



Board Meeting Minutes

Meeting Details	5:00pm – 6:00pm, Monday, 7 April and 8:00am-4:30pm, Tuesday, 8 April 2025, Hamilton
Board Attendees	Tracey Batten (Chair), David Hunt (Deputy Chair), Dan Buckingham, Mark Cross, Jan Dawson, Kim Gordon, Helen Nott and Bella Takiari-Brame
Executive Attendees	Megan Main (CE), Michael Dreyer (DCE Technology & Data), Paul Dyer (Chief Investments Officer) (via Teams), Michael Frampton (DCE Service Delivery), Lisa Hansen (DCE People and Culture), Stewart McRobie (DCE Corporate and Finance), Andy Milne (DCE Strategy Engagement and Prevention) and Chris Ash (Acting DCE System Commissioning & Performance)
Other Attendees	[Name withheld] (Secretary), 3.1 and 6.4 [Name withheld] (via Teams), 5.1 [Name withheld] 6.2 and 6.3 [Name withheld] and [Name withheld], 6.3 [Name withheld] and 6.4 [Name withheld] (via Teams)
External Attendees	1.1 [Name withheld] and [Name withheld] (Independent Reviewers, Independent Culture Review of ACC), 1.1.1 [Name withheld] (Board Dynamics) and 3-6 [Name withheld] and [Name withheld] (Treasury Officials) Hon Scott Simpson, Minister for ACC and [Name withheld], Advisor
Apologies	

Item

The Board meeting started at 5:00pm Monday 7 April with all Board Members, [Name withheld], and [Name withheld] present.

1.	Meeting with ACC Culture Reviewers
1.1	Independent Culture Review of ACC The Board discussed progress on the review with the reviewers.

[Name withheld] and [Name withheld] left the meeting at 6:00pm.

The Board took a break from 6:00pm Monday, 7 April, and reconvened at 8:00am Tuesday, 8 April, with all Board Members present.

1.	Board Only Time
1.1.	Board Only Session

[Name withheld] (Board Dynamics) joined the meeting at 8:15am.

1.1.1	Board Dynamics Report [Name withheld] presented the key findings of the Board Governance Review. The Board discussed the report. ACTION: The Board agreed to develop an action plan to address the key opportunities for continuous improvement arising from the review. The Board noted a summary of the review had been prepared for submission to Treasury as required in the 2024/25 Letter of Expectations.
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[Name withheld] (Board Dynamics) left the meeting at 9:00am. Megan Main joined the meeting at 9:20am.

1.2. CE Only Session

The Board **approved** the elevation of the Chief Clinical Officer role to Tier 2 in recognition of the importance of strong clinical leadership and senior level engagement both internally and externally.

The Board took at short break at 10:00am, returning at 10:15am with the Executive, Treasury Officials and [Name withheld] joining the meeting.

2. Meeting Opening

2.1. Karakia

The Chair opened the meeting with the ACC karakia and welcomed the Executive and Treasury officials to the meeting.

2.2. Welcome, Apologies and Interests

The Board **reviewed** the Register of Key Interests. Kim Gordon noted that she had been appointed as a director of Cooperative Bank from 1 April 2025

2.3. Previous Minutes

The Board **approved** the 21 March minutes.

2.4. Actions List

The Board **noted** the Actions list, and agreed during the meeting to close each of the proposed closed actions.

2.5. Chief Executive's Report

Megan Main introduced her report. The Board discussed:

- The approach to the five-year plan on a page, which is currently being drafted alongside Treasury and MBIE to recognise the joint levers across the system:
 - The primary outcome from the five-year plan is still to be agreed but will articulate the big-picture goal of achieving a financially sustainable Scheme and the best outcomes for ACC's clients.
 - The plan will be the primary document, aligned with the Service Agreement. Any other action plans will sit underneath this. Work already completed through the Rehabilitation Performance Improvement Plan will feed into this plan, along with ACC's response to external review findings as well as the future state operating model work.
 - The plan will articulate a clear work programme for each agency based on what is within each agency's control. Governance and accountability arrangements will be finalised in the coming month.
 - The current work programme being reported to the Minister during regular meetings will be updated to align with the plan.
- The update on the status of pay equity claims update.

ACTION: Provide a regular update on the status of pay equity claims and negotiations and ongoing discussions with Health NZ and the Commerce Commission.

- The update on the increase in elective surgery volumes. A surgical taskforce had been launched, which sits underneath the Rehabilitation Performance Improvement Plan (RPIP) work. The plan to address the increase varies from clarifying obligations with suppliers through to providing additional clinical support.

ACTION: Provide a quarterly report back on work under the Rehabilitation Performance Improvement Plan including work to address the increase in elective surgery volumes.



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	The Board noted the report.
<i>Paul Dyer left the meeting and [Name withheld] joined the meeting at 11.00am.</i>	
3.	Improve Rehabilitation Performance
3.1.	<p>Monthly Rehabilitation Performance Update</p> <p>Michael Frampton introduced the update and noted that this month was a verbal update, supported by a late paper loaded in Diligent earlier that morning. The Board discussed:</p> <ul style="list-style-type: none"> The recent improvement seen in the results for the Long-term claims pool growth rate. Bottlenecks are being seen through the system which is putting pressure on claims. The resource in Integrated Recovery is being focussed on non-serious injury and non-sensitive claims. Non-serious injury claims within the pool are decreasing. <p>ACTION: Provide further detail on the cohorts of claims within the Long-term claims pool.</p> <ul style="list-style-type: none"> Ensuring the Board has visibility of the key workstreams underway, and what work might be required for other levers, to continue to shift the growth rate of the Long-term claims pool in the right direction. Short-term rehabilitation performance. The focus is on improving performance in the 0-70 day exit rates. Considering standardising outcomes for specific non-serious injuries and the importance of developing a suite of clinical pathways. Work continues to increase the percentage of active claims with a current recovery plan in place and with providers on recertification behaviour. <p>The Board noted the update.</p>
<i>[Name withheld] left the meeting at 11.20am and [Name withheld] joined the meeting.</i>	
4.	Improve scheme access and experience for Māori and identified population groups
5.	Drive an injury prevention culture across Aotearoa New Zealand
5.1	<p>Injury Prevention Deep Dive</p> <p>Andy Milne and [Name withheld] took the Board through the stand-up presentation on Injury Prevention. The Board discussed:</p> <ul style="list-style-type: none"> The current work programme is focussed on the different areas that injuries take place in e.g. road, gym, workplace and direct participant programmes within those areas. It can be difficult to scale up these programmes well, and to ascertain how cost-effective they are. How other organisations can benefit from the richness of ACC’s data to raise awareness and inform their own injury prevention activities. The goal to reduce projected New Year Claims Costs by 5% by 2040. While this is ambitious, yearly targets will be set which include both short- and long-term thinking, and additional levers will be explored. More emphasis is being placed on managing the portfolio, including an internal governance group, and commissioning for outcomes. How appropriate the ROI measure is for Injury Prevention in ensuring ACC is spending the fund on initiatives that will have the biggest impact. It does allow for an innovative, test and learn environment, particularly in areas where there are no other avenues for funding. <p>ACTION: Provide a quarterly update on the Injury Prevention Strategy and programme of work, starting in July 2025.</p> <p>The Board thanked [Name withheld] and Andy for the presentation on this important work.</p>



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	<p>ACTION: The presentation will be loaded into Diligent for future reference.</p> <p>The Board discussed the key points of the deep dive session.</p>
	<p>[Name withheld] left the meeting at 12:10pm and the Board and Executive took a break for lunch with Hamilton-based staff, returning at 12:50pm. Paul Dyer re-joined the meeting</p>
6.	Deliver a capable and cost-effective ACC
	<p>Monthly Finance Report</p> <p>Stewart McRobie introduced the report. The Board discussed:</p> <ul style="list-style-type: none"> The report is based on February results, and the March results will be included in the performance pack coming to the Board later in the month. The themes are consistent month on month, and the overall forecast has not changed. Ongoing work to ensure Actuarial Services is closely connected to the activities in the rest of the business, particularly Service Delivery and System Commissioning and Performance, to ensure collaboration across the teams heading into year-end revaluation of the Outstanding Claims Liability (OCL).
6.1	<p>Paul Dyer provided an update on investment markets and the particular volatility seen in recent days. ACC’s investment fund is well-positioned. The investment beliefs and the risk tolerance levels are set in the knowledge that the market will fluctuate. It is timely that the Board Investment Committee is considering the more specific Strategic Asset Allocation at its meeting the following week.</p> <p>The Board noted the report.</p> <p>The Board discussed the extension of ACC’s auditor [Name withheld], who is due to be rotated off as ACC’s auditor in accordance with EY policy, being extended for a further year to assist in ACC’s transition to IFRS17. The RAAC members of the Board were happy to support this recommendation to the Board, subject to there being no concerns regarding the reason for him stepping down as [Name withheld] and noting that the decision on this will be made by the Office of the Auditor General.</p>
	<p>Paul Dyer left the meeting and [Name withheld], [Name withheld] and [Name withheld] joined the meeting at 1:20pm.</p>
	<p>Health Commissioning Plan Update</p> <p>Chris Ash introduced the update. The Board discussed:</p> <ul style="list-style-type: none"> The next update in June will include a view of all health commissioning contracts and how they link to the flagship programmes, as well as key milestones in the commissioning plan. The two flagships proposed in the paper, Primary Care and Secondary Care, include 20-30 contracts and make up over 50% of the overall spend. Smaller spend renewals with less leverage from ACC will still come through to the Board for approval but will reference the overall health commissioning landscape. <p>The Board discussed the Commissioning Plan update.</p>
	<p>Health Commissioning Contracts</p> <p>Chris Ash introduced each of the papers.</p>
6.3	<p>Rongoā Services</p> <p>The Board discussed:</p> <ul style="list-style-type: none"> The 2025/26 in year cost is included in the budget. The Ministry of Health is leading the approach and discussions on regulation with providers, which will include meeting with Rongoā governance groups and the iwi partnership group.



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- Data on Rongoā outcomes is already being collected, but the contracting relationship will improve this. The contracts are sufficiently flexible to allow for minimum service standards and guidelines to be developed in coming years.
- The engagement approach with providers builds on the trust and strong relationships already established to shift all providers to the contract by June 2026.
- Rongoā can be used as a standalone service or in conjunction with other services. There will be additional due diligence for those providers who want to work with sensitive claims clients.
- The paper notes that the hourly rate for Rongoā practitioners is recommended to increase from [REDACTED] per hour. This will be amended to [REDACTED] per hour.

The Board:

- **Approved** the Rongoā Māori contract from 1 July 2025, for an initial term of three years, with two, two-year rights of renewal, with a whole of life cost of [REDACTED]
- **Delegated** authority to the Chief Executive Officer for each and all the related Procurement delegations set out in ACC's Corporate Delegations Schedule.

Neuropsychological Services and Psychiatric Services

The Board discussed:

- The shortage of providers throughout the country, with particular regional challenges. Videoconference is used where appropriate.
- It would be useful in future papers for the Board to have to hand the current cost of the contracts, to easily compare the increases proposed. While these are included in the Annual Pricing paper approved by the Board in February, the detail on the increase in the whole of life cost should be included in each paper as well.

The Board:

- **Approved** a new contract term for the Psychiatric Services from 01 May 2026, for three years, with two, two-year rights of renewals, with an estimated whole of life cost of [REDACTED] over the seven years.
- **Approved** a new contract term for the Neuropsychological Assessment Service from 01 May 2026, for a three-year term, with two, two-year rights of renewals, with an estimated whole of life cost of [REDACTED] over the seven years.
- **Delegated** authority to the Chief Executive for the related Procurement delegations set out in ACC's Corporate Delegations Schedule.

Client Taxi and Community Transport Procurement

The Board discussed:

- The analysis undertaken estimates that the ongoing growth rate can be reduced from the current 11% average to 5% for the duration of the proposed contract. This is based on the expectation on the provider to have a technical solution to enable further monitoring and visibility of performance under the contract, as well as addressing provider capacity.
- The cost is based on the current volume of claims within the system.

The Board:

- **Approved** a whole-of-life cost of [REDACTED] for procurement for new Client Taxi Services contract(s) commencing 1 May 2026 with a term of up to 6.5 years.
- **Noted** that we will procure a technical solution to support deliver of the Client Taxi Service, as part of the overall transport solution and may result in a separate contract.
- **Approved** an extension of the current taxi contracts, expiring 30 October 2025 for up to 6 months, increasing the whole-of-life cost for the revised agreement to [REDACTED].
- **Approved** sub-delegation of subsequent stages of the procurement process, including contract signing to the Chief Executive.



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[Name withheld] left the meeting at 1:45pm. [Name withheld] and Penny Rongotoa left the meeting at 2:00pm. [Name withheld] re-joined and [Name withheld] joined the meeting.

6.4 Service Agreement 2025/26 (including Interim Letter of Expectations and draft ACC Response)
Andy Milne introduced the Service Agreement and draft response to the Interim Letter of Expectations. The Board had a wide-ranging discussion which focussed on:

- Feedback on the Service Agreement document, and what is required to meet legislative requirements. As a public communication, it should be clearer on how focussed ACC is on improving financial sustainability, which would include elevating the profile of the Ringa Atawhai | Guardianship strategic priority.
- The proposed 6.6% target for the growth rate in the Long-term claims pool and a 5-10% saving in Social Rehabilitation costs in 2025/26, which would require additional interventions above the current plan as well as an additional internal investment in capacity, and across the health system.
- The proposed 5-10% reduction in social rehabilitation costs, and clarification as to whether this refers to in year costs or OCL.
- Work continues with MBIE on the pathway to the current 3-year Social Rehabilitation targets in the Financial Sustainability Action Plan.
- The plan to achieve these new targets will need to be finalised by 30 June 2025.

ACTION: Provide further detail on the plan to reduce the target for the growth rate in the Long-term claims pool from 8.5% to 6.6%, and a 5-10% saving in Social Rehabilitation costs in 2025/26, including the additional cost and new initiatives.

The Board:

- **Approved** the submission of the draft Service Agreement 2025/26 to the Minister for ACC by 30 April 2025, subject to any Board-agreed amendments
- **Noted** the next steps for the finalisation of the Service Agreement 2025/26 before 30 June 2025.

[Name withheld] and [Name withheld] (Treasury), the Executive, [Name withheld] [Name withheld] and [Name withheld] left the meeting at 2:40pm. The Board and Chief Executive had an introductory meeting with the Minister for ACC, Hon Scott Simpson, until 3:45pm. His political advisor [Name withheld] was also in attendance.

7.	Committee Updates and papers via Committees
8.	Other Business
8.1.	Board Work Programme The Board noted the work plan.
8.2.	2025/2026 Board Dates The Board noted the board dates.
8.3.	Other Business
<i>Megan Main left the meeting and the Board Chair closed the meeting at 4:30pm.</i>	
9.	Meeting Close (Karakia)
10.	Board Only Time
10.1.	Meeting Evaluation