



Equity with Resources Committee – Terms of Reference

1. Establishment and Authority

The Equity with Resources Committee is established by the Board under clause 38, Schedule 3 NZ Public Health and Disability Act 2000 (the Act). The Board may amend the terms of reference from time to time.

2. Functions of Committee

The function of the Committee is to receive and consider financial, audit and risk material from the Board, Management, internal and external audit, and duly recommend to the Board the appropriate action required. The Committee should receive periodic briefings (operational as well as financial) on the various operational units of Northland DHB. Management are encouraged to inform the Committee of relevant issues at an early stage and provide briefings on key operational and financial matters. The focus of the Committee is on the total financial and contractual aspects of Northland DHB.

Material referred to the Committee may include:

- Regional Internal Audit
- External Audit
- Financial Statements
- Accounting Policies
- Consumables, Services and Capital Projects Requiring Board Approval
- Monthly Financial Performance Reports including Treasury Activities
- Contract Schedules
- Risk Reports

Regional Internal Audit:

- Endorse the appointment/dismissal of the regional internal auditor
- Review the charter for regional internal audit
- Review and confirm the regional internal audit plans and endorse the Regional Internal audit budget as they pertain to Northland DHB
- Instruct the regional internal audit on areas to be reported on
- Review internal audit reports and confirm the recommended action
- Consider and review with the regional internal auditor
 - (a) the adequacy of Northland DHB's internal controls including computerised information system controls and security.
 - (b) any related significant findings and recommendations together with Management's responses.

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External Audit:

- Review/discuss the external audit plan with the auditors
- Review external audit reports and confirm the recommended action
- Consider and review with the external auditor:
 - (a) the adequacy of the Northland DHB’s internal controls including computerised information system controls and security.
 - (b) any related significant findings and recommendations together with Management’s responses.
- Review audit fees

Financial Statements:

- Review at least the half yearly results and annual financial statements and any other statutory financial reports and recommend acceptance or otherwise by the Board.
- It is important that as part of this review the Committee specifically considers any significant Management estimates and understands the reasons underlying the estimates.

Accounting Policies:

Review and advise the Board on accounting policies and procedures recommended by Management including:

- depreciation rates
- provisions
- income recognition
- asset valuations
- treasury

Consumables, Services and Capital Projects Requiring Board Approval

Review submissions made by Management to the Board. The Committee may either support recommendations made by Management and forward to the full Board for consideration or will guide Management in any further work or actions required. The Committee will periodically review the Procurement Policies and make recommendations to Management on any changes to those Policies. The Committee will undertake post implementation reviews of major capital projects and may advise the Board of the outcome of the review.

Quarterly Financial Performance Reports including Treasury Activities

Review the quarterly financial performance reports including treasury activities supported by Executive Management explanations and provide guidance to the full Board on any material issues arising.

3. Equity Statement

Northland DHB is committed to ensuring equity of access, experience and outcomes for those populations who need our support the most. This is particularly so for Māori in Northland to recognise their status as Tangata Whenua. Our position on this matter aligns with our commitment to eliminate inequities and should be read in conjunction with our overall approach to achieving optimal health and wellbeing for all Northlanders.

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Northland DHB also acknowledge the Ministry of Health definition of equity:

In Aotearoa New Zealand, people have differences in health that are not only avoidable but unfair and unjust. Equity recognises different people with different levels of advantage require different approaches and resources to get equitable health outcomes.

4. Membership

The Committee will consist of at least three and not more than five members appointed by the Board. The members, taken collectively, will have a broad range of skills and experience relevant to the operations of Northland DHB.

It is desirable that at least one member has accounting or related financial management experience with an understanding of accounting and auditing standards in the public sector environment.

Membership will be for a term not exceeding three years and will end at the conclusion of the Board's term of office. Members will be eligible for re-appointment.

The Board will appoint one Committee member, other than the Board Chair, to be the Committee Chair.

5. Relationship with Board and Management

The Committee is established by and accountable to the Board. The Committee's role is advisory only, and unless specifically delegated by the Board from time to time in accordance with clause 39(4) of Schedule 3 of the Act, no decision-making powers are delegated to the Committee.

The Committee shall receive all material and information for its review or consideration through the Chief Executive or the Regional Internal Auditor.

6. Meeting Procedure

The Committee shall meet at least quarterly and more frequently if required. Meetings shall be conducted in accordance with the Board's Standing Orders.

The Committee may invite other Northland DHB officers and employees to attend as required. Where necessary the Committee may have "Committee only" time enabling members to discuss issues and questions without the Chief Executive or staff being present.

Internal and external auditors and healthAlliance will attend meetings by invitation. The following executive staff, while not members of the Committee, will also be in attendance by invitation:

- Chief Executive
- Chief Financial Officer
- Deputy Chief Financial Officer
- Executive Leadership team when appropriate

Committee minutes, risk reports and any other material as decided from time to time will be provided to the following Board meeting. The Committee Chair will also give a report to the Board.

Northland DHB's internal and external auditors have the right of direct access to the Committee Chair and Board Chair. The Committee expects to be advised of any areas requiring its special attention.

7. Conflicts of Interest

Any matters relating to conflicts of interest will be managed in accordance with the Board's conflict of interest protocols. Committee members must declare any conflicts of interest at the start of each meeting or before

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discussion of the relevant agenda item. Details of any conflicts of interest will be recorded in the meeting minutes and the Board's Interests Register.

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