



## **Investment and Procurement Committee Charter**

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## **1 FUNCTION, ROLE AND DUTIES**

The Investment and Procurement Committee (Committee) is a committee of the Board and is directly responsible to the Board.

The Committee does not replace or replicate established management responsibilities and delegations.

The Committee is responsible for the review of asset investment and procurement decisions.

The primary function of the Committee is to ensure that Seqwater meets its strategic, corporate, and technical aspects of asset delivery and operational performance objectives while understanding and managing the associated business risks and, as appropriate, ensuring management risk systems are in place.

In broad terms (and without limiting the scope of the responsibility of the Committee) the Committee has the responsibility of ensuring:

- the assessment and implementation of a high quality asset investment plan for Seqwater’s business in a manner consistent with the strategic plans approved by the Board from time to time;
- the asset delivery and non-infrastructure capital program and the operations and maintenance program are developed and implemented in a manner consistent with the strategic plans approved by the Board;
- strategic procurement objectives are developed and implemented through an annual procurement strategy to ensure that major investment decisions are procured strategically to enable prudent and efficient outcomes through market engagement;
- Seqwater’s compliance with the State Procurement Policy; and
- appropriate operations and service delivery targets are established and met through performance monitoring of any long standing contracts.

More specifically (and without limiting the scope of the responsibility of the Committee) the Committee will:

- act as a Committee of the Board to assist in discharging the Board’s responsibilities as they relate to Seqwater’s asset investment and procurement commitments, internal controls and relevant external regulations and codes of practice;
- assess development of the capital works program and monitor its implementation;
- assess the development of operating and service delivery strategies and targets and monitor compliance with those targets; and

- provide a line of communication between the Board, Audit and Risk Management Committee and executive management on relevant matters.

As a Committee of the Board (and without limiting the scope of the responsibility of the Committee) the Committee has responsibility for:

- assessing the Seqwater asset investment proposals;
- assessing compliance with the Asset Investment Plan, which is the annual program of asset management works including both capital and operational investments and a key input into the Seqwater Strategic and Operational Plans;
- reviewing operations, maintenance and capital works expenditure against the Seqwater annual Operational Plan as required by the South East Queensland Water (Restructuring) Act 2007 and related capital expenditure budgets;
- where appropriate, evaluating annual plans as they relate to capital works, operations and maintenance, risk assessment, scope, approach and reviewing the coordination of these programs to achieve prudence and efficiency;
- monitoring Seqwater's compliance with relevant laws and regulations significantly impacting on the capital works, operations and environmental management;
- monitoring compliance with the State Procurement Policy;
- assessing performance against the Seqwater procurement strategy;
- assessing the adequacy and effectiveness of internal controls as they relate to capital works and investment decisions; and
- evaluating the independence, efficiency and effectiveness of relevant technical matters.

## **Reporting**

- Circulate minutes of the Committee meetings to Seqwater Board, Committee members and invited guests as appropriate.
- Prepare an annual report to the Seqwater Board summarising the performance and achievements for the previous year, including Committee members attendance at the meetings. An interim program of the planned activities for the coming year is also to be provided.
- Submit a summary of its activities for inclusion in Seqwater's Annual Report.

## 2 MEMBERSHIP AND MEETINGS

### Membership

- Members, including the Chair, are appointed by the Seqwater Board.
- Memberships of the Committee will consist of a minimum of two and a maximum of six (unless otherwise determined by the Seqwater Board).
- At least one member will have expertise in the bulk water industry.
- The term of appointment is for three years and can be extended for a further term subject to continuation on the Board and the composition and skill requirements of the Committee. The maximum term is six years.
- Members are appointed on the basis of personal qualities and skills.
- Proxies are not permitted if the member is unable to attend meetings.

### Chair

- The Chair will be a person having the appropriate qualifications and who is approved by the Chairman of the Seqwater Board..
- The Chair will possess sound communication and strong leadership skills.

### Secretary

- A secretary/secretariat function will be appointed by the Seqwater Board to facilitate the Committee's meetings and reporting duties.
- The secretary, in consultation with the Chair, will prepare and send notices of meetings and agendas and accurately transcribe all decisions of the Committee.
- The secretary will table all correspondence, reports and other information relevant to the committee's activities and operations.

### Ethical Practices

Members are required to declare any interests that could constitute a real, potential or apparent conflict of interest with respect to participation on the Committee. The declaration must be made on appointment to the Committee and in relation to specific agenda items at the outset of each Committee meeting, and be updated as necessary.

### Meetings and Attendance

- The Committee will meet at least four times a year and the schedule of meetings will be agreed in advance.

- A quorum will consist of two members.
- All Seqwater Board members are entitled to attend Committee meetings as non-members and are entitled to receive Committee papers.

### **Meeting Agenda**

- The Committee should determine its own agenda, ensuring appropriate consultation to include emerging issues and emphasis on the most significant risk and threats.
- The agenda and relevant papers will be distributed to members at least seven working days prior to the meetings.

### **Audit and Risk Committee**

The Investment and Procurement Committee will liaise with the Audit and Risk Committee as required to ensure:

- that Seqwater’s statutory and operational responsibilities are met;
- that there is no material overlap between the functions and duties of the committees; and
- frank and meaningful interchange of information.

### **3 EVALUATION OF COMMITTEE ACTIVITIES**

- The Committee will undertake an annual self assessment of its performance for the previous twelve months at the September meeting.
- The Committee will provide a report of the annual review outcomes to the Seqwater Board.
- The Chair will provide each individual member with feedback on that person’s contribution to the Committee’s activities at least once during each member’s term of office. This assessment will include a review of any training needs of the member.

### **4 REVIEW OF THE CHARTER**

- The charter will be reviewed annually by the Committee to ensure it remains consistent with the Committee’s authority, objectives and responsibilities.
- All amendments to the charter will be discussed and approved by the Seqwater Board at its September meeting.