

Terms of Reference

Finance, Accountability and Audit Sub-committee

Kaupapa/Purpose

The Finance, Accountability and Audit Committee will assist the Board to ensure that Te Aka Whai Ora achieves its objectives and carries out its functions in accordance with the Pae Ora (Healthy Futures) Act 2022 and discharges its obligations and requirements:

- is guided by the health sector principles contained in section 7 of the Pae Ora Act, and is a pro-Tiriti champion, within its scope
- gives effect to equity, as a pro-equity champion within its scope
- discharges the Committee's work in line with the values and principles of the partnership between Te Aka Whai Ora and Te Whatu Ora (as agreed).

The Committee is established by the Board of Te Aka Whai Ora (the Board) under clause 14 of Schedule 5 of the Crown Entities Act 2004 ('the Act').

Hōkaitanga/In scope

The Committee will undertake a variety of duties in relation to finance and audit and provide advice and recommendations to the Board relating to those activities.

The function of the sub-committee is to ensure that Te Aka Whai Ora complies with their financial accountabilities and responsibilities including, but not limited to, those set out in sections 17-31 of the Pae Ora (Healthy Futures) Act 2022 and relevant sections of the Crown Entities Act 2004, Public Service Act 2020 and related regulations.

In carrying out its functions, the Committee will operate consistently with the [Office of the Auditor-General's Good Practice Guide for Audit Committees in the Public Sector](#).

The sub-committee will be responsible for overseeing the following areas:

To review and report to the Board on the following:

- a) Financial reporting carried out by Te Aka Whai Ora.
- b) Accounting policies of Te Aka Whai Ora.
- c) Scope and audit programmes of the internal and external auditors and any material issues arising from these audits.
- d) The integrity of performance information.

- e) Effectiveness of Te Aka Whai Ora systems of accounting, internal controls and assurance system; including those for fraud detection and the oversight of sensitive expenditure.
- f) Sufficiency of and compliance with policies affecting board governance, financial reporting, and compliance with laws and external regulations.
- g) Oversight of the Statement of Intent, Statement of Performance Expectations and Annual Reporting for Te Aka Whai Ora.
- h) Policies and processes adopted to ensure compliance with legislation.
- i) Oversight of development of financial strategies including those related to capitation funding and pricing and commissioning.

Aratohu/Guidelines

The sub-committee is a formal Board sub-committee.

The sub-committee is accountable to the Te Aka Whai Ora Board. The authority of the group is limited to giving advice to the Board and/or management. It does not have a decision-making function unless specifically delegated by the Board.

The sub-committee will meet and set its own work plan for approval by the Board. In doing this, the group must always focus on the equity objectives of the transition and work in partnership with Te Whatu Ora.

The sub-committee may call on external input for advice at any time subject to approval from the Board Chairs/co-Chairs.

Mematanga/Membership

The sub-committee will be composed of:

- at least three members from the Te Aka Whai Ora Board;
- members should be financially literate;
- a member of the Te Whatu Ora Board to be invited as an external member; and
- any other person, not being a member of the Board, appointed by the Board, to assist the Committee to carry out its functions.

In addition, all other Board members will be members ex officio and are able to attend all sub-committee meetings.

The Audit NZ director for the Te Aka Whai Ora annual audit will be invited to attend all sub-committee meetings, at the discretion of the Chair.

The sub-committee will appoint its own Chair/convenor.

Hui/Meetings

The sub-committee will meet at least quarterly and as required to meet its responsibilities.

Kōrama/Quorum

A quorum for a meeting of the sub-committee is a majority of the members if the group has an odd number of members or half the number of members if the group has an even number of members.

Te Whakapūrongo/Reporting

The Chair/convenor of the sub-committee will provide a report to the Board after each meeting for endorsement of any proposals or outcomes of their work.

Ratonga Tautoko/Support

The sub-committee will be supported by the Te Whai Aka Ora secretariat.

Proactively Released