

Major Projects and Procurement Committee Charter

Queensland Rail

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1. Purpose

- 1.1 The Major Projects and Procurement Committee (the **Committee**) is a Queensland Rail Statutory Authority (the Authority) Board Committee created to assist the Board in the effective discharge of its governance and oversight responsibilities relating to the delivery of major projects and procurement decisions of the Authority and its wholly owned subsidiary Queensland Rail Limited (together **Queensland Rail**).
- 1.2 The Committee is responsible for providing strategic direction and oversight of major projects undertaken by Queensland Rail to ensure those investments are delivered in an efficient and cost effective manner while meeting the responsible Ministers' performance and strategic expectations. The Committee is also responsible for high level oversight and monitoring of the procurement processes and procedures operating within Queensland Rail to ensure compliance with its Procurement Policy and State Procurement Policy.
- 1.3 This Charter sets out the role and responsibilities delegated by the Board to the Committee and the Committee's membership and structure.

2. Key Responsibilities

- 2.1 The Committee will review, oversee and provide recommendations to the Board on the following **Major Project** matters:
 - (a) evaluating Queensland Rail's major project proposals. Major projects are:
 - (i) projects with a total project cost exceeding \$10 million;
 - (ii) projects of high significance to Queensland Rail and its stakeholders.
 - (b) delivery of approved capital investment programs and funding to ensure alignment with Queensland Rail's approved Operational and Strategic Plans;
 - (c) implementation of major projects in a manner consistent with Queensland Rail's strategy and the expectations of responsible Ministers;
 - (d) establishment of project management frameworks to ensure appropriate governance structures, capabilities and resources are in place for the efficient and cost effective delivery of projects;
 - (e) appropriate operations and service delivery targets are established and met through adequate performance monitoring;
 - (f) review of major project plans as they relate to capital works, operations, asset replacement and maintenance to achieve prudent and efficient delivery of projects within budget and agreed timeframes;
 - (g) the adequacy and effectiveness of internal controls and risks as they relate to major projects and investment considerations; and
 - (h) where appropriate, endorse major projects for consideration by the Queensland Rail Board.

2.2 The Committee will review, oversee and provide recommendations to the Board on the following **Procurement** matters:

- (a) the application of Queensland Rail's Procurement Policy;
- (b) tender methodologies and probity procedures to ensure the ethical procurement of goods and services in accordance with Queensland Rail's Procurement Policy and the State Procurement Policy;
- (c) development of strategic procurement objectives and implementation through a procurement strategy to ensure that major investment decisions are formulated strategically to enable prudent and efficient outcomes through market engagement;
- (d) development of strategic business initiatives to ensure procurement policies, procedures and frameworks are consistent with the strategic planning and performance objectives of Queensland Rail;
- (e) evaluating and monitoring procurement performance to ensure alignment with Queensland Rail's strategic objectives relating to service quality, efficiency, profitability and growth;
- (f) adequacy and effectiveness of internal controls and risk management relevant to procurement activities;
- (g) procurement performance assessments and processes to identify opportunities for future improvements.

2.3 The Committee is also to consider, evaluate and report (as required) on any matters specifically referred to the Committee by the Board or by any other Board subcommittees.

3. Membership

3.1 The Committee will be structured so that it:

- (a) consists exclusively of non-executive Board Members;
- (b) consists of a majority of independent Board Members;
- (c) is chaired by an independent Board Member, who is not the Chair of the Board;
and
- (d) is comprised of at least three Members.

3.2 Committee Members:

- (a) will be appointed by the Board which will select a Committee Member as the Chair; and
- (b) will cease to be Members if they cease to be a Board Member.

- 3.3 Committee Members should have a working knowledge of financial and project management principles and understand the operational, financial and strategic risk profiles of Queensland Rail.
- 3.4 The duties and responsibilities of a Committee Member will be in addition to those set out for Board Members.

4. Meetings

- 4.1 Committee meetings will be convened at least four times a year or more frequently if required. In addition, the Committee Chair may call such additional meetings as may be necessary to address any matters referred to the Committee by the Board, Chief Executive Officer or other executives, or in respect of matters that the Committee at its discretion wishes to pursue.
- 4.2 The quorum of the meeting will be half (rounded up to the nearest whole number) of the appointed Members to the Committee.
- 4.3 In the absence of the Chair or appointed delegate, the Committee may elect a Member present to chair the meeting.
- 4.4 The Committee may elect to conduct meetings by telephone or videoconference provided that all Committee Members involved in the meeting are able to participate in discussion.
- 4.5 The Company Secretary or his/her delegate will be the Committee 'Secretary'.
- 4.6 The Company Secretary or his/her delegate will be responsible for the preparation and compilation of the meeting agenda and accurately minuting all Committee decisions in consultation with the Chair. The Secretary will also be responsible for the timely tabling of all correspondence, reports and other information relevant to the Committee's deliberations and operations.
- 4.7 Minutes and Actions are to be prepared within a reasonable time following each Committee meeting. Following review by the Chair, the Minutes are circulated to Members for approval and inclusion in the Minute book within one month of the Committee meeting and Actions are advised to Management for execution.
- 4.8 The Chief Executive Officer, Executive General Manager Projects, Chief Financial Officer, General Counsel and other Senior Executives and staff may be required to attend Committee meetings (in whole or in part) on a regular basis or as requested from time to time by the Committee.

5. Conflicts of Interest

- 5.1 Committee Members must:
 - (a) disclose to the Committee any actual or potential conflict of interest which may exist as soon as they become aware of the issue;
 - (b) take any necessary and reasonable measures to try and resolve the conflict; and

(c) comply with the *Queensland Rail Transit Authority Act* and *Corporations Act* requirements in relation to the disclosure of interests and restrictions on voting.

- 5.2 Unless the Committee Members decide otherwise, if a conflict or potential conflict situation exists, the conflicted Committee Member will be excluded from all considerations on the matter by the Committee including any segment of the Committee papers or other documents containing any reference to the matter.
- 5.3 Committee Members are expected to advise the Chair of any proposed Board or executive appointments to other organisations as soon as practicable.

6. Scope, Access and Authority

- 6.1 The Committee is authorised to investigate any matter within the scope of its delegated responsibilities and make appropriate recommendations to the Board.
- 6.2 The Committee has the authority to seek any information it requires to carry out its duties from any officer or employee of Queensland Rail.
- 6.3 Except as specifically stated in this Charter or by the Board, the Committee has limited delegated authority and exists predominately to provide recommendations to the Board on issues within the purview of the Committee
- 6.4 The Committee has the authority to consult any independent professional advisers it considers appropriate to assist in meeting its responsibilities.

7. Reporting

- 7.1 The Committee Chair reports on, and circulates to the Board, a copy of the draft Committee minutes at the earliest possible Board meeting after each Committee meeting.
- 7.2 The Committee will prepare and submit to the Board any additional reports as appropriate.
- 7.3 Through the above protocols, all matters relevant to the Committee's role and responsibilities will be reported to the Board.

8. Review of Committee Performance

- 8.1 A Committee effectiveness assessment will be completed on a periodic basis.
- 8.2 The review is generally completed in conjunction with the annual Board Evaluation process.

9. Review of Charter

- 9.1 The Charter will be reviewed at least biennially by the Committee to ensure that the Charter remains consistent with the Committee's authority, objectives and responsibilities.
- 9.2 Any changes to the Charter recommended by the Committee must be approved by the Board.

10. Publication of Charter

- 10.1 A copy of the Major Projects and Procurement Committee Charter is available at www.queenslandrail.com.au.

Adopted by the Board on 14 December 2017