

Contents Amendment Sheet

Version	Amendments	Initials	Date issued
1.0	Tender issue		11/06/21
1.1	<ul style="list-style-type: none">• Insert Amendment sheet• 5.5 adjust bullet labels to prevent duplication of references (e.g. 5.5(a) and 5.5(a) become 5.5(a) and 5.5 (j))• 5.5(b) replace “Transformation Programme Office” with “Transformation Management Office”• Formatting of 8.2, 8.3 & 8.4 adjusted to remove incorrect strikethrough of bullet numbers.	JM	23/06/21

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1. PURPOSE

- 1.1 The Asset Management Transformation Programme (AMTP) is one of the five Strategic Change Programmes in Highways England. It brings together all asset management initiatives; working with all parts of the business to improve our asset management capability and ensure delivery of an effective end to end asset management approach.
- 1.2 The key objective of this service is to support the AMTP by providing effective leadership to drive, develop and deliver the company's aspiration of improving its asset management capability through the delivery of AMTP.

2. BACKGROUND TO THE AUTHORITY

- 2.1 Highways England is an arm's length government body which plans, designs, builds, operates and maintains the strategic road network (SRN) in England. The SRN is the most heavily used part of the national road network, carrying a third of all traffic and two-thirds of all freight. It's 4,300 miles of road provides businesses with the means to get products and services to their customers, gives access to labour markets and suppliers and encourages trade and new investment.
- 2.2 With more than four million journeys taking place daily, our roads play a vital part in many people's lives as well as the economy, so customers remain at the core of our decisions. Our 3 priorities are Safety, Customers and Delivery, but safety remains our number one imperative, as we want everyone who uses and works on our roads to get home safe and well.

3. BACKGROUND TO REQUIREMENT/OVERVIEW OF REQUIREMENT

- 3.1 Highways England has established an Asset Management Transformation Programme (AMTP) building on the Asset Management Plan to improve the asset management capability in the organisation. A strategic delivery partner (SDP) is required to support Highways England in delivery of AMTP and the communication and embedment of it across all relevant internal and external stakeholders
- 3.2 An existing Strategic Delivery Partner (SDP) is currently in place until June 2021, therefore to ensure the continuity and pace of the programme, a new SDP is required.
- 3.3 The new Supplier will work closely with our cross-directorate teams, to provide industry leading technical and transformational support to successfully deliver the AMTP and the associated business wide cultural change.
- 3.4 The initial contract is for 6 months but can be extended up to 30 months. There is a budget of £3.4m which is related to the contract up to month 24. The contract may be increased to £4.25m if the extension to 30 months is granted (subject to approval of budget). There is no commitment to use the extensions or spend the full value of the contract.

4. DEFINITIONS AND ACRONYMS

Expression or Acronym	Meaning
ADAMr	Asset Delivery Asset Maintenance Requirements
AM	Asset Management
AMDG	Asset Management Development Group

AMSG	Asset Management Steering Group
AMTC	Asset Management Transformation Committee
AMTP	Asset Management Transformation Programme
HAPMS	Highways Agency Pavement Management System
HE2025	Highways England 2025
ITD	IT Directorate
OE2025	Operational Excellence 2025
PTS TT	Post-tensioned structures Tiger Team
SDP	Strategic Delivery Partner
TAMOM	Target Asset Management Operating Model
TMO	Transformation Management Office
TT	Tiger Team
TDP	Technical Delivery Partner
S&P DP	Strategy & Planning Delivery Partner
RP2	Road Period 2
SRO	Senior Responsible Officer
ACS	Asset Class Strategies

5. THE REQUIREMENT

5.1 The Supplier will help drive delivery of the Authority's asset management requirements stated in its Licence To Operate (clauses 5.9, 5.10 & 5.11) and KPI.s listed below;

- a) *License 5.9: The Licence holder must develop and maintain high quality and readily accessible information about the assets held, operated and managed by the Licence holder in line with, and as a function of, the Licence holder's 10 legal duties as a highway authority, including their condition, capability, and capacity, as well as their performance, including against any expectations set out in a Road Investment Strategy.*
- b) *License 5.10: The Licence holder must develop, maintain and implement an asset management policy and strategy, taking into account the requirements of 5.12 - to be initially published to timescales specified in the Licence Holder's Delivery Plan - setting out how it will apply a best practice approach to managing the lifecycle of its assets, including maintaining a registry of its asset inventory and condition.*
- c) *License 5.11: In complying with 5.9 and 5.10, the Licence holder should adopt a long-term approach to asset management consistent with ISO 55000 standards.*
- d) *KPI 3 - A Well Maintained and Resilient Network: Project will help Highways England in gaining a consistent understanding of our assets, their performance, the*

associated risks, investment needs and asset value as an input to intelligent decision-making and organisational strategic planning.

- e) *KPI 1 - Improving Safety for All: This work will help to consistently identify poor performing assets, the risks associated with those and embed competency models and training programs to ensure a competent safe workforce.*
- 5.2 For RP2, the delivery of the AMTP forms an agreed commitment, which will be tracked against annual deliverables within each year and reported to ORR. This will be assured through internal governance provided by Asset Management Steering Group (AMSG) which is a sub-group of the Executive Committee.
- 5.3 The approach is not purely to meet Licence or KPI requirements. A different approach to asset management is required across the Company to better connect the programmes of work across all asset lifecycle phases, from asset creation through maintenance and operation and eventual renewal or disposal.
- 5.4 It will support the other change programmes in achieving their benefits through an effective and consistent asset management approach. The programme will integrate with other change programmes to draw synergies and identify areas of overlap that can help avoid duplication and work towards a common direction of travel.
- 5.5 In addition to those mentioned above, some of the specific requirements / deliverables for SDP include, but are not limited to;

Programme management and Assurance

- a) Support the Director of Asset Management and Head of Asset Management Strategy to communicate the strategic messaging including AM vision and the direction of HE's asset management journey to senior stakeholders in the organisation including The Executive and Senior Leadership Team as well as members of wider organisation and supply chain.
- b) Provide strategic direction and oversight by supporting the Transformation Management Office and working alongside the Head of AM strategy for delivering the overall programme and intended outcomes.
- c) Provide overall programme assurance to ensure there is a clear direction of travel for the Programme in line with the end state to ensure the programme achieves the intended benefits.
- d) Operate the Transformation Management Office which works with capability leads as well as programme delivery teams for delivering the AMTP.
- e) Maintain alignment across all AMTP capability areas as well as other change programmes.
- f) Plan and monitor key dependencies and milestones with other change programmes as well as AMTP programme benefits.
- g) Support in delivering AMTP governance meetings which includes reporting progress, setting agenda, developing slides and drafting minutes.
- h) Communicate the change and tangible outputs to the business resulting from AMTP
- i) Support the capability leads and owners in embedding the change in the business by providing appropriate change management support (including change assessment)

Programme delivery

- j) Liaise with senior stakeholders to stage strategic discussions on asset management capability journey bringing in knowledge about good practice from other sectors and industries.
- k) Develop and coordinate work packages for the specific charters in line with the business need together with the Capability owners.
- l) Update the roadmap and charters as necessary following approvals from AMTC and AMSG.
- m) Define and implement the Target Asset Management Operating Model to clarify and communicate asset management roles and responsibilities across the business.
- n) Work effectively with other change programmes to ensure cross-directorate collaboration and alignment that supports end asset management capability.
- o) Support the delivery of the fast-paced activities within AMTP including Task Force Team and Tiger Team which is established to rapidly resolve business critical issues.
- p) Develop all aspects of the Change management, including change readiness and change impact assessment when rolling out new asset management capability in the business.
- q) Provide additional support to define and deliver wider activities within the roadmap as the programme evolves, to deliver effective end to end asset management where required.

6. KEY MILESTONES

6.1 The Potential Provider should note the following project milestones that the Authority will measure the quality of delivery against:

Milestone	Description	Timeframe
1	Develop and monitor the integrated plan with change programmes across the business.	March 2022
2	AM approach clearly articulated to our people and suppliers	March 2022
3	Change approach developed including change impact assessment and change readiness as required for individual activities within the AMTP Roadmap.	June 2022
4	Clearly defined and documented AM operating model for the business including AM processes	March 2022
5	Development and rollout of the next version of the Asset Class Strategies	March 2022
6	Development of a framework to approach customer led levels of service	March 2022
7	Operate and facilitate Tiger Teams and Task Force Teams and ensure the outcomes are achieved to plan and quality.	March 2022
8	Create and deliver a Communications Plan for the programme that will be used as the basis to engage with The Executive, Senior Leadership Team, staff and supply chain	March 2022
9	Define our whole life cost approach and ensure it is clearly understood and consistently applied across the business.	March 2022
10	Develop and maintain our asset management taxonomy for the business	March 2022

7. AUTHORITY'S RESPONSIBILITIES

- 7.1 There are no specific responsibilities owned by the Authority which may affect the potential provider's ability to deliver the requirement.

8. REPORTING

- 8.1 The project will be managed in line with standard project management principles, with finance and delivery progress reported to the Head of AM Strategy and SRO monthly.
- 8.2 The Executive sub group Asset Management Steering Group (AMSG) is accountable for assuring that the Asset Management Transformation Programme (AMTP) delivers its commitments. The AMTC is responsible for its delivery.
- 8.3 Key items for decisions as well as progress updates will be reported to Asset Management Transformation Committee and or Asset Management Steering Group (AMSG) by exception, culminating in the formal end of year process to report against the asset management measure.
- 8.4 See clause 5.5f for responsibilities with reporting to AMTC and AMSG
- 8.5 The TMO will conduct regular bi-weekly programme level meetings with capability leads (and their delivery teams) to gain visibility on high level issues and interdependencies which will be chaired by Head of AM Strategy. These will be summarised into progress dashboards which will be reported at AMTC.
- 8.6 Regular meetings with Programme assurance to ensure the outputs are addressing the overall Programme outcomes and benefits.
- 8.7 The SDP will be managed by the Asset Management Strategy team within Highways England Safety Engineering & Standards Directorate.
- 8.8 The SDP will provide the overall direction and oversight for the Transformation Programme and will work alongside other delivery partners (e.g. Technical Delivery Partners) which will provide specialist technical advice and support to deliver specific activities within the Programme.
- 8.9 The SDP will also ensure successful implementation and embedment of the asset management capability across the company, including appropriate change management.

9. CONTINUOUS IMPROVEMENT

- 9.1 The Supplier will be expected to continually improve the way in which the required Services are to be delivered throughout the Contract duration.
- 9.2 The Supplier should present new ways of working to the Authority during monthly Contract review meetings.
- 9.3 Changes to the way in which the Services are to be delivered must be brought to the Authority's attention and agreed prior to any changes being implemented.

10. SUSTAINABILITY

- 10.1 There are no sustainability considerations potential providers should include in their submissions.

11. ACCREDITATION

11.1 There is no accreditation required for this procurement.

12. STAFF AND CUSTOMER SERVICE

12.1 Potential Provider's staff assigned to the Contract to demonstrate the following mix of skills and expertise to deliver the Contract;

- Specific knowledge and experience of delivering asset management transformation programmes.
- Successful delivery of complex transformation programmes including people, systems, and process change in asset intensive organisations
- Experience of working within infrastructure industry ideally in (but not limiting to) transport sector with a track record of success, able to bring knowledge and lessons learnt from other infrastructures including regulated and non-regulated industries.
- Strong asset management capability demonstrated by delivering leading roles and responsibilities in asset management projects.
- Good understanding of principles of ISO 55000
- Programme and project management expertise
- Experience of engaging with senior stakeholders including C-suite.
- Change management expertise
- Demonstrate agile and outcome focussed approach.

12.2 In addition to the above, the following experience is considered desirable, to deliver the contract:

- Prior experience of working with Highways England.
- Experience of working with asset intensive organisations who have gone through similar cross-directorate asset management transformations within UK and/or internationally.

13. SERVICE LEVELS AND PERFORMANCE

13.1 The Authority will measure the quality of the Supplier's delivery by:

KPI/SLA	Service Area	KPI/SLA description	Target
1	Delivery timescales	Key milestones of the project to be delivered in accordance with the dates outlined in Section 6 above.	100%

14. SECURITY REQUIREMENTS

14.1 Highways England will arrange access, where necessary and possible while not breaching security and commercial guidelines, to premises, existing data systems, Highways England IT systems, and will endeavour to accommodate all reasonable requests for access to Highways England IT systems.

14.2 Highways England reserves the right to undertake security checks on all key staff of the Supplier as required. If confirmed successful, please return a completed electronic

copy of Appendix I- Baseline Personnel Security Standard (BPSS) forms to ITSecurityAdvice@highwaysengland.co.uk.

The successful Potential Provider should also complete a Disclosure and Barring Service form (<https://www.gov.uk/request-copy-criminal-record>), confirmed by the company director to the Highways England Security Team (SecurityTeam@highways.co.uk). The Supplier is responsible for the cost of this.

- 14.3 The Supplier must comply with the Authority's Data Handling Policy.
- 14.4 The Supplier must provide a valid cyber essentials scheme basic certificate or equivalent.
- 14.5 Any transfer of data must be completed securely using electronic file transfer with transfer protocols that support encryption and/or ID/authentication as required by the Authority.
- 14.6 Access to the Authority's data must be restricted to limited personnel who are authorised to access and analyse the data.
- 14.7 In the event of a suspected or actual data breach of the authority's data, the project manager must to be informed via the fastest secure means to allow for an immediate impact assessment to take place.

15. PAYMENT

- 15.1 Payment will be made monthly in arrears, in receipt of approved invoices from the Supplier, subject to review by Highways England.
- 15.2 Payment can only be made following satisfactory delivery of pre-agreed certified deliverables.
- 15.3 Before payment can be considered, each invoice must include a detailed elemental breakdown of work completed, duration spent on the work and the associated costs.
- 15.4 Invoices should be sent as a PDF file to FS Payments at Highways England via invoices@highwaysengland.co.uk. The invoice should quote the Project Manager's name and Purchase Order number, which will be advised by the Project Manager.

16. BASE LOCATION

- 16.1 The base location of where the Services will be carried out at different intervals is Highways England, The Cube, 199 Wharfside Street, B1 1RN.
- 16.2 However, The Supplier will be required to work in a flexible manner with regards to location. Highways England is a national organisation with key offices in all regions, and operations teams and stakeholders also based in remote sub-offices.
- 16.3 The Supplier will be required to provide working space for Highways England project team members in their own office premises on an ad-hoc basis when required.
- 16.4 The Supplier will be requested to provide meeting room space, in Birmingham, when requested for regular progress meetings and the monthly Programme Board meeting if requested.

- 16.5 The Supplier will be required to travel to Highways England regional offices for the provision of training, and other duties, as the project demands; any requirements for overnight accommodation for long distance travel demands must be agreed with the project manager or project sponsor ahead of booking. This will be paid in accordance with Highways England's Travel & Subsistence policy.
- 16.6 Travel and Subsistence (T&S) will not be paid for travel to the base location.