



Board Meeting Minutes

Meeting Details	8:30am-3:05pm, Tuesday 12 August 2025, Manukau
Board Attendees	David Hunt (Acting Chair), Dan Buckingham, Mark Cross, Jan Dawson (Acting Deputy Chair), Kim Gordon, Helen Nott (until 2:30pm) and Bella Takiari-Brame
Executive Attendees	Megan Main (CE), Stewart McRobie (DCE Corporate and Finance), Thomas Ronan (Acting DCE System Commissioning & Performance), Lisa Hansen (DCE People and Culture), Michael Dreyer (DCE Technology & Data), Renee Graham (Acting DCE Strategy Engagement and Prevention), Andy Milne (Executive Lead Scheme Sustainability), Michael Frampton (DCE Service Delivery), David Iverson (Chief Investments Officer)
Other Attendees	[Name withheld] (Secretary), [Name withheld], [Name withheld], [Name withheld], [Name withheld], [Name withheld], [Name withheld] and [Name withheld]
External Attendees	Pip Muir (Simpson Grierson), [Name withheld] (Treasury), and [Name withheld] and [Name withheld] (Taylor Fry)

Item

The Board meeting started at 8:30am with all Board members present.

1.	Board Only Time
1.1.	Board Only Session

Megan Main joined the meeting at 9am.

1.2.	<p>CE Only Session</p> <p>The Board noted that the Acting Chair will be overseas from 29 August – 29 September with uncertain communication coverage at times. The Acting Chair noted that he had advised the Minister of this travel when he was appointed, and that if a permanent chair was not in place by 29 August, it would be prudent for the Board to make appropriate coverage arrangements for the period.</p> <p>Against this backdrop, the Board resolved that the Acting Deputy Chair will chair the Board between 29 August - 29 September (inclusive) including chairing any Board and Financial Sustainability Committee meetings) if a permanent appointment has not been made before 29 August 2025. The Board noted that the Acting Chair would advise the Minister of this decision.</p>
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Megan Main left the meeting and Pip Muir (Simpson Grierson) joined the meeting at 9:30am.

1.3.	<p>Culture Review Report</p> <p>The Board received a briefing from Pip Muir on the draft culture review report and discussed next steps.</p>
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Pip Muir left the meeting at 10:10am. Megan Main rejoined the meeting and the Executive team and [Name withheld] joined the meeting at 10:40pm

2.	Meeting Opening
2.1.	Welcome, Apologies and Interests



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	<p>The Chair opened the meeting with the ACC karakia and welcomed the Executive to the meeting. The Chair congratulated the Investments team on the Investments Independent Review.</p> <p>The Board:</p> <ul style="list-style-type: none">• Reviewed the Register of Key Interests.• Noted the Board Correspondence.
2.2.	<p>Previous Minutes</p> <p>The Board approved the 17 July minutes with a minor change.</p>
2.3.	<p>Actions List</p> <p>The Board noted the Actions list.</p>
2.4.	<p>Chief Executive's Report</p> <p>Megan Main introduced her report. The Board discussed:</p> <ul style="list-style-type: none">• The update on Future State design:<ul style="list-style-type: none">○ Current state analysis has been completed, and the five-month project is underway with a business case to come to the Board for decision in December. Prior to December there will need to be an early socialisation of the current state, the principles, approach and high level options.○ The work involves a longer-term view of the investment needed in the system design, processes and operational capability for Service Delivery and System Commissioning and Performance to achieve step changes in efficiency and effectiveness. An example of something being explored is moving from a claim-based approach to a data-driven client- and client segment based view.• Ongoing discussions on ACC's performance ambition and the role of the New Zealand 'inc' in ACC's performance and the need for a strong integrated engagement plan. <p>ACTION: Provide early visibility on the internal and external communications strategy to the Board Financial Sustainability Committee, including highlighting the role of New Zealanders in the turnaround of ACC's performance.</p> <p>The Board noted the report.</p>
<p>[Name withheld] (Treasury), [Name withheld] and [Name withheld] joined the meeting at 11:00am.</p>	
3.	Financial Sustainability
3.1.	<p>Annual Report</p> <p>Megan Main introduced the paper and provided an overview, noting that Management was seeking feedback on the tone and narrative of the forewords which would be weaved through the Annual Report itself. Following guidance from The Treasury for all Crown Entities, the report would be pared back compared to previous years. The Board discussed the process to finalise the Annual Report, which will come for final decision to the Board in September.</p> <p>ACTION: Provide a view of the parts of the Annual Report that will come through to the Board for approval via the Board Committees e.g. Climate Report and investments and people information.</p> <ul style="list-style-type: none">• Feedback on the draft forewords, including:<ul style="list-style-type: none">○ Part of the reason for the financial out-turn is economic factors.○ Overall tone regarding the outcome of getting people back to work.○ Owning performance, while still talking about the role of providers and New Zealanders in the financial sustainability of the Scheme.



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- Placeholders for signalling the Turnaround Plan.
- The approach to the enterprise risk profile, taking account of future trajectory.
- The inclusion of progress against strategic intentions, which is a statutory requirement.

The Board will see the proposed text for the Annual report at its next meeting in September.

The Board:

- **Noted** the process and timeline for developing the Annual Report.
- **Discussed** the narrative themes and proposed structure of the Annual Report.

[Name withheld] left the meeting at 11:15am and [Name withheld] joined the meeting.

3.2. Monthly Rehabilitation Performance Update

Michael Frampton introduced the Update and provided an overview. The Board discussed:

- Significant improvements in the timeliness of services, including the time to make both non-complicated and complicated cover decisions. This type of information will be included in a revised set of performance expectations.
- Focus areas for performance, including provider travel and serious injury care hours and ensuring good operational controls.
- Risk appetite in relation to day-to-day decision-making regarding exits from the Long-term claims pool is gradually being shifted. It is important to provide clear guidance to empower staff. To enable the discussion to continue, work is underway to give the Board a fuller picture on decisions upheld to show the risk appetite in practice. The reporting currently includes the proportion of reviews resolved at any point prior to a decision including where ACC may reinstate cover.
- ACC's increasing insights into performance and measuring what matters. It would be useful for the Board to have a dashboard summary at the front of the report including the key measures, for example segmentation reporting for the Long-term claims pool to show the cohorts of claims within the pool and the levers for rehabilitation.

ACTION: Provide further information on the segmentation of the Long-term claims pool and the focus areas to achieve financial sustainability.

- The robustness of the provider payments system which delivers over \$4B in payment per year via over 4m transactions. A business case is being drafted for improvements in the controls in the near term to shift away from a task-based approach to travel and join up across the complex end-to-end system.

ACTION: Provide RAAC with a view of the performance and risks of critical systems.

The Board **discussed** improvements to rehabilitation performance and key operational case management measures.

[Name withheld] and [Name withheld] left the meeting at 11:45am. [Name withheld] and [Name withheld] joined the meeting.

3.3. Monthly Finance Report

Stewart McRobie introduced the report and provided an overview. David Iverson also provided an overview of investments performance. The year-end results are still subject to audit and will go to the September RAAC meeting as part of the annual reporting.

The September RAAC meeting will also receive an update on the changes under IFRS 17 that would come into effect from 2025/26. The Board discussed the impact of the IFRS 17 changes on funding



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	<p>ratios, noting that funding ratios may affect future levies. This will be reviewed at the time of the next levy cycle.</p> <p>The Treasury and auditors are aware of the changes.</p> <p>The Board noted the report.</p>
<p>[Name withheld] (Taylor Fry), and [Name withheld] (Taylor Fry) joined the meeting at 12:00pm.</p>	
3.4.	<p>June 2025 Final OCL Valuation</p> <p>[Name withheld] introduced the paper and provided an overview of the result, noting that the valuation was final but subject to audit. The Board discussed:</p> <ul style="list-style-type: none">• The changes to the TN provision, which were largely offsetting.• Discussions with the auditors, particularly on the uncertainties. <p>The Board:</p> <ul style="list-style-type: none">• Discussed the final results and key assumptions of the 30 June 2025 OCL valuation.• Noted the results of the 30 June 2025 valuation of the OCL are subject to audit sign-off.• Noted that the RAAC will review the final audited results before endorsing for inclusion in the 2024/2025 Financial Statements at the September RAAC meeting.• Noted that the Board will have oversight of these results through the Annual Report.
<p>[Name withheld], [Name withheld], [Name withheld] (Taylor Fry), and [Name withheld] (Taylor Fry), left the meeting at 12:10pm.</p>	
3.5.	<p>Turnaround Plan (including Financial Sustainability Committee)</p> <p>Megan Main introduced the Plan noting that an update had been provided during the CE's Report. The Board discussed:</p> <ul style="list-style-type: none">• The August Financial Sustainability Committee will see the first Turnaround Report showing the results for the first month of the financial year.• The separate discussions underway with the Minister, MBIE, Treasury and PSC. Management have been working quickly on the plan to achieve the targets discussed the previous week but have not yet seen a further revision. Finity confirmed during its review that the targets were very ambitious. The Board asked that ACC's response from the previous week, including the Finity feedback, be loaded into Diligent.• How the board would like to receive and respond to further revisions. It is likely that a further Financial Sustainability Committee meeting will be needed ahead of the Chair's meeting with the Minister next week. <p>The Board noted the update.</p>
<p>[Name withheld] (Treasury) and Andy Milne left the meeting at 12:15pm.</p>	
4.	Committee Updates and papers via Committees
4.1	People and Culture Committee – 11 August
4.1.1	<p>Updated Terms of Reference</p> <p>Dr Helen Nott introduced the updated Terms of Reference, noting that there had been some inconsistencies discovered between the version approved at the Committee and the Board in 2022. The Board confirmed it was comfortable to delegate approval of appointments of direct reports to the Chief Executive (the Executive team) to the People and Culture Committee.</p>



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	<p>ACTION: Review each of the Board Committee Terms of Reference with the Chair of each Committee [by the end of 2025].</p> <p>The Board:</p> <ul style="list-style-type: none"> • Noted the proposed amendments to the PCC Terms of Reference. • Approved the amended PCC Terms of Reference to the Board for approval, subject to correcting the inconsistencies identified.
4.1.2	<p>Q4 WHS Report</p> <p>Lisa Hansen introduced the report, noting that most of the Board Members had attended the PCC meeting the previous day for the discussion on the deep dives on physical and psychosocial safety.</p> <p>The Board noted the contents of the report.</p> <p>[Name withheld] and [Name withheld] joined the meeting at 12:40</p>
5.	Approvals
5.1	<p>Health Commissioning Vocational Rehabilitation Services</p> <p>Thomas Ronan introduced the paper. The Board discussed:</p> <ul style="list-style-type: none"> • Whether the increase and planned benefits are included within the budget or the Turnaround Plan. The increase could have been sequenced so that it was included in the business planning process. [Name withheld] The net cost increase to the contract can be delivered within the forecasted budget. The [Name withheld] will be incorporated into the Turnaround Plan • Whether a target can be set towards the planned benefits. Improved usage of vocational rehabilitation will show up in most of the Service Agreement measures. Work underway on a more sophisticated integrated benefits model will be able to better track the System Commissioning and Performance benefits into Service Delivery. There is investment logic for the activity linked to the [Name withheld] outlined in the paper. • The template for health commissioning papers going forward will include a standard table which includes the financial costs and benefits information. • Issues within the contract will be addressed with providers, and a roadshow is planned to take place across New Zealand in early October on performance to ensure providers are delivering properly against the terms and conditions of the contract. • ACC has the information as to whether clients have a job to go back to. The vocational rehabilitation services support clients not just in the Long-term claims pool. • The process highlights where ACC is in maturity of commissioning. <p><i>Michael Dreyer, Renee Graham, Michael Frampton, Lisa Hansen, and David Iverson left the meeting at 1:10pm and the Board took a break for lunch with staff from the Manukau Office. The Board and remaining attendees returned to the meeting at 2:00pm.</i></p> <p>The Board continued the discussion on the Vocational Rehabilitation Services contract:</p> <p>ACTION: Provide the Board with a paper detailing forward visibility of health commissioning contracts, including the timetable for renewals.</p> <ul style="list-style-type: none"> • Future papers should also consider whether any rollovers can be done within the same financial envelope already approved.



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The Board:

- **Approved** a 2-year extension of the Vocational Rehabilitation Services contract from 1 May 2026 to 30 April 2028, [redacted]
- **Delegated** authority to the Chief Executive Officer for each and all the related Procurement delegations set out in ACC’s Corporate Delegations Schedule.

National Telehealth Service

The Board noted that the increase is already accounted for in the budget, and the approach is consistent with Health New Zealand. ACC does have the ability to input into the procurement process.

[s9(2)(h)] [redacted]

The Board:

- **Approved** the provision by ACC of an increased funding contribution towards the National Telehealth Service for an additional year to 30 June 2027, [redacted]
- **Noted** that [redacted]
- **Delegated** authority to the Chief Executive to approve and enter into a written agreement with Health NZ to document the further year’s funding.

Stewart McRobie, Thomas Ronan, [Name withheld] and [Name withheld] left the meeting at 2:10pm.

6. Other Business and Meeting Close

6.1. **Board Work Programme**
The Board asked that information on the upcoming Risk Appetite Statements be included in the Work Programme.
The Board **noted** the work plan.

6.2. **2025/2026 Board Dates**
The Board **noted** the board dates.

Andy Milne and Michael Frampton rejoined the meeting at 2:10pm.

6.3. **Other Business**
The Board continued the discussions regarding the operational targets and the focus on performance, which may require other activities to be de-prioritised for the immediate period, while still meeting legal requirements.

Helen Nott left the meeting at 2:20pm. Megan Main, Andy Milne, Michael Frampton and [Name withheld] left the meeting at 2:30pm.

7. Board Only Time

7.1. **Meeting Evaluation**

The meeting closed at 3:00pm.