants in the closure process receive the same message at the same time.
- Make full use of document sharing such as through "Huddle" and regular informal updates through e-bulletins.

Human Resources

- HR is a critical workstream. It needs to be afforded high priority from the start.
- Vital to get the right people in key posts and keep them for the duration of the project. Retention payments should be considered if needed to achieve this.
- Decisions on the scope of transfers need to be taken early, requiring HR expertise.
- Bottom out the exact implications of TUPE/COSOP at the very start of the process. This is a developing area of law where early legal input is valuable.
- Ensure that bodies receiving transfers have senior buy-in to the task and are well resourced to do this properly. This includes ensuring incoming staff are treated fairly and that there is a regular, steady flow of relevant communications. This has been shown to enhance numbers who transfer.
- Plan the timing of transfers to other organisations to avoid problems with HR resource bottlenecks.

- External contributors such as MyCSP, GAD etc often have set, rigid delivery periods that must be factored into critical paths.

- Recognise the nature of the organisation that is being closed and tailor solutions to the specific circumstances (beware of a "one size fits all" approach).

- Ensure that lessons from early transfers are spread to others quickly.

Finance

- Finance is a critical work stream. It needs to be afforded high priority and appropriate resourcing from the start and throughout the closure process.

- Strong financial control is required throughout the closure process.

- Withdrawing delegated authorities to make new financial commitments at an early stage helped RDAs to focus on closure tasks.

- Managing RDA budgets proved to be a complex task, because projects, assets and liabilities were transferred on different dates to a range of recipients, and because RDAs were jointly funded by four Departments.

- Redundancy costs were a large part of closure costs. RDAs managed staff exits flexibly so that staff resources matched the work required.

- RDAs' pension arrangements were complex and time consuming to deal with. The liabilities to various legacy schemes (inherited when staff transferred in from other bodies) contributed to this.

- The properties occupied by the closing body need to be remarketed or put to another use as the costs of unoccupied properties could be large. Early engagement with Departmental Estates staff is advisable.

- Mostly exits from companies & partnerships where RDAs had an interest was straightforward. In a small number of cases, this was complex and time consuming.

- Accounting for transfers of projects, assets and liabilities to other bodies was complicated. The 'MoG' transfer of RDA land and property to HCA required complex merger accounting adjustments (which in turn impacted on the process of producing BIS Group Accounts).

- Preparing and auditing interim accounts allows accounting issues to be addressed earlier. This helped to speed up the audit of the final accounts.

- Transferring assets and liabilities out of RDAs at an early stage helped to simplify accounts preparation and audit.

- Providing information for the BIS group account proved to be more difficult and time consuming that expected. The lesson learned is that requirements external to the closure process can impact on the resources available for closure work.

- If there is no successor body, then the parent Department will need to retain the accounting records after closure. The records transferred should be tested to ensure that the information received can be accessed and used.

Transfers

- Start the operational elements of a transfer as early as possible.

- Clear early agreement on policy, e.g. on disposal routes, is likely to save nugatory work in preparing plans for assets & liabilities.

- Establish common objectives among all stakeholders.

Residuary Body

- Agreement on what precise functions any Residuary Body should undertake should be established early on in the process (though there may be a case for delaying actually setting it up).

- Prepare for stakeholder/press interest in the future of assets. Quickly get to know which are likely to be controversial.

Knowledge Management

- Knowledge management is an important workstream, requiring adequate, specialist resource from the outset, right through to closure and beyond, in both transferring and receiving organisations.

- Decisions are needed early on to facilitate the significant amount of work involved in preparing for records and information transfers. This includes decisions on: the correct recipients of records and information; records retention policies to facilitate destruction of records no longer needed; and future records storage sites to facilitate packing and labelling of boxes of paper records.

- Distinct approaches are needed for: i) formal records which need to be transferred to successor organisations for their use to meet ongoing legal and operational requirements; ii) tacit knowledge in the heads of the people currently doing the work, which will be needed by successor organisations; iii) information which is of general, public interest and can continue to be made available in the public domain.

- Time invested in reviewing records and destroying records no longer needed will give savings in records transfer and storage costs.

- Clear, step-by-step, detailed processes, covering all aspects of records transfer and receipt, need to be in place (and understood by all parties) before any records are transferred, to avoid a backlog of unprocessed records at the receiving body and risk of loss of records. This includes processes for keeping a comprehensive inventory of records received and processes for ensuring that electronic information is transferred securely and reliably and is tested by the receiving organisation before being deleted by the transferring organisation.

- A clear, agreed schedule for records transfers enabled both the RDAs and BIS to have resources in place at the right time. This was particularly important when time constraints were tight in the run-up to closure, and needed to take account of capacity constraints for the volume of paper records which could be received each week and the rate at which electronic records could be tested and loaded to BIS's systems.

- It is valuable to invest time in quality assurance and testing activities soon after records have been transferred and whilst the transferring body is still in place to answer questions. QA and testing enabled BIS to check that the inventories and lists received could be used to retrieve records successfully in future.

- Future users of information (or someone on their behalf) should be involved, from an early stage, in deciding what information needs to transfer and checking that the information transferred meets their needs. For example, the involvement of BIS's finance team in the transfer of RDA finance records was important.

- Differing interpretations of what is necessary to comply with the Data Protection Act can be a significant barrier to transferring information which may be considered personal data. Organisations transferring information are likely to be rightly cautious to ensure that they comply with the DPA. Clear legal advice is needed.

- It is vital to produce clear, comprehensive guidance, for future users, to enable them to find, retrieve and use the information and records transferred.

2.0 BACKGROUND

2.1 Regional Development Agencies (RDAs)

2.1.1 The RDAs were set up as strategic “arms-length” bodies under the RDA Act 1998. Each RDA had five statutory purposes under the Act:

- To further economic development and regeneration;
- To promote business efficiency, investment and competitiveness;
- To promote employment;
- To enhance development and application of skills relevant to employment; and
- To contribute to sustainable development.

2.1.2 The eight RDAs opened on 1 April 1999. The London Development Agency followed in July 2000 with creation of the GLA (it is not included in this lessons learnt report). Sponsorship of the RDAs transferred to DTI in 2001.

2.1.3 RDAs acted as both strategic economic bodies and operational delivery bodies for a substantial number of schemes and functions. While the demands from government changed considerably over the years this duel focus remained consistent. Up to the closure announcement in June 2010, the RDAs were key strategic partners and delivery arms for departments with an interest in sub-national economic development. They were substantial NDPBs (see Inset 1). Priorities included regeneration; business support; regional competitiveness; inward investment at the regional level; and matching skills training to the needs of the regional labour market.

Inset 1 - RDA key facts

1. The eight RDAs invested a total of £17.6bn between 1999 and 2011.

2. The average total budget for all nine RDAs was £2bn per annum in the period 2005/06 – 2010/11.

3. In March 2010, the eight RDAs owned £512m of land and property assets.

4. At the time of the closure announcement in June 2010, the eight RDAs were managing a total of 9683 projects, with a £1.86bn gross expenditure legally committed in the current SR period and beyond.

5. By June 2010, the RDAs were participating in 110 corporate bodies.

6. At their peak, the RDAs employed 3,470 staff (in 2008/09).

2.2 The decision to close the RDAs

2.2.1 Closure of the RDAs was announced in the Budget in June 2010. The announcement implemented the Coalition Agreement to change the local economic delivery landscape, and to reduce the number of public bodies.

2.2.2 London Development Agency assets have transferred to the GLA. LDA's closure is being handled separately under the Localism Act.

Inset 2 - Objectives set for the programme

1. To secure transfers for RDA staff with rights to transfer (with continuing functions) and to ensure that all staff are treated fairly.

2. To prepare, agree and implement transitional plans to manage out assets and liabilities.

3. To sustain performance at each RDA while those functions continuing are transferred to other bodies as the Agencies move to closure to minimise the impacts of the transition process on businesses, partners and counterparties to contracts.

4. To ensure that RDA governance arrangements during transition satisfy Ministers' requirements for appropriate oversight and control.

5. To ensure that RDA transition costs are kept to a minimum in order to deliver the best possible value for money.

6. To put in place cost-effective arrangements to manage out residual business (where responsibilities cannot be transferred to other bodies) in a way that balances the need to maximise the value from the project with the need to minimise additional cost.

2.3 Project history

2.3.1 The programme was a high priority within BIS and for HMT, with CSR10 financial settlements based on successful closure of the RDAs. We wanted to close the RDAs swiftly in order to put the new economic landscape in place, also avoiding prolonged uncertainty for staff or for part-completed projects. RDA closure was a Structural Reform Plan priority for BIS & DCLG.

2.3.2 RDAs operationally closed on 31 March 2012 and will be dissolved as legal entities on 1st July 2012. A project timeline from June 2010 to July 2012 is given at Annex A.

3.0 OVERALL SUCCESS OF THE PROJECT

3.1 Achievements

3.1.1 Orderly and timely closure has represented a significant challenge. Progress has been reviewed positively by the OGC (see Inset 3 below).

3.1.2 We would highlight the following key achievements:

- **Strong financial management** – All RDAs had their 2010/11 and, with one exception, 2011-12 accounts audited and given unqualified opinions. All RDAs have managed their financial commitments well, making savings where practical without damaging the value/benefit of the project/programmes in question and with little complaint.
- **Closure costs significantly below Spending Review Settlement** – The October 2010 settlement provided up to £464M across the SR period to cover salaries, redundancies and other closure costs. Actual closure costs are anticipated at £100m below this.
- **RDA Boards and Staff worked well with partners** – This has ensured there has been very little negative publicity as projects/programmes end or transfer elsewhere in government. This was particularly helpful in relation to land and property transfers which are of enormous interest to local partners.
- **Continuing strong co-ordination and consistency** of action/behaviour of RDAs through a system of having a lead RDA (Chair of Chairs). There are great benefits to 8 RDAs carrying through the same processes, rather than having separate/different approaches.
- **RDAs managing down their staff numbers** in line with remaining activity- whilst ensuring key staff are retained.

Inset 3 – OGC gateway Reviews

1. The OGC Gateway Review process has provided assurance for the RDA Transition and Closure Programme and highlighted measures to increase the likelihood of successful closure.

2. Reviews were undertaken in May and September 2011, with a final Review on 6 March 2012. The programme received an Amber/Green rating with a high likelihood of success. The Review found the programme was well led and managed with substantial progress made.

3. OGC made four recommendations relating to resourcing knowledge management (critical); clarity & resourcing of finance and the Clear Line of Sight obligation in the RDAs (critical); arrangements for comms following operational closure of the RDAs (recommended); and stronger contingency arrangements for unforeseen demands on the RDAs in the run up to final closure (essential).

4.0 LESSONS LEARNED

4.0.1 The lessons have been arranged thematically considering the following aspects:

i) Overall Governance;

ii) Legislation/Legal;

iii) Relationships;

iv) Project Management;

v) Ways of working;

vi) Human Resources;

vii) Finance & Audit;

viii) Assets & Liabilities; and

ix) Knowledge Management.

4.1 Overall Governance

4.1.1 It was clearly established from the outset who would manage the transition and closure process within the RDAs and how the programme would be governed outside of the RDAs. Taking advice from a number of quarters, including consultants and the NAO, we decided that RDA Boards and Executives should be maintained with each responsible for their own transition and closure. BIS then set up a National Transition Board (NTB) with representation from key government departments (BIS, CLG, and HMT), RDAs, Legal & Finance support and the NAO (as observers).

4.1.2 Problems occurred when BIS and OGDs changed their requests, examples being during transfers to the HCA and the Clear Line of Sight demands, at a very late stage in the closure programme.

Inset 4 – Overall Governance lessons

1. Ensure that the bodies retain enough authority/independence to close themselves down following instructions from the parent body. This ensures that they retain ownership and commitment to the process.

2. Changing those instructions during a tight, fixed timetable, with dwindling resources, jeopardises the programme.

3. Set in place strong authoritative governance of the overall programme, including the necessary lines of authority to ensure functions outside the core closure team offer support and co-operation as needed.

4.2 Legal

4.2.1 General - Legal issues crossed almost all workstreams. We ensured that all parts of the RDA closure team were accessing legal advice, and that they were in contact with each other to help resolve potential conflicts. Regular legal catch-up meetings provided a forum for emerging legal issues and helped BIS Legal plan resourcing.

4.2.2 Legislation - While closure of the RDAs had been announced in 2010, actual closure and related transfers were dependent on Royal Assent of the Public Bodies Act 2011, which did not take place until December. Robust contingency arrangements were needed to mitigate the risk of delay or change in the legislation. Establishing early what the impact assessment requirements would be removed all doubt and the possibility of disruption.

Inset 5 – Legal lessons

General

1. Ensure that the mechanism and legal basis for transfers of staff, assets and liabilities are set out clearly at the start of the process (see HR lessons). Set in place legal resource to enable transfers to happen, including appointing external lawyers if required.

2. Ensure close contact with lawyers in the bodies being closed.

3. Ensure that all workstream leads are plugged into legal advice.

Legislation

1. Contingency planning for delays/changes in legislation is vital – contingencies must be identified for all workstreams.

2. Impact assessments (and compliance with the public sector equality duty) need to be planned into the closure process from the start and exemptions explicitly confirmed.

4.3 Relationships

4.3.1 Proactively managing relationships with the key players in the closure programme was vital to ensure focus. Ministerial statements about bodies that are being closed – positive or negative - have a very high impact on staff morale and potentially retention of key staff. Recognising this, the closure team ensured a regular dialogue with Ministers about the programme to ensure consistent and clear messaging, but did not have sufficiently strong channels into non-BIS Ministers to regulate their RDA-oriented comments.

4.3.2 Getting clear buy-in from OGDs and other parts of BIS was challenging. Those in other functional areas were often reluctant to address the consequences of RDA closure for their policy area, especially when this might involve transfer of functions and associated former RDA staff. This required senior level intervention. The establishment of the NTB provided a specific mechanism where some of these issues could be resolved.

4.3.3 The early decision that RDAs would manage their own closure was correct. BIS knowledge of the RDAs was largely at the strategic level, without detailed knowledge of all their processes and activities. We needed to strengthen our engagement with them for assurance that they were closing themselves down properly, so the relationship management role was strengthened within the RDA closure team in BIS with four extra Grade 5 SCS posts. Two peer reviews of progress towards closure were held per RDA, and were key to building up a shared and detailed overview of where each RDA was in relation to its peers and its own closure plan.

Inset 6 – Relationships lessons

1. Understand who needs to be involved in making decisions and get senior buy-in from them at the start of the process.

2. Ensure that all participants in the closure programme (sponsoring department, OGDs & the bodies being closed) are equally engaged with the issues and properly resourcing closure activity.

3. Important to have a named sufficiently authoritative individual in each importing body with clear responsibility for managing the relationship with the closing body.

Ministers

1. Vital to actively manage relations with Ministers on bodies that are being closed.

OGDs and other functional areas in the sponsoring department

1. Colleagues in OGDs and elsewhere in the sponsoring department need to engage and participate in the closure programme from the start. Be prepared to escalate early if required.

2. Agree common objectives with partners.

RDAs (the body being closed)

1. Be clear who is managing the closure and ensure that subsequent actions support that decision.

2. Senior level relationship management of bodies being closed greatly assists in trouble shooting issues before they get too big.

3. change from “business as usual” to closure requires a far more detailed knowledge of the bodies being closed. Need to commit time to finding what they actually do.

4.4 Programme Management

4.4.1 **PPM** - One of the key decisions of summer 2010 was to bring in a strong programme management resource to the closure team after consideration of the best way to tackle RDA closure and subsequently discounting appointing external contractors to close the RDAs on behalf of BIS. With giving the individual RDAs the responsibility to effectively close themselves down, it was essential that strong PPM resource was in place for every element of the programme – in RDAs, centrally in the closure team, and on the receiving end of any function transfer. Early work to agree a framework for closure with all parties should form part of this assurance.

4.4.2 **Leadership** - Strong leadership both from BIS in pushing the programme forward and in the RDAs in ensuring professional standards was essential in driving through transition and closure in often difficult circumstances – it was apparent when this was missing. Some RDAs re-focused on closure very quickly, giving them a head start that they retained over the whole programme. BIS needed to address quickly those RDAs who were behind the leaders. This meant significant engagement by senior officials with Chairs, Boards and Executive teams.

4.4.3 The NTB for the RDA closure programme has resolved difficult issues within BIS and across Departments and kept a focus on delivery within the overall transition and closure programme. The NTB included senior representatives from the RDAs, BIS, OGDs & the NAO as observers. It became more effective as membership was tightened to improve focus.

4.4.4 The programme benefited from three OGC gateway reviews at strategic points in the programme. These reviews gave assurance to the SRO that the programme's risks were being managed and that the programme was on track to deliver. OGC took wide evidence in each review from across the programme. In addition to this BIS and the RDAs put in place a process of peer reviews where the RDAs were paired to review each other's performance. BIS chaired these reviews and NAO observed on each occasion. We conducted two rounds of such reviews in the early Spring and late Autumn of 2011, key times in the programme.

Inset 7 – Programme Management lessons

PPM

1. Ensure a formal structured approach to project management in the departmental closure team as well as the body being closed.

2. Decisions relating to closure need to be timely to avoid nugatory work.

3. Bring together all relevant parties to set out a framework at the start of the closure programme.

4. OGC Gateway reviews and the BIS initiated peer reviews process provided challenge and assurance that the programme remained robust within the RDAs and also for the programme overall.

Leadership

1. Strong leadership is essential to ensure that a major closure programme maintains momentum.

2. Strong governance through a board that includes senior decision makers from government and the body being closed to ensure a smooth process.

3. Ensure that organisations being closed quickly focus on closure – i) engage their Board; ii) set clear and appropriate objectives; and iii) ensure staff, systems & processes are re-aligned. Closure teams should make an early check that this is happening.

4.5 Ways of Working

4.5.1 Closing a public body needs a bespoke approach, and it is crucial to have the right people in the right place at the right time (see also HR below re RDA staff). Any plan is dependant on the quality and skills of those who implement it. Securing the right mix of skills in the BIS RDA transition & closure team was not always easy and we were staffing up during a period of change and uncertainty in BIS and elsewhere, so not all internal resources were available when needed.

4.5.2 Secondments from RDAs were very helpful in covering skills gaps, e.g. finance expertise from SWRDA & Yorkshire Forward. Secondees from the organisation being closed can be keen to broaden their experience and bring an awareness of the organisation unavailable elsewhere. We might have exploited the benefits of secondments further and earlier. Overall, eventually the RDA closure team assembled the right mix of expertise, including in:-

- Finance & accounting
- Asset disposal
- Knowledge management
- TUPE & COSOP
- Legislation/legal
- Programme & project management (critical)

4.5.3 **Communications** - Failing to control information flows leads to confusion, especially with eight individual RDAs, many separate workstreams and interest from OGDs. Four key steps ensured a high degree of control:-

- Gained senior sign-off that ALL outgoing communications to the RDAs should go out via the RDA closure team, with exceptions specifically sanctioned. The RDAs signed up to this as it gave them clarity over what they did and didn't have to respond to.
- Single points of contact that co-ordinated action from RDAs on different themes or programmes. This built on the existing system of RDA functional leads and specialist networks – e.g. the FDs & HRDs Fora.
- Establishing an Action Note system with clear action requests for the RDAs to complete. These were cleared by the RDA CEXs nominated to the NTB and issued via the lead RDA. We issued well over 300 such requests. Close monitoring of returns to Action Notes and ensuring that requests are clear are essential, and an understanding of how different requests might overlap to avoid nugatory work.
- Making full use of document sharing such as "Huddle" and using informal updates through e-bulletins to ensure that the same information/messages reach all participants in the closure programme at the same time.

Inset 8 – Ways of Working lessons

Secondments

1. Ensure that there are the right skills in the closure team, particularly experienced programme & project managers. Secondment of staff from the body being closed is a good way to bring in relevant expertise.

Communications

2. Establish the closure team as the only source of government communications to the bodies being closed.

3. Clear, concise and traceable project communications through a system of Action Notes ensures that all participants in the closure process receive the same message at the same time.

4. Make full use of document sharing such as through "Huddle" and regular informal updates through e-bulletins.

4.6 Human Resources

4.6.1 Retaining key staff in the RDAs was essential. One of the most significant risks to the closure programme was that critical skills and knowledge would be lost by key staff leaving before the end of the closure process. We mitigated the risk by agreeing with BIS Ministers, the Chief Secretary to the Treasury, the NAO and the RDAs a retention scheme for key staff. Under the scheme, a cadre of critical staff in each RDA have been offered an *ex gratia* payment, payable when they leave the agency, on the condition that they stay until their closure tasks are completed.

4.6.2 During the closure process, 18 continuing functions were transferred to other delivery bodies with staff and budget cover where appropriate. As a result over 500 staff transferred to other delivery bodies, such as delivery of the ERDF programme to DCLG. Transfers under COSOP/TUPE were very resource intensive for the BIS closure team, RDAs and receiving bodies, with a steep learning curve. Receiving bodies tended to underestimate the resource required, which put at risk momentum and a smooth transfer. Ensuring that receiving bodies understood the consequences of the staff in transfer scope and had committed appropriate resource/expertise was essential. It also took time to establish the full implications of TUPE/COSOP law and practice on the ground, causing further delays. Lastly, clearance times for inputs from organisations such as MyCSP, the Government Actuary's Department (GAD) and Disclosure (Scotland) are usually fixed and must be factored in. It is also worth allowing for additional checking of their output, which in MyCSP's case particularly, was not always found to be reliable on inspection.

4.6.3 It was also important to recognise that each RDA had different circumstances/practices and not assume that a one-size-fits-all approach would work.

Inset 9 - HR lessons

1. HR is a critical workstream. It needs to be afforded high priority from the start.

2. Vital to get the right people in key posts and keep them for the duration of the project. Retention payments should be considered if needed to achieve this.

3. Decisions on the scope of transfers need to be taken early. This needs HR expertise.

4. Bottom out the exact implications of TUPE/COSOP at the very start of the process. This is a developing area of law where early legal input is valuable.

5. Ensure that bodies receiving transfers have senior buy-in to the task and are well resourced to do this properly. This includes ensuring incoming staff are treated fairly and that there is a regular, steady flow of relevant communications. This has been shown to enhance numbers who transfer.

6. Plan the timing of transfers to other organisations to avoid problems with HR resource bottlenecks.

7. External contributors such as MyCSP, GAD etc often have set, rigid delivery periods that must be factored into critical paths.

8. Recognise the nature of the organisation that is being closed and tailor solutions to the specific circumstances (beware of a “one-size-fits-all” approach).

9. Ensure that lessons from early transfers are spread to others quickly.

4.7 Finance – Accounts & Audit

4.7.1 Finance is a critical work stream for closure. Maintaining good financial control and accountability were priorities throughout the closure process. This was particular important as RDAs’ finances were complex, including valuable portfolios of capital assets, long term loans and investments in other bodies, including subsidiaries and joint ventures. RDA project funding was also complex, with capital projects often running over a number of years.

4.7.2 BIS decided to retain RDAs’ governance arrangements as they were long established and well understood. BIS set financial criteria for RDA closure, including the delivery of an orderly and solvent closure, the maintenance of good risk management and fraud control, and value for money. These were key performance criteria for Boards and Chief Executives.

4.7.3 BIS updated and reissued the RDA Accountability and Financial Framework. This specifies the role and responsibilities of the Board, the Chair, the Chief Executive (Accounting Officer) and Audit Committees. RDA Chairs were given clear guidance on their role in the closure process. RDAs reconfigured their audit arrangements to respond to the different risks associated with closure.

4.7.4 BIS improved communications with RDAs by introducing a new system of communication by ‘Action Notes’, putting requests for information and action into a standard format and to have them checked by RDAs before issue. Over 330 Action Notes were issued between August 2010 and June 2012.

4.7.5 BIS also worked closely with the RDA Finance Directors. The RDA FDs group worked throughout the closure process to identify issues, find practical solutions and to manage priorities. The NAO joined meetings periodically to provide advice on accounting and audit issues.

4.7.6 One of the earliest instructions to RDAs after the closure announcement was the withdrawal of delegated authority to enter new financial commitments, other than those relating to transition and closure. This was critical in focusing RDA resources on decommitment and closure and in managing down RDA expenditure. The

Spending Review settlement subsequently reinforced this, requiring RDAs, to decommit, where legally possible and where this made financial sense. This was delivered by exercising break clauses in contracts and by renegotiation, for example. RDAs were very successful in decommitting from projects. RDAs also brought their Business Link contracts to an early close, during 2011. This was possible because break clauses had been added to these contracts, and this reduced exit costs.

4.7.7 RDAs were successful in divesting much of their 'own estate', including some freehold properties. A number of property leases did transfer back to BIS. BIS was successful in finding new occupiers in many cases, often from within the BIS family. At closure, in June 2012, only a small number of ex-RDA properties remained unoccupied. It was helpful to have BIS Estates staff engaged from an early stage.

4.7.8 RDA allocations for 2011/12, the final year of operations covered all of their forecast programme spend. In contrast, the resources available for Administration costs were considered tight. In the event, decommitment by RDAs delivered underspends on programme and the budget constraints concentrated minds on reducing staffing during the year. However, RDAs were able to manage with the Administration budgets provided.

4.7.9 BIS negotiated the dismantling of the cross-Departmental funding arrangements for RDAs and the budget transfers to HCA for the MoG transfer. This required a complex set of budget transfers through the Supplementary Estimate (SE) process.

4.7.10 Most RDAs produced resource plans for the work required which matched the work to the staff resources available, helping determine the timing of staff exits. The use of voluntary exit schemes helped RDAs to deliver these staff exits and to retain some flexibility about exit dates.

4.7.11 External requirements placed significant and unexpected demands on RDA finance teams (notably merger accounting templates, and consolidation work). In addition, some finance staff left and others fell ill. A number of RDAs had to bring in interim staff, although this was never the preferred option. In the event, the finance capacity in most RDAs was stretched and the lesson is to have contingency plans to resource finance work if needed.

4.7.12 Capacity issues also affected the BIS transition and closure team. Additional resources were brought in during the process and some experienced staff members were lost. A small number of tasks were delegated to consultants, with mixed success.

4.7.13 RDAs established their worst case redundancy costs at a fairly early stage, although there were considerable delays in obtaining redundancy quotes from MyCSP. RDAs determined the staff profile needed to deliver the closure process and therefore when staff could be released. RDAs used a variety of approaches to redundancy (with Cabinet Office agreement), including both voluntary and compulsory schemes. RDAs were successful in agreeing flexible arrangements with staff which allowed them to manage staff resources better during the closure process. Redundancy costs were, in the end, well below the initial estimates.

4.7.14 Although the majority of RDA staff were members of the PCSPS, most RDAs had inherited staff in 1998 who were members of other pension schemes. In addition, RDA Chairs had individual pension arrangements. Addressing RDA pension issues raised policy issues that required discussion with the Cabinet Office. BIS required legal and actuarial advice to resolve pension issues and ensure that members' interests were protected. Issues were addressed case by case. For example, in one case BIS negotiated a financial settlement with a continuing scheme. In another, BIS agreed to arrangements that led to the winding up of a pension scheme. Pension issues were complex and time-consuming to address. One member of BIS staff worked almost full time on pension issues alone.

4.7.15 RDAs had interests (shareholdings, memberships or other rights) in over a hundred RDA Act Section 5 companies and partnerships. Negotiating exits from these was relatively straightforward in most cases, where other shareholders took a pragmatic approach and where there was an exit route that would protect public funds. In a small number of cases, the negotiations were complex and unexpectedly time consuming. In one case negotiations about the future of the company and the basis on which the RDA could exit proved to be extremely complex and time consuming.

4.7.16 Reaching agreement on the accounting treatment of RDA asset transfers took longer than expected and delayed operational work. The NAO helped to resolve this issue.

4.7.17 The transfer of RDAs' land and property to the Home and Communities Agency (HCA) was accounted for as a Machinery of Government (MoG) change, to which merger accounting rules apply. These required complex amendments to prior years in RDA and HCA accounts and further complicated the consolidation of BIS group figures. BIS prepared a complex template to capture the information required. The completion and validation of this template for each RDA was time consuming and difficult (but essential to comply with the accounting rules). RDAs and HCA worked together to resolve the issues arising. The position was complicated because the transfer took place during the financial year 2011/12 – but a transfer at a year end (March 2011 or 2012) would have been impractical.

4.7.18 The transfers to the HCA were made under the Homes and Regeneration Act 2008. After the transfers had been effected, we were advised that the legislation did not provide tax neutrality and that the transfers would be subject to Capital Gains Tax. In the event, this did not cause significant problems, although one RDA did have a sizeable tax bill as a result. The learning point is to ensure that tax neutrality will apply to all significant asset transfers.

4.7.19 Other transfers were accounted for under Acquisition Accounting rules. There were some valuation issues with some of the RDA assets, which included shareholdings in companies and partnerships, for example. These transfers also affected the BIS consolidation, as these transactions require elimination at group level. Uncertainties about the timing of the legislation to abolish RDAs meant that a range of mechanisms were used to transfer RDA assets and that transfers took place on a range of different dates, adding to the complexities.

4.7.20 The RDAs, as with any other body, were required to produce audited accounts up to the date of abolition. This work is often completed by staff who have transferred to a successor body, but this was not possible for RDAs. The resolution was to simplify RDA accounts (by ceasing operations at March 2012, and by transferring out residual assets, liabilities and shareholdings well in advance) so that RDA staff could prepare final accounts in the time available. In the final three months, RDA staff completed accounts for the year ending March 2012 and prepared draft accounts for the three month period to the end of June 2012 (the abolition date). The completion, audit and laying of March 2012 accounts was a critical task for RDAs, and this was achieved in all cases. In parallel with this, RDAs were also able to prepare good quality draft accounts to June 2012. These draft accounts were audited by NAO and will be handed over to BIS staff for completion after abolition.

4.7.21 A workshop to discuss accounts disclosure issues was held in January 2012. This helped RDAs to understand and meet the required standards.

4.7.22 The closure process for RDAs was complicated by a new cross-government requirement that Departments produce group accounts. BIS therefore had to consolidate RDA results into the BIS Group Accounts at March 2012 for the first time. This requirement – a priority for BIS – had to be managed alongside the RDAs' priorities to achieve an orderly closure on time and on budget. Participating in dry run exercises for the consolidation work and providing consolidation packs at March 2012 proved to be more difficult and time-consuming that expected. The general lesson here is that there may be 'external' requirements that may compete for resources with closure tasks.

4.7.23 Because RDAs closed without transferring a rump of continuing work to a successor body, there was no logical home for the accounting records. BIS inherited accounting records from 8 RDAs from a range of different accounting systems. BIS Finance staff were trained to use RDA accounting systems so that PQs and FOI requests could be answered in future. BIS tested records to ensure that they could be accessed as required.

4.7.24 The year end audit of the RDA accounts to March 2012 was supported by an audit of interim accounts during 2011/12. This enabled RDAs and NAO to agree the presentation and disclosure of a number of issues at an interim stage and to reduce the amount of audit work required after the year end.

4.7.25 Projects which receive European funding are subject to a strict audit regime and records must be retained for a considerable time. If supporting evidence cannot be produced, then there is a risk that the European funding would have to be repaid. RDAs had accessed European funding (mainly ERDF) to support many projects.

4.7.26 Accounting and budgetary uncertainties and the inability to revise forecasting tools pending closing discussions with OGDs made it extremely challenging to maintain accurate financial forecasts of RDA related costs during the last full financial year of RDA operation. This led to a significant amount of financial planning uncertainty within the Department.

Inset 9 – Finance lessons

1. Finance is a critical work stream. It needs to be afforded high priority from the start and throughout the closure process.

2. Strong financial control is required throughout the closure process.

3.Ensuring sufficient staff capacity to complete all finance work, and having contingency plans, is important.

4. Withdrawing delegated authorities to make new financial commitments at an early stage helped RDAs to focus on closure tasks.

5. Managing RDA budgets proved to be a complex task, because projects, assets and liabilities were transferred on different dates to a range of recipients, and because RDAs were jointly funded by four Departments.

6. Redundancy costs were a large part of closure costs. RDAs managed staff exits flexibly so that staff resources matched the work required.

7. RDAs pension arrangements were complex and time consuming to deal with. The liabilities to various legacy schemes (inherited when staff transferred in from other bodies) contributed to this.

8. The properties occupied by the closing body need to be remarketed or put to another use as the costs of unoccupied properties could be large. Early engagement with Departmental Estates staff is advisable.

9. Negotiating exits from companies and partnerships in which RDAs had an interest was usually straightforward. In a small number of cases, the negotiations were complex and unexpectedly time consuming.

10. Accounting for transfers of projects, assets and liabilities to other bodies was complicated. The 'MoG' transfer of RDA land and property to HCA required complex merger accounting adjustments (which in turn impacted on the process of producing BIS Group Accounts).

11. Preparing and auditing interim accounts allows accounting issues to be addressed earlier. This helped to speed up the audit of the final accounts.

12. Transferring assets and liabilities out of RDAs at an early stage helped to simplify accounts preparation and audit.

13. Providing information for the BIS group accounts proved to be more difficult and time consuming than expected. The lesson learned is that requirements external to the closure process can impact on the resources available for closure work.

14. If there is no successor body, then the parent Department will need to retain the accounting records after closure. The records transferred should be tested to ensure that the information received can be accessed and used.

15. Forecasting systems will need to address the transfer of activity to other organisations in current and future years and should provide a clear understanding of the range of risks and opportunities that come with closure. Departments should consider how they can incentivise closing organisations to maintain forecasting accuracy.

4.8 Assets & Liabilities

4.8.1 **Transfers** – 18 continuing functions have been transferred to new delivery bodies, including European Regional Development Fund delivery reverting to DCLG; Rural Development Programme for England moving to DEFRA; Grants for Research and Development programme migrating to the Technology Strategy Board; and Venture Capital Funds transferring to BIS to be managed by Capital for Enterprise. Residual activity for the Grants for Business Investment scheme has also come to BIS. The majority of RDA land and property assets not already disposed of valued at around £300m, transferred to the Homes and Communities Agency in September 2011. Over 500 staff have been transferred under either TUPE or COSOP.

4.8.2 Generally transfers took longer and needed more resource than originally envisaged. Moving functions from one set of bodies to another - either central government or the private sector - requires a substantial resource commitment to accept those functions; the associated legal transfer; and incoming people. The formal notification requirements attached to staff in scope caused delays in completion of transfers. Given the resource implications, it is important to consider starting the operational elements of each transfer as early as possible, even when policy and budget decisions remain unclear, though it remained vital to try and nail down the policy position as soon as possible and provide clear guidance to avoid nugatory work. This was a source of tension with RDAs in the closure programme.

4.8.3 The future of assets is an emotive issue, particularly at a local level. Transfers and disposals attracted the most external (and political) interest of any of the closure workstreams. It was particularly important to get a clear view as to which assets were the most controversial and ensure that Ministers, officials etc were well briefed. The transfer of assets to the HCA exposed diverging priorities between Departments that would have benefited from early exposure and resolution.

4.8.4 **Residuary Body** – The Portfolio Management Office (PMO) opened in December 2011 to handle remaining RDA interests. The bulk of remaining live projects were transferred to it on 1 January 2012. Though the need for a residuary body was determined relatively early on, its exact functions and staffing took lengthy negotiations to finalise, with the result that it opened at least three months later than scheduled, causing anxiety among the RDAs as their resources necessary to run assets and affect transfers dwindled.

Inset 11 – Assets & Liabilities lessons

Transfers

1. Start the operational elements of a transfer as early as possible.

2. Clear early agreement on policy, e.g. on disposal routes, is likely to save nugatory work in preparing plans for assets & liabilities.

3. Establish common objectives among all stakeholders.

Residuary Body

1. Agreement on what precise functions any Residuary Body should undertake should be obtained early on in the process (though there may be a case for delaying actually setting it up).

2. Prepare for stakeholder/press interest in the future of assets. Quickly get to know which are likely to be controversial.

4.9 Knowledge Management

4.9.1 Knowledge management is an important workstream that requires adequate, specialist resource from the outset, right through to closure and beyond as many records arrive at abolition. Resources in BIS were initially constrained because of the BIS re-structuring programme and this delayed effective progress at the start. Additional resources were recruited mid-way through the programme, to provide the necessary records management, business analyst and IT expertise, as well as the additional capacity needed to receive and manage the large quantity of paper and electronic records transferring to BIS.

4.9.2 For effective governance of the KM workstream, it was important to have active representation from key BIS functions, e.g. Finance and HR, to enable timely decisions and sufficient resourcing to specify, receive and check the information needed for these functions.

4.9.3 RDAs transferred the records for continuing work to the relevant successor bodies for that work. Remaining material which there was a legal or operational need to keep was transferred to BIS.

4.9.4 RDAs applied their own records retention schedules so that out of date material was destroyed in order to minimise transfer and ongoing storage costs. Some RDAs were able to review their records retention policies to adapt them for closure, as not all records which would have been retained in the course of 'business as usual' would still be needed following closure. However, there was a need to retain records of EU-funded projects, where EU record-keeping and audit requirements are stringent and financial penalties for non-compliance are severe.

4.9.5 RDAs transferred 17,000 boxes of paper records and 2.5 terabytes of electronic information to BIS. In total, RDA records transfers to all receiving bodies were about double the amount transferred to BIS. Given the very large volumes of information involved, and the need to stick to a tight closure timetable, it was important to have clear records transfer and receipt processes, clear listings of transfer contents and a clear, agreed schedule for the transfers.

4.9.6 As BIS had overall responsibility for RDA finance records, it was decided to request copies of finance applications and databases as well as system data extracts. The finance applications provided have proved to be more accessible and useful to BIS than some raw databases supplied e.g. SQL formats.

4.9.7 RDAs transferred their legacy economic information to local partners, who are continuing to make this information available through their websites.

4.9.8 RDAs' own websites were archived by The National Archives (TNA), so that the information on them continues to be publicly accessible.

4.9.9 TNA worked with the RDAs to develop the operational selection policy, OSP 50, for records which would be selected for permanent retention. Those records will be held by nominated Local Record Offices (LROs) on behalf of TNA. Some material has been transferred directly by RDAs. Some is still in active use or is sensitive and will be held by the successor body until it can be transferred to the relevant LRO.

4.9.10 Software licenses for systems that transferred to successor bodies were transferred to the relevant body while 'perpetual' licenses were transferred to BIS as part of the final asset transfer.

4.9.11 Throughout the programme, KM policy decisions were developed by BIS, in agreement with the RDAs and receiving bodies, and communicated through Action Notes. This was assisted by visits to all RDAs. Early on in the programme, generic knowledge management principles were established. These were followed by more detailed generic knowledge management guidance, complemented by specific guidance for the individual function transfers, including Business Link, Manufacturing Advisory Service, finance, HR and project records. The importance of developing the policy and approach in a timely fashion was highlighted by some RDA functions closing at an earlier date e.g. Business Link.

4.9.12 Early on in the programme, RDAs were asked to prepare inventories of their knowledge assets. These were followed by the RDAs' detailed plans for the transfer and disposal of their knowledge assets, these plans being considered and agreed by BIS. The inventories were then maintained by RDAs, to record when and where knowledge assets were transferred, and this was reported to BIS on a quarterly basis. A generic template for the KM inventories was initially developed, but there were difficulties in applying the same template for all RDAs, given the differences in their work. The KM inventory template was based on 'business as usual' operation, rather than structured by transferring function, which also limited its usefulness. An analyst in the BIS project team, dedicated to each RDA, would have enabled BIS to undertake a comprehensive information audit and gain a clear understanding of RDAs' individual records management policies and processes early in the programme. This would have facilitated the later transfer of records.

Inset 12 – Knowledge Management lessons

1. Knowledge management is an important workstream, requiring adequate, specialist resource from the outset, right through to closure and beyond, in both transferring and receiving organisations.

2. Decisions are needed early on to facilitate the significant amount of work involved in preparing for records and information transfers. This includes decisions on: the correct recipients of records and information; records retention policies to facilitate destruction of records no longer needed; and future records storage sites to facilitate packing and labelling of boxes of paper records.

3. Distinct approaches are needed for: i) formal records which need to be transferred to successor organisations for their use to meet ongoing legal and operational requirements; ii) tacit knowledge in the heads of the people currently doing the work, which will be needed by successor organisations; iii) information which is of general, public interest and can continue to be made available in the public domain.

4. Time invested in reviewing records and destroying records no longer needed will give savings in records transfer and storage costs.

5. Clear, step-by-step, detailed processes, covering all aspects of records transfer and receipt, need to be in place (and understood by all parties) before any records are transferred, to avoid a backlog of unprocessed records at the receiving body and risk of loss of records. This includes processes for keeping a comprehensive inventory of records received and processes for ensuring that electronic information is transferred securely and reliably and is tested by the receiving organisation before being deleted by the transferring organisation.

6. A clear, agreed schedule for records transfers enabled both the RDAs and BIS to have resources in place at the right time. This was particularly important when time constraints were tight in the run-up to closure, and needed to take account of capacity constraints for the volume of paper records which could be received each week and the rate at which electronic records could be tested and loaded to BIS's systems.

7. It is valuable to invest time in quality assurance and testing activities soon after records have been transferred and whilst the transferring body is still in place to answer questions. QA and testing enabled BIS to check that the inventories and lists received could be used to retrieve records successfully in future.

8. Future users of information (or someone on their behalf) should be involved, from an early stage, in deciding what information needs to transfer and checking that the information transferred meets their needs. For example, the involvement of BIS's finance team in the transfer of RDA finance records was important.

9. Differing interpretations of what is necessary to comply with the Data Protection Act can be a significant barrier to transferring information which may be considered personal data. Organisations transferring information are likely to be rightly cautious to ensure that they comply with the DPA. Clear legal advice is needed.

10. It is vital to produce clear, comprehensive guidance, for future users, to enable them to find, retrieve and use the information and records transferred.

5.0 CONCLUSION

5.0.1 The RDAs will be formally abolished by bringing into force the provisions of the Public Bodies Act 2011 on 1 July 2012 via a Commencement Order. Operational closure was achieved as scheduled on 31 March 2012. There are outstanding issues to be resolved, particularly on finance and knowledge management, and a number of RDA interests in arms-length companies have been transferred to BIS and OGDs to manage out. However, the picture is already clearly one of successful closure. The RDAs have worked diligently on closure and protecting the taxpayer's interest. We are grateful for the professional approach shown by both their Boards and staff in achieving an orderly closedown.

5.0.2 We are currently working with Cabinet Office in several fora (e.g. Public Bodies Reform Working Group on Pensions) to share the knowledge and lessons we have learnt from this programme. This report forms a key part of delivering our commitment to disseminating lessons and supporting the Structural Reform Plan across Whitehall.

Annex A

Closing the RDAs – Timeline

Date	Event/activity
June 2010	Budget confirmed that RDAs would be abolished.
July 2010	
August 2010	Appointment of Programme Manager and instigation of formal PPM.
September 2010	
October 2010	*Local Growth* white paper covering formation of Local Enterprise Partnerships (LEPs) and RDA transition arrangements.
November 2010	
December 2010	
January 2011	RDAs sent detailed plans to BIS for the transfer or disposal of their assets portfolios to BIS.
February 2011	
March 2011	RDAs sent detailed plans to BIS for the transfer or disposal of knowledge and records to BIS.
April 2011	
May 2011	Transfer of c.70 staff, plus associated records, to PA Consulting, UKTI's contractor for Foreign Direct Investment services. 1st OGC Gateway Review.
June 2011	
July 2011	Transfer of 196 staff to DCLG to manage ERDF; transfer of 102 staff to DEFRA to manage RDPE.
August 2011	Transfer of RDAs' 52 coalfields, plus 3 associated staff to the Homes and Communities Agency (HCA).

Date	Event/activity
September 2011	Transfer of £600M of RDA land and property assets and associated projects and contracts, plus 91 associated staff; transfer of Grants for Business Investment programme to BIS with 16 staff and records; transfer of most RDAs' Grant for Research and Development programmes to the Technology Strategy Board; transfer of 6 staff to BIS Local. OGC Gateway AAP Review.
October 2011	[Transfer of RDA interests in Venture Capital and Loan Funds (VCLFs) to BIS under Capital for Enterprise management; transfer of Business Link staff to Business Link helpline contractor; guidance on accounting treatment; second round of peer reviews of RDAs.]
November 2011	[Completion of transfers of Grant for R&D scheme.]
December 2011	Public Bodies Bill receives Royal Assent. Portfolio Management Office (PMO) in place to receive residual RDA projects and programmes; RDAs file interim accounts.
January 2012	Transfer of residual projects and programmes (and records) to the PMO, plus 13 associated staff. Transfer of staff from Manufacturing Advisory Service to new contractor.
February 2012	Olympic legacy transfer.
March 2012	All transfers to PMO complete. All RDA staff exit at end of month except for teams preparing final accounts. Final OGC Gateway Review. **RDAs operationally closed.**
April 2012	
May 2012	
June 2012	RDA Boards approve final 2011/12 RDA accounts. All remaining RDA staff exit at end of month. All records transfers complete.
July 2012	RDA Boards disbanded. **RDAs closed.**

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