

**SCHEDULE 23**

**Asset Management Plan**

This is Schedule 23 comprising the Asset Management Plan referred to in the Project Agreement for the provision of waste services to Cumbria

between

**CUMBRIA COUNTY COUNCIL**

and

**SHANKS CUMBRIA LIMITED**



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## **SCHEDULE 23 - ASSET MANAGEMENT PLAN**

### **1. PLANNED MAINTENANCE**

The Contractor shall carry out planned maintenance in respect of the Waste Management Facilities in accordance with this Schedule 23 (Asset Management Plan).

### **2. NEW FACILITIES**

#### **2.1 Requirements For Planned Maintenance at the New Facilities**

The planned maintenance activities must:-

- 2.1.1 be agreed in accordance with the process set out in paragraph 2.2 (Agreed Process); and
- 2.1.2 be carried out in accordance with the provisions of paragraph 2.4 (Carrying out Planned Maintenance).

#### **2.2 Agreed Process**

- 2.2.1 The Contractor shall present to the Authority's Representative, in accordance with Schedule 8 (Review Procedure) and in the format of the Reference Maintenance Plan, a Planned Maintenance Programme for each New Facility by no later than three (3) Months prior to the Target Practical Completion Date for the relevant New Facility which shall set out the Planned Maintenance for each New Facility for the period up to the end of the Contract Year following the date of Practical Completion for each New Facility. The Planned Maintenance Programme shall, if necessary, include any deferral from the Lifecycle Maintenance Programme as specified in paragraph 3 below.
- 2.2.2 Not later than three (3) Months prior to the commencement of each subsequent Contract Year the Contractor shall submit to the Authority's Representative in accordance with Schedule 8 (Review Procedure) a Planned Maintenance Programme for each New Facility for that Contract Year.
- 2.2.3 Each Planned Maintenance Programme shall set out the Planned Maintenance for the relevant New Facility for the relevant Contract Year and the timetable according to which such Planned Maintenance will be undertaken, including any periods where the Contractor, acting reasonably, considers that a New Facility will need to be closed to enable it to properly and effectively carry out the Planned Maintenance at that New Facility. The Contractor shall use its best endeavours to ensure that any planned period of closure is kept to the minimum required and shall wherever reasonably practicable carry out such works outside of Opening Hours. For the purposes of limb (b) of the definition of "Excusing Cause" in Schedule 5 (Payment Mechanism), the only planned period of closure will be that which is necessary in order to replace the Biofilter, referred to in Appendix 1 to this Schedule 23 (Asset Management Plan), at each of the New Facilities.

#### **2.3 Planned Maintenance at the New Facilities**

Planned Maintenance shall be carried out as set out in the Planned Maintenance Programme which shall be produced by the Contractor in the format of the Reference

Maintenance Plan, but for the avoidance of doubt the Contractor shall not be bound by the requirements of the Reference Maintenance Plan.

## 2.4 **Carrying Out Planned Maintenance at the New Facilities**

The Contractor will carry out Planned Maintenance in accordance with the Output Specification, the Service Delivery Plans, O&M Manuals, Good Industry Practice and the relevant Planned Maintenance Programme, provided that the Contractor may be relieved from carrying out specified aspects of the relevant Planned Maintenance Programme with the Authority's prior written consent (such consent not to be unreasonably withheld or delayed), where refraining from carrying out the Planned Maintenance Programme would not place the Contractor in breach of any other provisions of this Agreement, but for the avoidance of doubt there shall be no relief or deferral from the Lifecycle Maintenance Programme other than in accordance with the provisions of paragraph 3 below. Before the Authority consents to any waiver from the Planned Maintenance Programme, the Contractor will be required to demonstrate to the Authority's reasonable satisfaction that the aspect of maintenance in question is not required. In the event of a dispute between the Parties, the Contractor will be required to comply with the Planned Maintenance Programme in full.

## 2.5 **Reporting To The Authority**

2.5.1 By not later than twenty (20) Working Days of the end of the first Contract Year after the date of Practical Completion for each New Facility and the end of each subsequent Contract Year, the Contractor shall present to the Authority's Representative a statement in respect of each of the New Facilities which shall set out:-

- (a) the actual lifecycle maintenance to and/or renewal of the assets at each New Facility carried out during that Contract Year;
- (b) whether the Planned Maintenance was carried out in accordance with the relevant Planned Maintenance Programme and if not, an explanation as to why such maintenance was not so carried out;
- (c) statistics identifying in all material respects the consolidated maintenance records of the various components of the building, plant and equipment of the facilities at each New Facility.

2.5.2 The Contractor shall promptly provide to the Authority such information as it reasonably requires in order to verify a report provided pursuant to paragraph 2.5.1 of this Schedule 23 (Asset Management Plan).

## 2.6 **Lifecycle Maintenance Programme**

2.6.1 The Contractor shall undertake the Lifecycle Maintenance Programme for the Northern Resource Park in accordance with the frequencies for replacement specified in Appendix 1 to this Schedule (as amended in accordance with paragraph 2.6.2 of this Schedule) and shall carry out the Lifecycle Maintenance Programme for the Southern Resource Park in accordance with the Lifecycle Maintenance Programme submitted in accordance with paragraph 2.6.3 of this Schedule.

2.6.2 The Contractor will provide to the Authority no later than three (3) months following the Target Practical Completion Date, a more detailed breakdown of

each of the elements in the Lifecycle Maintenance Programme for the Northern Resource Park.

- 2.6.3 The Contractor will provide to the Authority, no later than three (3) Months following the Target Practical Completion Date, a Lifecycle Maintenance Programme for the Southern Resource Park in the same format as that in Appendix 1 to this Schedule 23 (Asset Management Plan) together with a detailed breakdown of each of the elements in such Lifecycle Maintenance Programme.

### **3. LIFECYCLE MAINTENANCE DEFERRAL PROCEDURE**

- 3.1 No later than forty (40) Working Days before each occasion on which any lifecycle element is due for replacement (as identified in the Lifecycle Maintenance Programme), where the Contractor does not believe it is necessary to undertake such replacement, the Contractor shall submit to the Authority in accordance with Schedule 8 (Review Procedure) a written statement detailing:-
- 3.1.1 the replacement(s) which the Lifecycle Maintenance Programme records as being due; and
- 3.1.2 why the Contractor does not believe it is necessary to undertake such replacement, having regard to the condition of the relevant part and the Contractor's obligations under this Agreement.
- 3.2 If the Authority approves in accordance with the Review Procedure (or it is determined in accordance with the Dispute Resolution Procedure) that the replacement should be deferred, the Contractor shall amend the Lifecycle Maintenance Programme to reflect such deferral.
- 3.3 Without prejudice to paragraph 3.2 the Contractor shall replace any items listed in the Lifecycle Maintenance Programme with parts of at least equivalent standard to those at the relevant Service Availability Date measured in each case against the standards prevailing at the time for the relevant part so that as a minimum any replacement part should have an equivalent or greater anticipated lifespan and the same quality as the original part provided that nothing in this paragraph 3.3 shall require the relevant lifecycle elements to have a longer working life than that set out in the Lifecycle Maintenance Programme.

### **4. HWRCs**

- 4.1 Within three (3) months of the Commencement Date the Parties shall undertake a joint inspection of all HWRCs and compile a schedule of remedial works and site improvements to be undertaken by the Contractor in order that all HWRCs attain a physical standard and condition which meets the Authority's requirements and which is deemed by the Authority to be consistent with Good Industry Practice (the "Base Standard"). Further to the said inspection, the Authority shall produce a schedule of works ("the HWRC Works") to be undertaken by the Contractor at each HWRC in order to achieve the Base Standard. Within twenty (20) Working Days of the Contractor's receipt of the said schedule the Contractor shall provide the Authority with a fully itemised fixed price quotation for completion of the HWRC Works. Following the Authority's consideration of the quotation the Parties shall agree a final schedule in respect of the HWRC Works together with a timescale for their completion by the Contractor. The cost of the HWRC Works shall be paid by the Authority to the Contractor within thirty (30) Working Days of satisfactory completion, subject to a

deduction of (*FIGURE REDACTED*) in respect of relevant expenditure currently projected by the Contractor within the Base Case.

- 4.2 Within thirty (30) Working Days of the HWRC Works being satisfactorily completed by the Contractor, the Parties shall compile a full photographic and descriptive appraisal of the state of repair and condition of all HWRCs. This appraisal shall be agreed by the Parties and shall act as evidence of the Base Standard which is to be maintained by the Contractor at all HWRCs throughout the Contract Period. The Contractor shall be required to monitor and inspect the HWRCs and comply with the HWRC Maintenance Plan, carrying out such works as are necessary in order to maintain the Base Standard (or any higher standard agreed between the Parties). For the avoidance of doubt, the cost of the photographic survey shall form part of the costs of the HWRC Works.
- 4.3 The HWRC Maintenance Plan shall be under the direction and supervision of the Contractor's Operations Manager, as notified to the Authority from time to time. To support the Contractor's management and staff, the Contractor will have either its own in-house maintenance team or appoint an appropriate sub-contractor to carry out routine maintenance. This team or sub-contractor shall also be available to carry out any 'spot' maintenance works required at HWRCs. All equipment and plant at the HWRCs shall be kept in a condition that adheres to the programme of monitoring, painting and regular repair as specified within the HWRC Maintenance Plan. Fortnightly inspections shall be undertaken by the Contractor's Operations Manager and the results of these inspections shall be logged, monitored and acted upon by the Contractor to ensure site infrastructure, plant and equipment are maintained in a suitable condition.
- 4.4 Any dispute between the Parties in relation to this paragraph 4 shall in the first instance be discussed in the next monthly meeting. If the dispute is not resolved in the monthly meeting, it shall be determined by reference to clause 54.14 (Fast Track Dispute Resolution Procedure) of the Agreement.

## 5. **DEFINITIONS**

In this Schedule 23 the following terms shall have the meaning given to them below: -

- "HWRC Maintenance Plan" means the planned maintenance works to be undertaken by the Contractor at each HWRC in accordance with the requirements set out in the SDP;
- "Planned Maintenance" means the periodic maintenance, repair, redecoration, renewal or replacement of elements of the New Facilities (but excluding any reactive maintenance, repair, redecoration, renewal or replacement), including those elements specified in the Lifecycle Maintenance Programme, as more particularly set out in the Reference Maintenance Programme, carried out by the Contractor in accordance with Schedule 23 (Asset Management Plan);
- "Planned Maintenance Programme" means the programme of Planned Maintenance to be submitted by the Contractor to the Authority's Representative in accordance with the provisions of this Schedule 23 (Asset Management Plan and the SDP);
- "Reference Maintenance Programme" means the maintenance programme set out in Appendix 2 hereto;

"Lifecycle Maintenance Programme"

means the lifecycle maintenance programme set out in Appendix 1 hereto.

**SCHEDULE 23 - ASSET MANAGEMENT PLAN**

**Appendix 1 - Lifecycle Maintenance Programme For The Northern Resource Park**

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## SCHEDULE 23 - ASSET MANAGEMENT PLAN

### Appendix 2 - Reference Maintenance Plan

#### 1. INTRODUCTION AND SCOPE

This document summarizes the main maintenance operations that need to be carried out on the ITS plant supplied by Sistema Ecodeco UK to guarantee reliable working conditions during time. The described operations are born from the experience that Ecodeco has grown by managing this kind of plants. This document is aimed to the person in charge of the plant's maintenance and is to be considered as a summary of the all the machines manuals to plan the maintenance activity.

#### 2. RISK ASSESSMENT AND PERSONNEL QUALIFICATION

The described activities are listed per machine and divided according to the required frequency. They are a recommended schedule for eight (8) hours working day.

In the document there's NO risk assessment of each operation; the person in charge of the maintenance will be responsible of analysing each activity and assess the risks it involves to adopt the proper preventive measures.

Since the document is aimed to the person in charge of the maintenance it does NOT include directions on how to better execute each activity; it is implied that the personnel that will operate during these activities has the skills and knowledge to safely and successfully execute them.

It will be up to the person in charge of the maintenance to choose the appropriate personnel every time.

The skills and experience Ecodeco suggests to pay attention to are divided as follows (again, this is only a first element to consider):

	<b>Operator:</b> Qualified, authorised person charged with running the machine with active protections through the use of the controls placed on the push-button panel and/or on the control consoles.
	<b><u>Mechanical maintenance worker.</u></b> Qualified, authorised technician able to perform installation and repair work and to carry out routine and/or unscheduled maintenance of a mechanical nature.
	<b><u>Electrical maintenance worker.</u></b> Qualified, authorised technician able to perform installation and repair work and to carry out routine and/or unscheduled maintenance of an electrical nature.

### 3. **SAFETY WARNINGS FOR MAINTENANCE**

Each machine comes equipped with safety protections for the expected conditions of normal operation. However, in order to further improve the level of safety during the work, the workers are urged to adopt a vigilant, conscientious safety attitude. In particular, we provide a series of precautions of a general nature that it is a good rule to observe. Since these are general indications it is possible that some points are not completely in keeping with or applicable to the machine in question.

The following items are general obligations before undertaking any routine or unscheduled maintenance operation.

	Check that the area is clear.
	Place a “MEN WORKING ON MACHINE” sign on the control stations.
	Cut off power to the machine, lock the disconnecting switches and take the keys, and push the emergency buttons.
	Before performing any maintenance or lubrication operation, stop the machine using the procedures listed in the manual
	Use personal protective equipment during all phases of the operation, such as gloves, coveralls, safety shoes, protective helmet, ear protectors, and mask.
	Considering that the maintenance operations on the machine take place at a height greater than 2 m above the ground, before proceeding make sure you are firmly secured by means of a safety belt.
	Avoid abandoning tools on the machine once the operation is complete.
	For any maintenance operation that is not explained in this manual, contact the manufacturer directly.

	Maintenance must be performed by qualified personnel.
	Halt the machine prior to carrying out any maintenance or lubrication operation.
	Whenever units must be disassembled or installed, make sure that they are supported by suitable hoisting devices for the load to be sustained.
	Do not attempt to climb up on or down from the machine while it is in motion.
	Never use petrol, solvents or flammable fluids for cleaning parts. Use only approved, non-flammable, non-toxic commercial detergents.
	Use tools that comply with current safety regulations.
	Before restarting the machine after maintenance, make sure that no one is still carrying out maintenance operations on it.
	Before performing cleaning, repair or other operations on the machine, always put the start switch in the “O” position and make sure that the motors (or other parts of the machine) are not at high temperatures.
	Before removing any protection, bring the machine to a complete halt, cutting the current on the power line and checking that no parts are moving.
	Do not work beneath or in the vicinity of a mechanism unless it is adequately supported and blocked. Do not work beneath suspended loads (such as grabs).
	When repairs or maintenance work must be carried out in areas not accessible from the ground, use a ladder or platform with steps conforming to local and national standards

	<p>Considering that the maintenance operations on the machine take place at a height greater than 2 m above the ground, before proceeding make sure you are firmly secured by means of a safety belt.</p>
	<p>Whenever units must be disassembled or installed, make sure that they are supported by suitable hoisting devices for the load to be sustained</p>
	<p>For any maintenance operation that is not explained in this manual, contact the manufacturer directly</p>
	<p>The owner of the machine is responsible for keeping it in a satisfactory state from the safety standpoint.</p>
	<p>The owner of the machine must overhaul it or have it overhauled at intervals appropriate to the operating conditions.</p>

**MAINTENANCE SCHEDULE**

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