

Area 9 Asset Support Contract Service Information

Annex 25 Integrated Asset Management

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25 ASSET MANAGEMENT

25.1 Introduction

- 25.1.1 This Annex sets out the requirements in relation to the introduction and operation of asset management (AM).
- 25.1.2 The *Employer* is introducing asset management tools and techniques to the maintenance and renewal of its assets. By implementing these tools and techniques, the *Employer* aims to obtain the best service and value from the funding allocated to manage asset condition. Asset management will allow the *Employer* and its suppliers to take a longer-term, strategic approach to the management and monitoring of asset performance.
- 25.1.3 The *Employer's* Asset Management Office (AMO) is the *Employer's* custodian of the formalised process, systems and data standards relating to management of assets that form the Area Network. The AMO is also responsible for setting national asset service levels and for allocating the necessary asset renewal funding to maintain the agreed levels of service.
- 25.1.4 The *Employer* is adopting an integrated approach to asset management. This approach already includes:
- processes to deliver consistently high quality data fit for their intended uses; and
 - asset management planning processes that will transparently justify asset investment, and allow strategic objectives to be applied and evidenced in operational activity; and
 - the use of the Integrated Asset Management Information System (IAM IS) for routine and planned maintenance and customer enquiry management.
- 25.1.5 During Contract Period, the *Employer* will introduce additional asset management capabilities that include:
- expansion of the IAM IS to replace existing pavement, structures, geotechnical and drainage asset data systems (refer to Annex 6);
 - improved performance capabilities to monitor and drive delivery of operational outputs and outcomes (refer to Annex 15);
 - improved asset information with unified standards and comparable measures for condition and degradation against a single geographical view of the network;
 - optimised works scheduling, including a replacement for the Scheduled Roadworks system (refer to Annex 6); and
 - enhanced asset investment planning tools to forecast and justify strategic investment in assets.

25.1.6 Asset management is expected to deliver robust and sustained efficiency savings to the *Employer* and its supply chain.

25.1.7 While asset management and the requirements of this Annex apply to all assets, the *Employer* has commenced with a focus on pavements, geotechnical, drainage and structures assets. These requirements will be extended to cover a greater range of assets, including environmental and technology assets, during the Contract Period.

25.2 The *Provider's* Responsibilities

25.2.1 In providing effective asset management, the *Provider* is responsible for complying with the *Employer's* associated asset management documentation, including the following documents:

- Programme Development and Management Manual (PDMM) and
- Asset Data Management Manual (ADMM) *Provider* Requirements, incorporating an Asset Data Assessment Form.

25.2.2 The *Provider* develops and maintains the Asset Management Plans (AMPs) in accordance with the accompanying guidance.

25.2.3 The *Provider* must:

- employ competent people to deliver asset management services (Section 25.3);
- manage asset data as a critical asset in its own right (Section 25.4)
- ensure timely and accurate input into the National Allocation Process, including the preparation of Asset Management Plans (Section 25.5) and;
- update and maintain accurate financial and project information in *Employer* systems, providing cost visibility (Section 25.6).

25.2.4 The detailed requirements for these aspects are set out in Sections 25.3 to 25.8 of this Annex.

25.3 Competency

25.3.1 Organisational Competency Requirements

- (1) The *Employer* is aiming to achieve full BSI PAS 55:2008 (or equivalent ISO) accreditation in the future for its asset management practices. While the *Employer* strongly encourages the *Provider* to achieve full BSI PAS 55:2008 accreditation, the lesser standard of "Competency" is required of the *Provider*.

- (2) For those aspects of the Institute of Asset Management (www.theiam.org) Competences Framework indicated in the table below, the *Provider* achieves a minimum Competency Grade in relation to the management of the *Employer's* assets of:
- Maturity level 2 within six months of the *access date* and
 - Maturity level 3 within 2 years of the access date.
- (3) The *Provider* arranges for an independent endorsed assessor (the Institute of Asset Management provides a list of endorsed assessors) to review the *Provider's* asset management practices within 6 months of *access date*. The *Provider* arranges subsequent independent endorsed assessments to occur annually.
- (4) The name and credentials of the *Provider's* independent endorsed assessor will be supplied to the *Service Manager* for acceptance prior to commencing the competency assessment.

Element of Institute of Asset Management Competences Framework	Competency Area Included in <i>Provider</i> requirements
4.1 General Requirements	
4.2 Asset Management Policy	
4.3.1 Asset Management Strategy	
4.3.2 Asset management objectives	
4.3.3 Asset management plan(s)	Yes
4.3.4 Contingency planning	Yes
4.4.1 Structure, authority and responsibilities	
4.4.2 Outsourcing of asset management activities	Yes
4.4.3 Training, awareness and competence	Yes
4.4.4 Communication, participation and consultation	
4.4.5 Asset management system documentation	Yes
4.4.6 Information management	Yes
4.4.7.1 Risk management processes	Yes
4.4.7.2 Risk management methodology	Yes
4.4.7.3 Risk identification and assessment	Yes
4.4.7.4 Use and maintenance of risk information	Yes
4.4.8 Legal and other requirements	
4.4.9 Management of change	
4.5.1 Life cycle activities	Yes
4.5.2 Tools, facilities and equipment	
4.6.1 Performance and condition monitoring	Yes
4.6.2 Investigation of asset-related failures, incidents and nonconformities	Yes
4.6.3 Evaluation of compliance	Yes

Element of Institute of Asset Management Competences Framework	Competency Area Included in <i>Provider</i> requirements
4.6.4 Audit	Yes
4.6.5.1 Corrective and preventive action	Yes
4.6.5.2 Continual improvement	Yes
4.6.6 Records	Yes
4.7 Management review	

25.3.2 People Competency Requirements

- (1) The AMO has developed a Competence Framework for the *Provider's* staff working on the Asset Support Contract (ASC).
- (2) For each position in the *Provider's* organisational structure, the *Provider* defines the competency and level of competency required to deliver its Quality Plan. The *Provider* defines the approach that will be taken to ensure staff members in AM roles achieve the required competency.
- (3) The *Provider* provides evidence for 25.3.2 (2) obligations to the *Employer* within 6 months of the access date. The evidence demonstrates staff competency to the required level.
- (4) Where staff changes occur, the *Provider* assesses any replacement staff (with results supplied to the *Employer*) prior to the replacement staff taking up the role. Any gaps in competency for new staff should be addressed within 6 months. The *Provider* considers the long term sustainability of the AM workforce in the identification of replacement staff.
- (5) Item (4) above also applies to the *Provider's* existing staff who take on new roles/responsibilities.

25.4 Asset Data Management

25.4.1 Background Information

- (1) In line with the Integrated Asset Management (IAM) Strategy the *Employer* is currently reviewing its asset data held in its own systems including but not limited to HAPMS, SMIS, HAGDMS and HADDMS, and Routine and Planned Maintenance data held by *Providers* on behalf of the *Employer*.
- (2) As part of the IAM strategy the *Employer* plans to integrate its asset data into a single data source (the IAM IS as detailed in Annex 6, Tables 6.3 and 6.4). This will ensure consistent asset data for use by the *Employer*, its *Providers* and other asset data

stakeholders. This single data source will reduce the storage of duplicate data sets and avoid data transfer errors.

- (3) The Asset Data Management Manual (ADMM) *Provider Requirements* sets out the *Provider's* asset data management deliverables in the contract.

25.4.2 Start of Contract Period

- (1) Within six months of the *access date* the *Provider* submits, to the *Service Manager*, an Asset Data Gap Analysis report detailing deficiencies in the completeness, currency and correctness of the asset data listed below as identified by the *Provider* since *the access date*.
- (2) The Asset Data Gap Analysis report must provide a detailed set of costed proposals designed to address any issues identified within 20 months of the *access date*. Asset Data (including Inventories detailed in the Service Information) to be assessed for completeness, currency and correctness are defined in the ADMM *Provider Requirements*;
- (3) The *Provider's* Report and Proposal includes the following;
 - i. a completed Asset Data Assessment Form to the standards defined in the ADMM *Provider Requirements*;
 - ii. detailed breakdown of the actions the *Provider* could take to address asset data gaps, including associated risks and benefits of each approach (multiple options where possible to enable the *Service Manager* to determine which, if any, is the most appropriate);
 - iii. detailed information as to how the impact of any gaps in asset data will be mitigated in line with the approach to maintenance described in the *Provider's* Maintenance Requirements Plan;
 - iv. list of benefits of undertaking the proposed actions;
 - v. an approximate estimate of the time, resources and funding required to complete the actions; and
 - vi. forecast improvements in data completeness, currency and correctness if the actions are completed.
- (4) If instructed by the *Service Manager* the *Provider* completes the actions approved by the *Service Manager* and in line with the content of the ADMM *Provider Requirements*.
- (5) On completion of the agreed actions the *Provider*, *Service Manager* and the *Employer's* AMO Data Team will agree the asset data quality baseline against which the *Provider* will be assessed during and at the end of the Contract Period. If no agreement is reached the *Service Manager* sets the asset data quality baseline.

25.4.3 Provider's Role

- (1) The *Provider* updates and maintains the *Employer's* asset data in line with the ADMM Provider Requirements as amended or added to from time to time.
- (2) The *Provider* treats asset data as a critical asset and ensures they are accurate and comply with the standards laid down in the ADMM Provider Requirements.
- (3) With the exclusion of issues identified under 25.4.2 (2) the *Provider* reviews the completeness, correctness and currency of the asset data and corrects any deficiencies identified as specified by the ADMM Provider Requirements.
- (4) With the exclusion of the systems identified in [Annex 6](#) the *Provider* does not store *Employer* data in *Provider* systems without the approval of the *Employer*. Such approval will be subject to the requirements of Section 25.7.
- (5) In the event of any conflict arising between Annexes 6 and 25 of the Service Information, Annex 25 obligations shall take precedence. The *Provider* shall notify the *Employer* in the event of any perceived conflict.
- (6) The *Provider* fully documents, and provides such documentation to the *Employer*, any of the *Provider's* systems used in the storage, manipulation or analysis of data.
- (7) Under the *Employer's* Integrated Asset Management initiative a Routine and Planned Maintenance System will be provided by the *Employer*.
- (8) The IAM IS Technical Specification, as added to and amended from time to time, explains the current scope of the Routine and Planned Maintenance modules of the system and the specification required to implement it.
- (9) The IAM IS Technical Operations Guide, as added to and amended from time to time, explains the procedures through which the IAM IS Service will be used and the service levels that apply to its operation.
- (10) The *Provider* will use this IAM IS Routine and Planned Maintenance System as the system to directly undertake the following:

- (i) Schedule and record routine and planned maintenance on the network.
 - (ii) Record the outcomes of inspections, including but not limited to defects.
 - (iii) Record the completion of routine works, including but not limited to dates and costs.
 - (iv) Record and track all network customer enquiries.
 - (v) To maintain a record of asset data in an accurate and timely manner as per requirements set out in annex 6, annex 24, annex 25 and the ADMM Provider Requirements.
 - (vi) And to provide and manage the master data set for all data as established above.
- (11) IAM IS Routine and Planned Maintenance System provide sufficient functionality to meet the above *Provider's* obligations under the ADMM Provider Requirements, Annex 6, Annex 24 and Annex 25.
- (12) The *Provider* shall not use any system other than IAM IS Routine and Planned Maintenance System to undertake the activities listed in 25.4.3(6), unless agreed by the *Service Manager*.
- (13) Notwithstanding the requirements of clause 25.4.3(8), the *Provider* must provide any system interfaces between IAM IS Routine and Planned Maintenance System and the *Provider's* systems required to meet their obligations under this contract.
- (14) For any system interfaces required to pass data to or from the IAM IS, for example, from mobile devices (other than those provided by the *Employer*), the *Provider* must gain approval of the *Service Manager* for such an approach. If approval is given, the *Provider* must ensure all data is transferred to the IAM IS to the frequency and standard set by the *Employer*.
- (15) The *Provider* must be prepared for and accommodate short periods of parallel running between the *Employer's current* systems (detailed in annex 6 table 6.3) and new IAM IS system elements. (detailed in annex 6 table 6.4).
- (16) The *Provider* must nominate individuals who will be made available to act as technical IAM IS system trainers in their organisation. These individuals must be made available for IAM IS 'train the trainer' activities for up to fifteen days per financial year, and must maintain a record of the IAM IS training received by staff members in their organisation.

25.4.4 Access

- (1) Asset data are the property of the *Employer* and the *Provider* provides access to any element of asset data upon the request of the *Service Manager* and other persons authorised by the *Employer* or the *Service Manager* to carry out audits.
- (2) The *Provider* complies with any such request as soon as is practicable but must provide access to the *Employer's* asset data within the period defined in the ADMM Provider Requirements.
- (3) Access to asset data by a third party must be approved by the the *Service Manager*.
- (4) When the *Provider* receives a request from a third party for data they must comply with the ADMM *Provider* Requirements.

25.4.5 Timeliness of System Update

- (1) The *Provider* updates asset data on the relevant Information Systems described in Service Information [Annex 6](#) with detail of any changes to the asset in accordance with the timescales defined in the ADMM Provider Requirements. Any instances where the *Provider* cannot conform with these requirements must be notified to the *Service Manager* as soon as any delay is identified.

25.4.6 Accuracy

- (1) The *Provider* updates data accurately in line with the ADMM *Provider* Requirements document and ensures that asset data is entered precisely against the relevant fields and attributes in the *Employer's* Information Systems. If any data formatting requirements are unclear, the *Provider* seeks clarification from the *Employer's* AMO.

25.4.7 End of Contract Period

- (1) With the exclusion of those issues identified in 25.4.2(1) but where works were not instructed the *Provider* ensures that all asset data are complete, current and accurate at the end of the Contract Period.

25.5 Programme Development and Management Process

25.5.1 Background information

- (1) The *Employer's* Asset Management Office (AMO), is responsible for governance and administration of the Regional and National Programmes of Roads Renewals Projects, Structures Renewals Projects, the Pinch Point Programme and Local Network

Management Schemes (LNMS). This activity is known as the Programme Development and Management Process.

- (2) The Programme Development and Management Process runs annually. While traditionally the submission to the process is a listing of projects, the *Employer* annually reviews the process to provide greater clarity on the state of the assets and will seek further supporting documentation going forward. Asset Management Plans have been incorporated into the annual Programme Development and Management Process and will be integral to the approval of schemes and programmes.
- (3) The Programme Development and Management Process may be expanded at the *Employer's* discretion to cover additional asset classes (e.g. technology). Similarly the scheme assessment process (currently called Value Management) will be refined.
- (4) The *Employer* is developing and enhancing investment planning tools that will be made available to the *Provider* at the *Employer's* discretion when the *Employer* deems them applicable. Use of such planning tools will be as directed within the PDMM.

25.5.2 Provider Responsibilities

In reference to the Programme Development and Management Process, the *Provider* will:

- (1) ensure full compliance with the Programme Development and Management Manual as issued each year by the Asset Management Office. This will necessitate working with the *Employer's* Asset Management Office, *Service Manager* and others as defined in the these documents.
- (2) develop and maintains an Asset Management Plan in accordance with the *Employer's* template as added to and amended by the *Employer* from time to time;
- (3) use any asset investment planning tools as provided and directed by the *Employer* to formulate the Regional and National programmes of work;
- (4) support the *Service Manager* and AMO in the development of the Forward Programme;
- (5) deliver the programme of work agreed with the AMO; and
- (6) provide the *Service Manager* with any information required to effect change management of schemes approved as part of the National Programme.

25.6 Project Financial Information

25.6.1 The *Provider* uploads and maintains accurate project financial information in accordance with Service Information [Annex 19](#) and [Annex 21](#), or in any other system defined by the *Employer*;

25.7 Area Specific Amendments to Asset Management Requirements

25.7.1 The process for seeking amendments to any of the requirements within this Annex is:

- The *Provider* submits any proposed Area specific amendments to the adoption of [Annex 25](#) to the *Service Manager*. The *Service Manager* will submit these to the *Employer's* Asset Management Office for approval.
- On receipt of approval or otherwise by the Asset Management Office, the *Service Manager* issues written confirmation of the decision to the *Provider*.
- The *Provider* does not proceed with any proposed amendment until in receipt of the *Service Manager's* approval.

25.8 Audit for Performance

25.8.4 Performance of the *Provider* against the requirements of this Annex will be included into the audit process set out in Section 4 of the Conditions of Contract. The *Service Manager* may opt to utilise the AMO (or other parties) to undertake audits on his behalf.