

Capital Asset Management and Infrastructure Committee - Terms of Reference

1. Objective

- (a) The Capital Asset Management and Infrastructure (**Committee**) shall be a committee of the Council of the New Zealand Institute of Skills and Technology (**NZIST**), established by the Council.
- (b) The objective of the Committee is to assist the Council in fulfilling its strategic, financial and compliance responsibilities through oversight of the capital assets and infrastructure of NZIST and its Subsidiaries (the **Group**).

The management of property (including operating leases), plant, equipment, investments, vehicles, IT infrastructure, strategic databases, brands and intellectual property falls within the scope of consideration. The management of monetary assets and liabilities such as working capital, cash and loans falls outside the scope of operation.

The Committee will consider the following aspects of capital asset management:

- Corporate Planning
- Asset information management
- Levels of Service
- Lifecycle management strategy (including risk management)
- Financial forecasts
- Business cases
- Implementation governance
- Engagement with tangata whenua

This emphasises the cyclical nature of the process, the importance of defining and understanding desired outcomes, the nature of current assets, the associated current and future needs, the potential solutions, and implementing the optimum decision.

2. Powers and Authority

- (a) Pursuant to section 73 of the Crown Entities Act 2004, the Council of NZIST may delegate any of the functions or powers of NZIST or the Council, either generally or specifically, to a committee by resolution and written notice (other than functions or powers specified in the legislation as not being capable of delegation).
- (b) The Committee has authority to review any matters within its scope of responsibility.
- (c) The Committee is a sub-committee of the Council and has no executive powers, other than those set out in these Terms of Reference, or those powers expressly delegated to it by the Council in accordance with section 73 of the Crown Entities Act.
- (d) The Committee members, where necessary to carry out the functions of the Committee, shall have unrestricted access to and direct communication with the NZIST Chief Executive, DCE Operations and the management personnel of a Subsidiary and to the extent necessary to meet its responsibilities as set out in this Terms of Reference, may obtain external legal or other professional advice.

3. Membership

- (a) The membership of the Committee shall be comprised of:
- up to 5 members, with a minimum of 3 members;
 - members who are independent of management;
 - the Council Chair as an ex-officio member; and
 - members who collectively demonstrate expertise in capital asset management, internal control environments and frameworks and financial matters.
- (b) The Council Chair appoints the Committee Chair and makes recommendations to the Council regarding Committee members. The Council Chair cannot be the Committee Chair.
- (c) The Committee Chair will:
- represent the Committee to the full Council (including reporting back to the full Council with the recommendations and decisions of the Committee at each Council meeting immediately following a Committee meeting)
 - ensure the effectiveness and integrity of the governance process of the Committee
 - maintain regular dialogue with the Chief Executive over operational matters, to the extent necessary and appropriate to carry out their duties
 - consult with the remainder of the full Council promptly over any matter that gives cause for major concern
 - act as facilitator at meetings of the Committee to ensure that appropriate discussion takes place
- (d) Membership of the Committee shall be periodically assessed and rotated annually. Where possible at least one member who served on the Committee the previous year should be retained.
- (e) A person must not be appointed as a member of the Committee unless, before appointment, he or she discloses to the Council the details of any interest the person may have if he or she were a member of such Committee.
- (f) The Council Secretary or other person nominated by the Chair of the Committee shall be secretary to the Committee.

4. Meetings

- (a) The Committee shall meet at least four times each year. Meetings may be conducted by teleconference, videoconference or in person. The Committee may also need to meet on an ad hoc basis to consider approvals requested and/or relevant matters raised by members of the Group. Accordingly, additional meetings may be held if determined necessary by the Chief Executive or Committee, including executive sessions and private meetings with the Council Chair. A special meeting may be convened by a member of the Committee at any time. All Council Members shall be entitled to attend Committee meetings.
- (b) The DCE Operations shall service the Committee meetings.
- (c) Meeting agendas will be prepared and provided in advance to members, along with appropriate briefing materials. This would normally be a week prior to the date of the meeting but may be shorter as determined by the Chair of the Committee. Minutes of the meetings shall be prepared, retained and distributed to Committee members and management, as well being made available to the Council.
- (d) The Committee may request the attendance of representatives from management to assist particular agenda items.

- (e) A quorum shall consist of a majority of Committee members, which must include (at a minimum) no less than three Committee members. No business shall be transacted at a Committee meeting in the absence of a quorum.

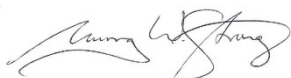
5. Responsibilities and Duties

In order to assist the Council in fulfilling its responsibilities and to oversee the areas outlined in the objectives, the Committee shall:

- (a) **Corporate planning**
- review asset management policies and strategies
 - recommend basis for Asset Management Plan
 - recommend level of organisational commitment
 - recommend a Group capital and asset strategy and provide oversight of the execution of that strategy
- (b) **Asset information management**
- recommend information management requirements
 - review asset condition assessments
 - review asset performance reporting
 - review valuations
 - commission asset information quality assurance reviews
- (c) **Levels of Service**
- establish strategic linkages
 - recommend statements
 - establish measures and targets
- (d) **Lifecycle management strategy (including risk management)**
- review lifecycle strategies
 - review risk management strategies
 - review usage and maintenance forecasting
- (e) **Financial forecasts**
- review lifecycle analysis
 - review depreciation funding
- (f) **Business cases**
- review the asset improvement plan
 - review the annual plan
 - review individual programme and project business cases
- (g) **Approvals**
- approve any requests from Subsidiaries for NZIST's approval relating to capital expenditure, the disposal of property or non-property assets, the approval of an asset management and utilisation plan (or other property related requests), where the approval of such request exceeds the delegated authority of NZIST's Chief Executive as set out in the Delegations Policy for NZIST or is otherwise referred to the Committee by the Council for a decision
- (h) **Implementation governance**
- commission independent assurance reviews on project readiness and delivery
- (i) **Engagement with tangata whenua**

	<ul style="list-style-type: none">• set expectations regarding engagement with tangata whenua in relation to capital asset management
(j)	Other Responsibilities <ul style="list-style-type: none">• perform other activities related to this Terms of Reference as requested by the Council.• oversee special investigations as needed.
6.	Council Reporting Obligations
(a)	The Committee Chair will report to the Council using the Council's agenda framework to prioritise those strategic and key issues that most concern the Council. The full minutes of the meetings of the Committee will be available to all Council members and the Committee Chair will respond to Council members' questions.
7.	Accountability
(a)	The Committee shall: <ul style="list-style-type: none">• self-assess its performance against these Terms of Reference on an annual basis.• confirm annually that all responsibilities outlined in these Terms of Reference have been carried out.• at its discretion, determine the requirement for an independent review, including the frequency and scope of such a review, to assess its performance against these Terms of Reference.
8.	Review of the Terms of Reference
(a)	The Committee shall, on an annual basis, review and if appropriate, update these Terms of Reference for consideration and approval by the Council.

Approved by the NZIST Council on 1 September 2020



Murray Strong
Council Chairperson