



**THE CABINET OFFICE**  
LONDON SW1A 2AS

Meg Hillier MP,  
Chair, Committee of Public Accounts,  
House of Commons,  
London  
SW1A 0AA

25 February 2020

*Alex May*

**NORTON MOTORCYCLES**

Thank you for your letter of 13 February 2020 regarding Norton Motorcycles to Sir Mark Sedwill. I am replying on his behalf as we believe the subject closer relates to the development of the functional matrix within government which I lead.

I understand that my colleague Alex Chisholm at the Department for Business, Energy and Industrial Strategy (BEIS) has responded to you regarding your questions on the public funding released to Norton Motorcycles from his department.

In addition to the BEIS funding, I am aware that the Department for Education via the former Skills Funding Agency and Education & Skills Funding Agency (ESFA) have indirectly funded apprenticeships at British Motorcycling Manufacturing Academy (BMMA), which is part of the Norton Group. I should highlight that ESFA did not have a direct contractual funding relationship with BMMA, as the funding was administered through other organisations. Even so, I am content that sufficient checks and balances were also in place with regards to the appropriate awarding and use of this funding.

Looking more widely, I will ask Departments to consider whether anything else could be done to improve the processes involved in allocating funding. The Cabinet Office has a vital role in promoting good practice in grant administration and enabling Departments to work across organisations to develop a better understanding of common challenges. Through the Grant Management Function, we have developed the Grant Standard. We have built a cross-government transformation case to strengthen the centre of expertise and support Departments with new products to assure our grants are effective and efficient. We have been able to accelerate one of those, a digital tool called spotlight which we hope to soft launch in summer and have available to every department and grantmaker in government by early autumn. Spotlight is an online due diligence tool for use before and during the grant application and live working to assure those receiving the grants are, for example, legitimate, and financially sound. It will do in minutes what would typically take days or weeks. I am clear the Function is focused on working with Departments to help ensure that grants are awarded and

spent as taxpayers would expect while recognising that Departments remain independent and accountable to Parliament for their decisions.

I am conscious that you will have an ongoing interest in this case. Sir Mark and I will continue to monitor any developments with Norton Motorcycles, and I will provide a further update should any new information come to light.

*Y*

*[Signature]*

**Sir John A Manzoni KCB**

*later apologies for being  
a little late in replying -*

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