

# WHATS HAPPENING IN THE ISO ASSET MANAGEMENT WORLD

Proudly presented by IPWEA

**VIBRANT  
FUTURES  
SOLID  
FOUNDATIONS**

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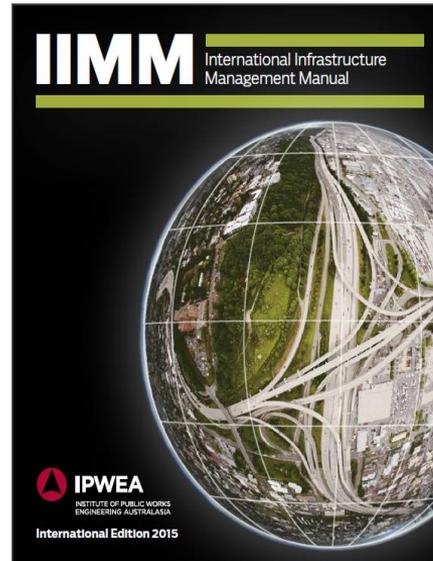


**IPWEA**

INSTITUTE OF PUBLIC WORKS  
ENGINEERING AUSTRALASIA

# Three Themes

1. ISO 55000 AM Standards –  
Why we should use them
2. Standards Review and  
New developments coming
3. IPWEA Resources -  
The 'How To' of applying  
the Standards



# The ISO 55000 AM Journey

IPWEA has been part of the Journey since 2010

ISO AM Standard 55000 first published January 2014

Technical Committee (TC 251) overseeing the Standards – 7th meeting in China recently

New ISO 55002 now available- to improve guidance

New Technical Specification on aligning financial and non-financial functions coming soon!



# Balancing the Cost versus Performance over the AM lifecycle

Desired  
Performance



Affordable  
costs

Risk management



# Key Benefits of Adopting ISO 55001

- Performance improvements
- Cost improvements
- Management of risk
- Assurance of business growth and improvement
- Reliable decision making
- Enhanced stakeholder confidence through compliance and improved reputation

<https://committee.iso.org/home/tc251>



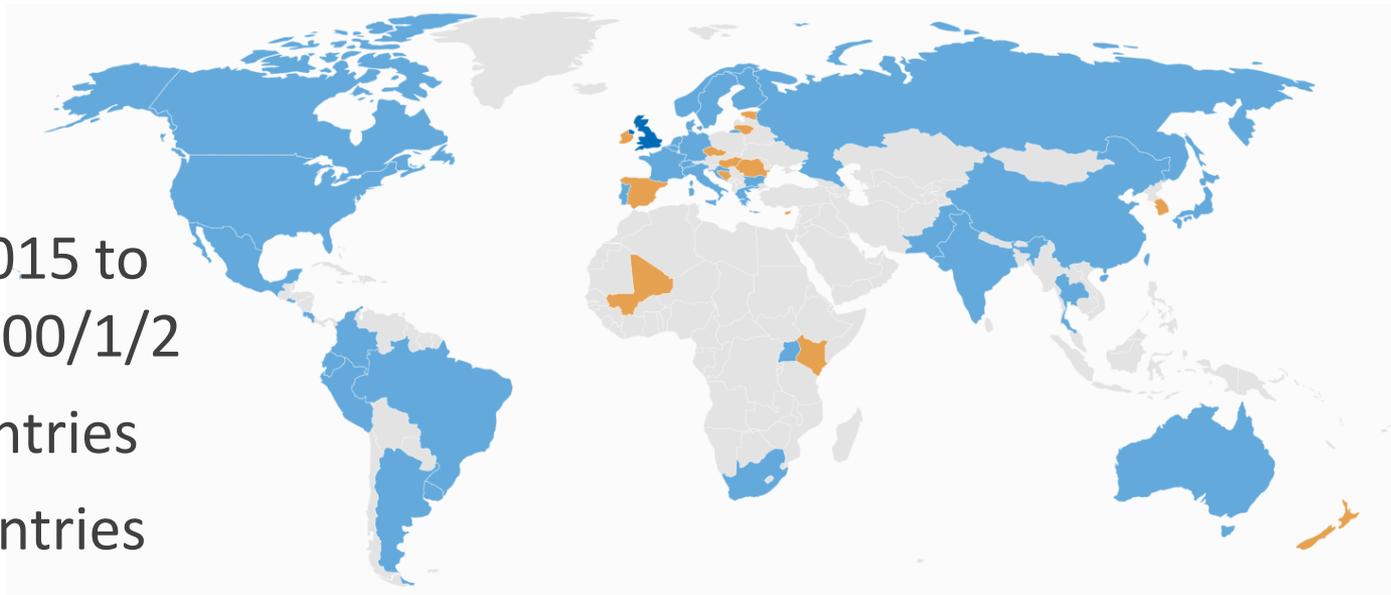
# ISO Structure

- Worldwide network of the main standardization bodies
  - Represents 163 countries
  - Develops and publishes international standards
  - Brings together experts from all over the world
- Over 22000 international standards and related publications
  - Voluntary standards, consensus-based
  - Product compatibility
  - Product and services safety
  - Management systems
- 779 technical committees and sub-committees
  - Sharing ideas, solutions, expertise and best practices
  - The TC 251 committee manages the ISO 55000 series



# ISO/TC 251

Established in 2015 to  
manage ISO 55000/1/2  
35 member countries  
16 observer countries

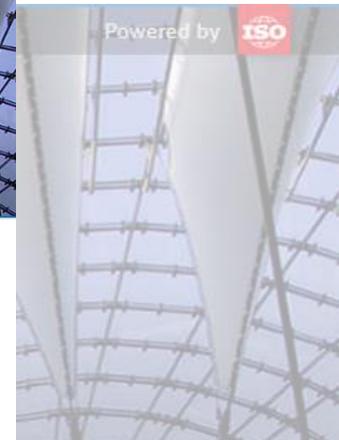
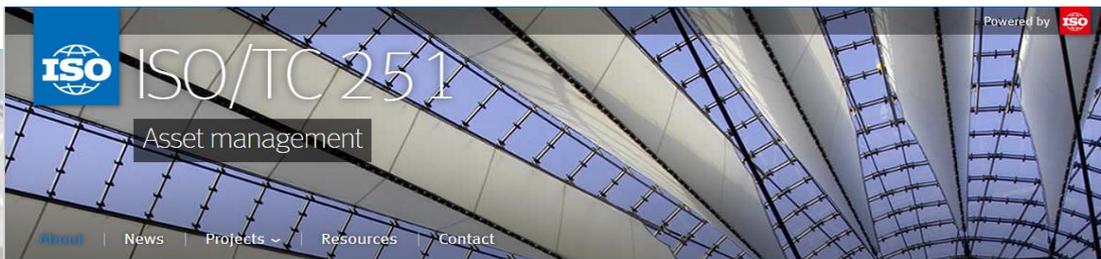


# The TC 251 Team



## New ISO TC 251 Website

<https://committee.iso.org/home/tc251>



### Even better than before: ISO 55002:2018 just released!

- What is Asset Management?
- Who does Asset Management?
- Why is ISO 55001 important to me?
- What are the benefits?
- Where do we start?

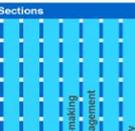
Are these your questions? The ISO 55000 series of standards provides answers to these questions and the new ISO 55002 helps get you started on a path of excellence in Asset Management.

#### ISO 55002:2018 improvements:

Based on people's actual journeys in Asset Management.

Significantly expanded from the original. Added guidance on cross-cutting subjects:

- Value
- Scope of your Asset Management System
- Strategic Asset Management Plans
- Asset Management Decision-making

ISO 55001 Main Sections	
Introduction	
4. Context	
5. Leadership	
6. Planning	
7. Support	
8. Operation	

#### Asset Management Tidbits #24

**Top Management:** person or group of people who directs and controls an organization at the highest level.

Top management is responsible for developing the asset management policy and asset management objectives and for aligning them with the organizational objectives. Top management should create the vision and values that guide policy, practice and actively promote these values inside and outside the organization. Top management also defines the responsibilities, accountabilities and asset management objectives and strategies, which create the environment for the asset management system.

Find out more about ISO 55001

We strive to expand the large body of knowledge that already exists related to Asset Management. Please click [here](#) for more information.

Our Products

ISO 55000:2014

# Future of ISO 55000

Review of the Strategic Plan of TC251 by November 2019

Finalise ISO/TS 55010 and ISO 55011 by late 2019 / early 2020

Contribute to the review of ISO Annex SL in 2020 / 2021

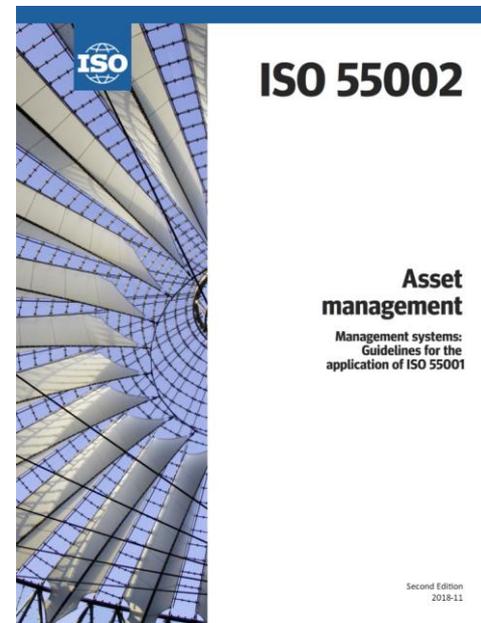
Prepare for review of ISO 55000 and 55001 in 2022 / 2023

Scoping other possible projects – sustainability, intangible assets, registers, data management



# The New ISO 55002:2018 - Key Updates

- Provides much clearer guidance to successfully implement ISO 55001
- Incorporates the experience of 31 countries spanning four years in implementing asset management systems
- Based on the actual journeys, challenges and experiences of successful early adopters of the standard



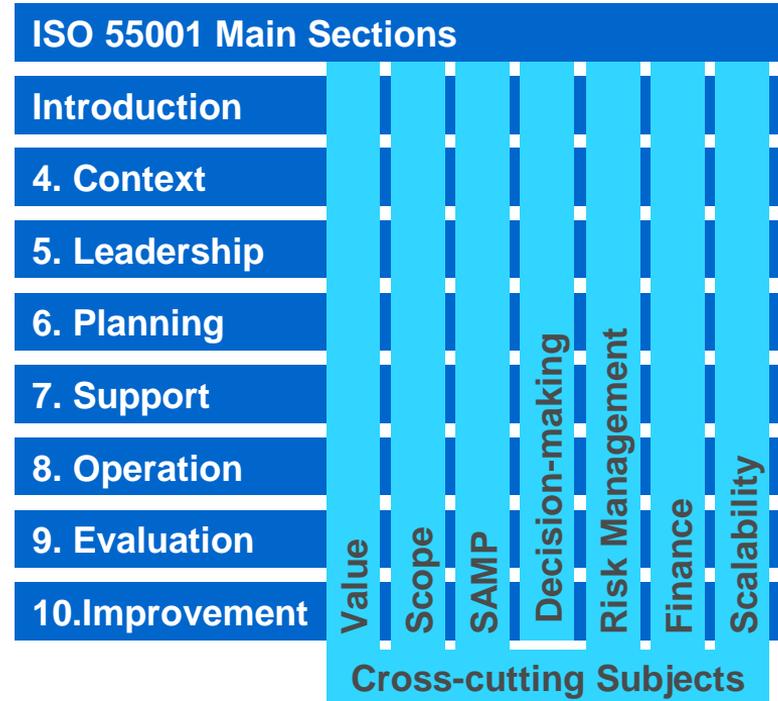
# General Improvements

- **Expanded detailed guidance** for every clause of the 55001 requirements document
- **Clarification** of the contribution of each requirement to the four 'fundamentals' of asset management:
  - Value
  - Alignment
  - Leadership
  - Assurance
- How to apply the requirements of ISO 55001 to the **key domains** of asset management:
  - Asset Portfolio
  - Asset Management System
  - Asset Management activities



# Cross-sectional Guidance

**New guidance** on seven 'cross cutting' subjects that need to be considered as part of your asset management system



# 1. Value

An explanation of the concept of “value” and the differences between:

Value **determination**

Value **generation**

The “values” of the organization

**New guidelines:**

Clarify the relationship between value, cost, risk and performance

Establishing confidence that the asset portfolio will deliver against the organizational objectives

Help identify stakeholder needs and expectations



## 2. Scope of your Asset Management System (AMS)

Importance of clearly defining the **scope** (boundaries) of the AMS

**New guidelines:**

- Clarify the **service provider** and **asset owner** eligibility for **certification**
- Illustrate how the scope of the AMS is influenced by:
  - organisational design
  - roles & responsibility
  - decision making
  - nature and criticality of assets
  - contractual relations in outsourcing
  - period of applicability
  - interrelationship with other management systems



# 3. Strategic Asset Management Plans (SAMP)

The SAMP is a key component of a successful asset management system

New guidelines:

- Purpose of a SAMP
- Explain **relationships** between:
  - AM Objectives
  - The SAMP
  - Asset Management Plans
- Typical **content** of a SAMP



# 4. Asset Management Decision-making

Rapid, consistent and robust decisions, with appropriate value justification, are the core of asset management

## New guidelines:

- Explain the development of a **decision-making framework**
  - Process
  - Criteria
  - Governance
- Highlight the importance that asset management activities be conducted under *coordinated and consistent decision-making criteria*



# 5. Risk Management

Risk management is an essential part of asset management and has been given more emphasis



## New guidelines:

Improve understanding of relationship between *asset management* and *risk management*

How to establish a risk management program within an integrated asset management system



# 6. Finance

Highlight the importance of relationships between **financial** and **non-financial** (e.g. technical) functions for asset management

## New guidelines:

- Explain why and how an organization should establish alignment between:

**People and departments** with different responsibilities and authorities

Underlying **processes** and **activities**

- Illustrate why accuracy and traceability between the financial and non-financial **data and information** across the organization is imperative to support consistent decision-making



# 7. Scalability to Any Organization

Organisations of **any size** can benefit from an Asset Management System

## New guidelines:

Help to scale the scope and requirements to the organisation's **complexity**, **context** and **asset portfolio**



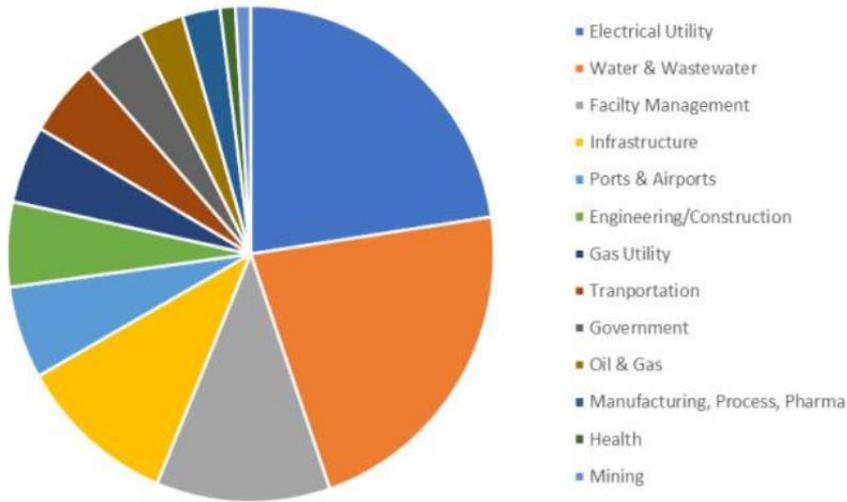
# To Certify or Not for Conformance?

- What will your stakeholders expect?
- What are the costs/benefits?
- Concern regarding the competence
  - Auditors in the AM MS field
- IPWEA involved in establishing a technical evaluation process for AM Auditors
- JAS-ANZ has approved a number of CABs in Australia.

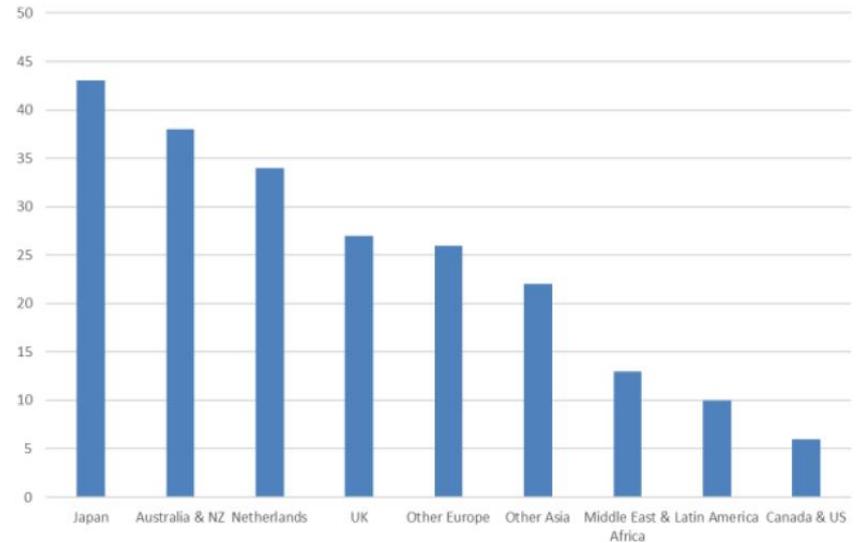


# ISO 55001 Certifications

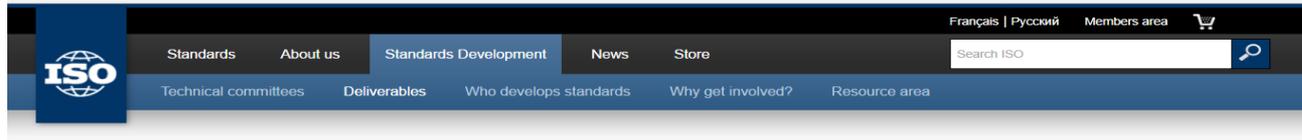
Organizations per Sector



Known Certifications per Country/Region



# Collaboration between Financial and Non-Financial Functions in AM



## ISO deliverables

ISO develops the following deliverables:

[ISO Standards](#), [ISO/PAS Publicly Available Specifications](#), [ISO/TS Technical Specifications](#), [ISO/TR Technical Reports](#), [IWA International Workshop Agreements](#) and [ISO Guides](#)

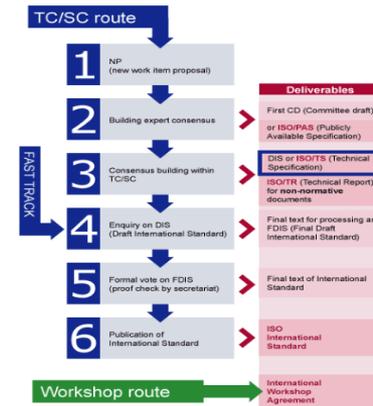
### ISO/TS Technical Specification

*A normative document representing the technical consensus within an ISO committee*

a) A TC/SC may decide that a particular work item should result in publication of a technical specification. Normally this decision should be agreed at the outset, i.e. simultaneously with approval of the NP. The text is developed through the preparatory and committee stages at the end of which the text shall be submitted for a three-month vote by the P-members of the committee to approve publication of the document as a technical specification. Acceptance of the document requires approval by two-thirds of the P-members. If the acceptance criterion is satisfied, the document shall be sent to the Central Secretariat for publication as an ISO/TS.

b) In cases in which a committee had decided to produce an International Standard, but subsequently discovered that there was insufficient support for the publication of a standard, the committee may agree, by the above process, to publish the document as a technical specification.

c) Any P-member or category A or D-liaison organization of a committee may propose that an existing document be considered for adoption as a technical specification. The process for approval is as described in a).



# ISO 55010 – Asset Management - Guidance on the Alignment of Financial and Non-Financial Functions

Why alignment important – Benefits

Enablers for alignment

Processes, Leadership and Governance, Policy, Strategy, Data

How to achieve alignment

Asset Registers, Information systems and data management

Financial Planning for asset management

Capital investment, Long Term FP, Budgeting

Performance management

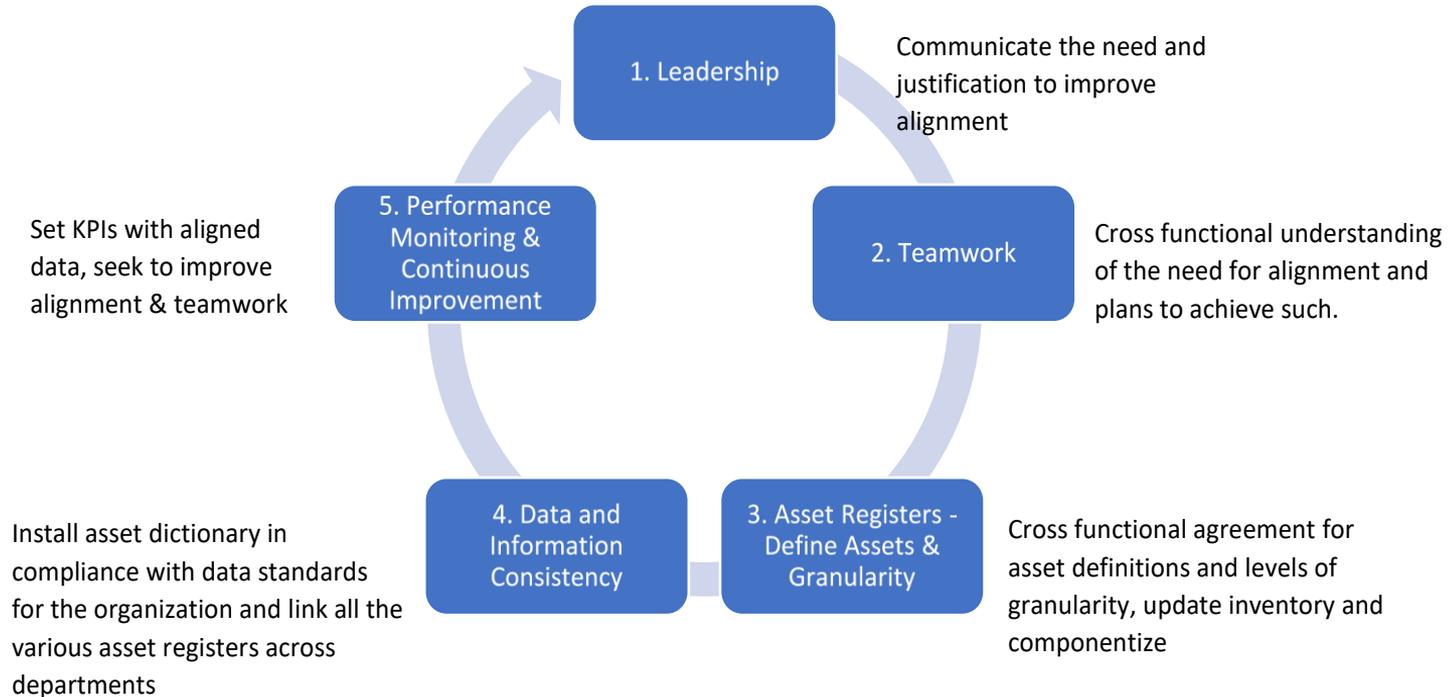
Performance measurement, reporting, financial reporting Annexes

LTFP guidance, accounting for assets, Implementation example

Due for publication third quarter 2019



# A Framework for Alignment



# ISO 55011 – Guidance on the development of government asset management policy

Being led by USA interests

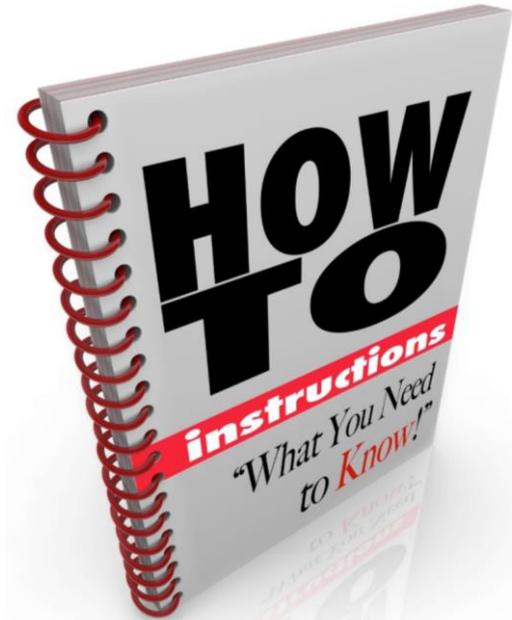
Drawing on some Australian experience in State Governments developing Strategic AM Frameworks

Due for publication in 2020

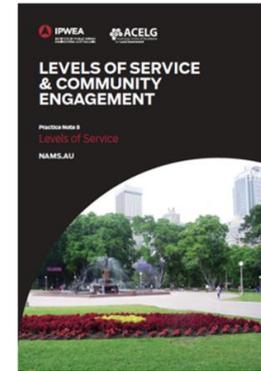
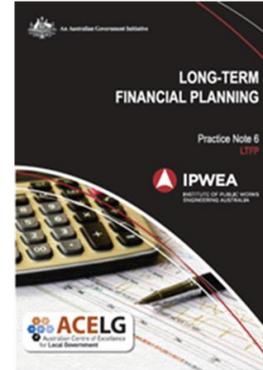
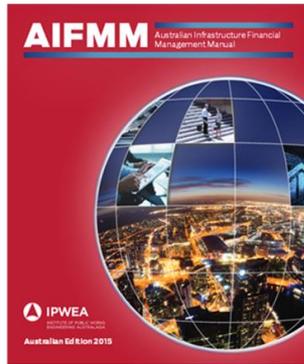
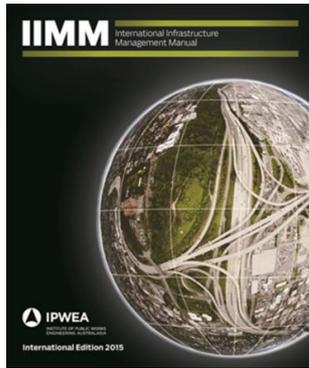


ISO 55000: The What

IPWEA: The How



# The many IPWEA Resources to help your AM Journey



The IPWEA Professional Certificate is fast becoming the global standard in Asset Management training

## NAMS.PLUS

NAMS.PLUS is subscription-based to provide staff in asset-owning councils and organisations access to tools & online resources to develop, write and keep their Asset Management Plans up-to-date as demands on the organisation change.

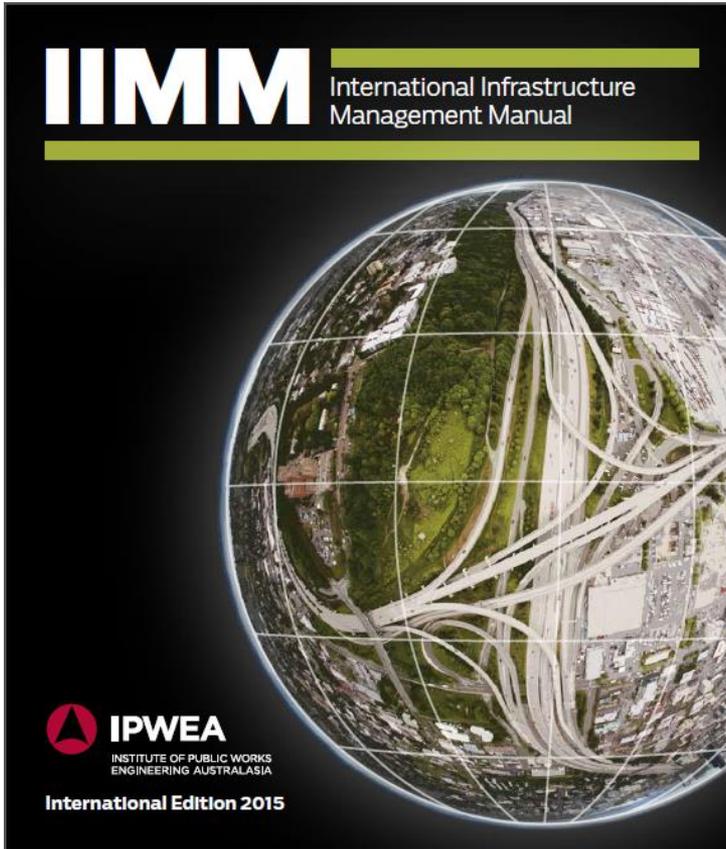
### PORTAL QUICK LINKS

[LOG IN TO NAMS.PLUS](#)

[LOG IN TO CAHOOT](#)

[FIND OUT MORE](#)





## IIMM 5<sup>th</sup> Edition

Available

[www.ipwea.org/iimm](http://www.ipwea.org/iimm)

- ✓ Aligns with ISO 55000 series
- ✓ New focus on
  - Leadership
  - Risk Management
  - Infrastructure Resilience
  - Auditing



# Free ISO Supplement to IIMM

Matches the ISO  
“What to do”  
with the  
“How To Get There”  
of the IIMM

Download at  
[www.ipwea.org/IIMMSupplement](http://www.ipwea.org/IIMMSupplement)

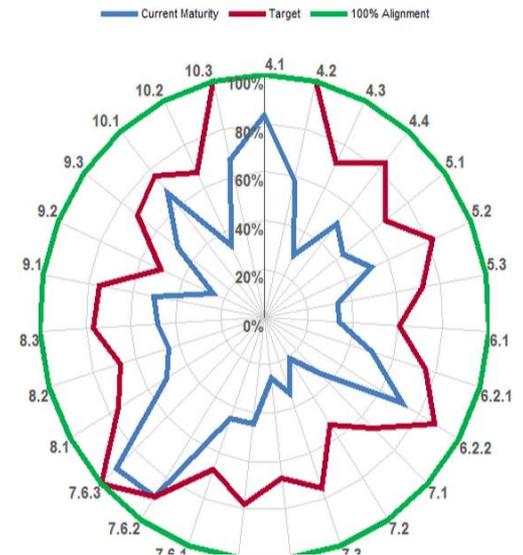


# ISO 55001 Maturity Assessment

- On line tools to allow an assessment of how well **aligned** your organisation is to the ISO 55001 Standard
- Guidelines for accessing and utilising the tools
- Self assess or with independent support for greater transparency

## AS ISO 55001 Maturity Assessment Detail

ISO 55001 Maturity Assessment - IPWEA - Assessment Id. 80 in 2014



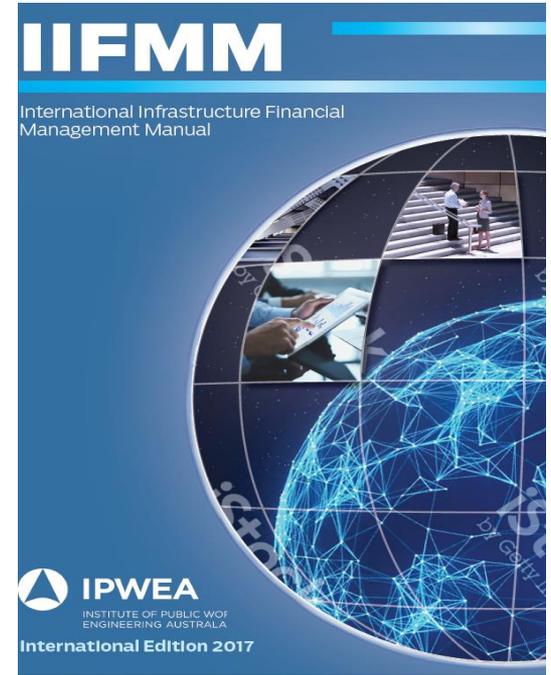
# New International Finance Management Manual coming

Based on current AIFMM

Sister Publication with IIMM

Reflects importance of managerial accounting

[www.ipwea.org/AIFMM](http://www.ipwea.org/AIFMM)

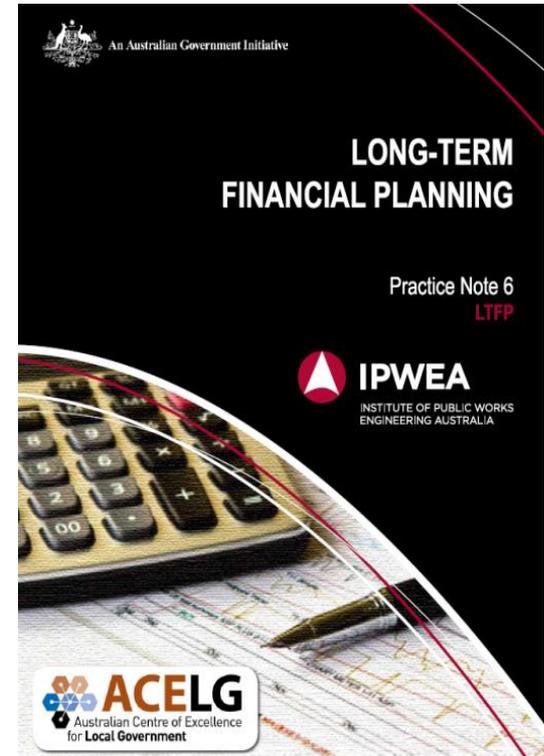


# Long Term Financial Plan PN6

- Guidance for preparation of LTFP
- Linked to AM Plans
- Toolkit
  - Excel based LTFP Model

Free \*.pdf download

<http://www.ipwea.org/PracticeNotes>





# ISO Management Systems Approach

In conjunction with IPWEA Resources – Helps you achieve  
your organisation's AM Goals

[peter.way@ipwea.org](mailto:peter.way@ipwea.org)

[www.ipwea.org](http://www.ipwea.org)

## Thank You