



Board Minutes

Date	19 April 2023
Time	9.00am – 4.45pm
Location	ACC Counties Manukau Community Room / Microsoft Teams
Board	Steve Maharey (Chair), Tracey Batten (Deputy Chair), Sandra Alofivae, Mark Cross, David Hunt, Helen Nott, Pat Bowler, and Bella Takiari-Brame
Executive Attendees	Megan Main (CE), Tane Cassidy (DCE, Prevention and Partnerships), Peter Fletcher (DCE, Enterprise Change Delivery), Michael Frampton (DCE, People and Culture), Stewart McRobie (DCE, Corporate and Finance), Bonnie McLean (Acting Tumu Pae Ora)
Other Attendees	2.3 [Name withheld] 4.2 [Name withheld] (Chief Clinical Officer and Head of Health Partnerships) and [Name withheld] (System Design SME), [Name withheld] (Product Manager Health Initiatives), [Name withheld] (Product Owner Health Initiatives), [Name withheld] Health Partner), 5.1 [Name withheld] (Head of Cultural Partnerships and Engagement), [Name withheld] (Kaituhono Rautaki Matua), 6.1 [Name withheld] (Head of Finance and Planning), 6.3 [Name withheld] (Head of Technology and Platforms), [Name withheld] (Manager of Governance) and [Name withheld] (Senior Corporate Secretary – Board Secretary).
Guests	4.2 [Name withheld] (AUT Professor, Careway Clinical Lead), [Name withheld] (Orthopedic Surgeon, TBI Health), [Name withheld] (Physiotherapist, Physio Rehab Group), [Name withheld] (Client), [Name withheld] (Client)

Item	Resolutions and Actions (Due Date)
<i>The meeting opened at 9.00am with all Board members present.</i>	
Board Only Time (Karakia)	
Board Only Discussion	
<i>Megan Main joined the meeting at 9.25am.</i>	
CE only session	
<i>Tane Cassidy, Peter Fletcher, Michael Frampton, Stewart McRobie, Bonnie McLean, [Name withheld] and [Name withheld] joined the meeting at 9.50am.</i>	

IN CONFIDENCE

Item	Resolutions and Actions (Due Date)
1. Introduction	
1.1. Welcome and Apologies	
1.2. Register of Key Interests	The Board reviewed the Register of Key Interests and noted that it was not aware of any other matters (including matters reported to, and decisions made by, the Board at this Meeting) which would require disclosure.
1.3. Board and Committee Members and Term	The Board noted the update.
1.4. 2023 Board Dates and September Board Date	The Board noted the meeting will be moved to 27 September.
1.5. Previous Minutes	The Board approved : <ul style="list-style-type: none"> • The 21 March 2023 minutes, with minor changes. • The 21 March 2023 minutes for proactive release on the ACC website with the redactions identified and to consider one additional redaction.
1.6. Actions List The Board discussed action points. The Board asked that Action 7 be aligned to the minutes from the out of cycle meeting. The Board discussed having a feedback loop on Board discussions that are not formal actions, noting that the questions responded to through the CE Report was useful.	The Board noted the Actions List.
1.7. Chair Update – 2023 General Election Guidance <ul style="list-style-type: none"> • The Chair had met with the Minister and Treasury, attended a NZ SuperFund function and will be attending the opening of the ACC Hamilton Office on 22 April 2023. 	The Board noted the update, including Te Kawa Mataaho's 2023 General Election Guidance .

IN CONFIDENCE

Item	Resolutions and Actions (Due Date)
<ul style="list-style-type: none"> The Chair took the Board through Te Kawa Mataaho’s General Election Guidance, noting that the pre-election period commences on 14 July 2023. The Chair discussed responsibilities on the public-sector, public-sector advertising and publicity, and expectations on Board members (including Te Kawa Mataaho being available if Board members had queries that required further guidance). 	
<p>1.8. CE’s report</p> <p>Megan Main introduced her report. The Board’s discussion included:</p> <ul style="list-style-type: none"> A review of policy and guidance to staff has been initiated in response to Chat GPT. The Board Social Unemployment Insurance Committee could now be closed, and re-established should a Government workplan be developed that requires the Board’s governance. The procurement and contracting review is in three parts – a review of the operating model for procurement, a maturity assessment of commissioning capability and an external review of the procurement model to enable scale up of ICP. The Board noted that the external consultancy with global health procurement expertise should also include expertise in Kaupapa Māori. ACC is working with the Te Hiku Social Development and Wellbeing Accord, which is led by the Ministry of Social Development. 	<p>The Board:</p> <ul style="list-style-type: none"> Approved the closure of the Board Social Unemployment Insurance Committee, effective immediately. Noted the report. <p>ACTION: Formally acknowledge the Members and people involved in the Board SUI Committee (June 2023).</p> <p>ACTION: Provide problem definition for the procurement and contracting review, including timing, expected delegations issues, external expertise, and what the Board will see from a governance perspective to provide assurance (June 2023).</p>
<p>1.9. Strategy Day Debrief Session</p> <p>The Board discussed further feedback on the Strategy Day, the recent Board engagements with Tāmaki iwi and Pasifika leaders, and receiving an updated Engagement Plan at the May Board meeting.</p>	<p>The Board noted the significant preparatory and delivery work involved and thanked Management and their teams for the Strategy Day and the Board engagements.</p> <p>ACTION: Synthesised notes and feedback on the Strategy Day and recent Board engagements will be included in the CE Report (May 2023).</p>

IN CONFIDENCE

Item	Resolutions and Actions (Due Date)
<p><i>The Board took a short break at 11.00am and returned at 11.10am.</i></p>	
<p>2. Committee Updates</p>	
<p>2.1. Board Investment</p> <p>Mark Cross provided an update on the Investment Committee meeting held on 17 March 2023, including:</p> <ul style="list-style-type: none"> • The overall portfolio was up by .33% (\$149m) above benchmark. • There being a high level progress update on a recent negotiation with Crown Infrastructure Partners (CIP) in the Chief Investment Officer's verbal report. [At the mention of CIP, Bella Takiari-Brame raised her interest in the CIP. No details on the negotiation or CIP were discussed that raised a potential conflict. The Board was also assured that conflict management steps are in place to exclude information from each Committee pack that could raise potential conflicts for Board members]. • A minor adjustment in the Strategic Asset Allocation was approved. • The Committee discussed a deep dive in securities facilities. <p>The Board discussed the need to tie investment performance to the movement in the OCL.</p>	<p>The Board noted the update.</p>
<p>2.2. Health Sector Strategy Advisory</p> <p>Tracey Batten provided an update on the penultimate meeting of the HSS Advisory Committee meeting held on 17 March 2023, including:</p> <ul style="list-style-type: none"> • Value based healthcare and what is meant by 'value'. • An update on Māori Health Services, including Rongoa services and registration of providers. • Co-payments, and the impact on equity and access to services. 	<p>The Board noted the update and following consideration of item 3.1, approved the closure of the Health Sector Strategy Advisory Committee, with its last meeting in July.</p> <p>ACTION: Provide a paper to the Board on accountability, governance and tikanga considerations for Rongoa Māori providers and assurance on Rongoa outcomes (July HSS Advisory Committee; August Board).</p>
<p>[Name withheld] joined the meeting at 11.40am</p>	

IN CONFIDENCE

Item	Resolutions and Actions (Due Date)
<p>2.3 People and Culture – Bargaining Approach</p> <p>Michael Frampton introduced the paper. Tracey Batten noted that the paper had been reviewed and endorsed by the People and Culture Committee.</p> <p>Management was seeking from the Board an envelope to bargain within, and will ensure the People and Culture Committee is kept up to date.</p> <p>The Board discussed the upcoming work on the overall remuneration and reward strategy, which would look more closely at the vertical gender pay gap.</p> <p>[Name withheld] left the meeting at 11.50am.</p>	<p>The Board:</p> <ul style="list-style-type: none"> • Approved ACC’s proposed remuneration approach for FY23/24 • Noted that the People and Culture Committee reviewed and supported the recommendation, subject to confirming the budget offset for the [s 9(2)(f)(iv)] cost above budget. • Approved ACC to engage with Te Kawa Mataaho on the details of this approach and any significant feedback be reported to the People and Culture Committee.
<p>3. Strategic Direction</p>	
<p>3.1. Integrated Change Investment Portfolio (ICIP) Benefits Treatment</p> <p>Peter Fletcher introduced the paper, noting this was a two-part process to close down the ICIP investment, with the next paper coming to the Board post-June 2023. The Board’s discussion focussed on:</p> <ul style="list-style-type: none"> • Ensuring the reporting of ongoing ICIP related benefits will continue consistently. The format of the reporting will be approved by the Board in August. • Lessons learned, including incorporating external impact into the benefits calculations. For example, a Treasury forecast change had a difference of \$150m on a benefits figure. 	<p>The Board:</p> <ul style="list-style-type: none"> • Noted a full closure paper regarding the ICIP delivery and investment outcomes will be presented to the Board post 30 June 2023. • Endorsed incorporating the reporting of ongoing ICIP related benefits as a part of ACC’s Statement of Intent and Service Agreement and organisational performance reporting to the Board post 30 June 2023, in a format to be approved by the Board at its August meeting.
<p>4. Listen/Engagement</p>	
<p>4.1. Manukau Staff Engagement (Brown Bag Lunch)</p> <p>The Board stopped for an informal lunch with Manukau staff at 12.05pm</p>	
<p>[Name withheld] , [Name withheld] [Name withheld] [Name withheld] [Name withheld] and guests joined the meeting at 12.45pm.</p>	

IN CONFIDENCE

Item	Resolutions and Actions (Due Date)
<p>4.2. Integrated Care Pathways (ICP) – Musculoskeletal Service</p> <p>[Name withheld] and [Name withheld] introduced the interactive ‘story walk’ session.</p> <p>The Board heard from providers and clients on the impact of ICP. Feedback included:</p> <ul style="list-style-type: none"> • ICP has enabled providers to see the right patients at the right time, and equivalent outcomes for Māori have been seen. • Greater collaboration with providers, with the patient at the centre. • Seeing for the first-time data on what a good outcome is and helping patients to get back on track. • Providers are significantly engaged in the community and their approach includes connecting with the client’s ainga (family in Samoan) and whānau. <p>The Board thanked the guests for their feedback and engagement.</p> <p>[Name withheld] took the Board through the work done to date, including test and learn across knees, shoulders and lower backs.</p> <p>The Board discussed the funding and financial model with providers, and the contracting framework.</p>	<p>The Board:</p> <ul style="list-style-type: none"> • Noted the presentation on the Integrated Care Pathways – Musculoskeletal Service pilot in the form a ‘story walk’. • Noted kiritaki (clients) and providers were invited to share their stories about the pilot. • Noted that later in 2023, the Board will be requested to approve establishing the Integrated Care Pathways – Musculoskeletal Service and increasing the geographical area for the service covers. <p>ACTION: The Board asked that the approval paper include details on the business model, impact on the OCL, interactions with the public health sector and whether there is a role for an accelerator fund (June 2023).</p>
<p><i>Tane Cassidy, Peter Fletcher, Michael Frampton, [Name withheld], [Name withheld], [Name withheld], [Name withheld], [Name withheld] and external guests left the meeting at 1.50pm. [Name withheld] and [Name withheld] joined the meeting.</i></p>	
<p>5. Te Ao and Mātauranga Māori</p>	
<p>4.1 Te Kāpehu Whetū: Oranga Whānau Whānau Wellbeing</p> <p>[Name withheld] took the Board through the first Te Ao and Mātauranga Māori session for the Board to understand the concepts in Te Kapehu Whetū – oranga whānau, which also flows through Huakina Te Rā.</p>	<p>The Board noted and worked through the session questions, which included the meaning of oranga whānau and considerations as ACC’s Board.</p>
<p><i>Bonnie McLean, [Name withheld] and [Name withheld] left the meeting at 2.40pm. [Name withheld] joined the meeting.</i></p>	
<p>6. Accountability, Policy and Governance</p>	

IN CONFIDENCE

Item	Resolutions and Actions (Due Date)
<p>6.1 Statement of Intent and Service Agreement</p> <p>Stewart McRobie introduced the paper. The Board will meet out of cycle the following week to approve the draft Statement of Intent and Service Agreement for presentation to the Minister. The final version will be submitted to the Minister following the June Board meeting.</p> <p>The Board had a wide-ranging discussion, which included:</p> <ul style="list-style-type: none"> • The desire to set realistic targets for the upcoming year to take into account the impact of inflation, an expected recession and the ongoing pandemic. • The Board members would each propose their 'gold-star' measures for consideration by Management, noting there is a requirement for further reporting of some measures. Governance will facilitate an out cycle meeting, and support the provision of updated documents and collation of Board member comments. • Demonstrating strategic choices for the Board to enable Huakina Te Rā. • Some bridging measures will not have proposed targets while baseline data is still being assessed. 	<p>The Board noted the discussion and agreed to meet the following week to approve the draft Statement of Intent and Service Agreement (for release to the Minister for ACC).</p>
<p>[Name withheld] left the meeting at 3.45pm. Peter Fletcher re-joined the meeting and [Name withheld] joined the meeting at 3.25pm.</p>	
<p>6.2 Ethical Investment Policy (via BIC)</p> <p>This item was shifted to a future meeting due to further changes since the Board Investment Committee discussion.</p>	<p>The Board noted it would discuss and approve the Ethical Investment Policy at a later date.</p>
<p>6.3 Cyber Security Update</p> <p>Peter Fletcher introduced the paper. The Board discussed:</p> <ul style="list-style-type: none"> • Recent feedback provided to Management from Tracey Batten on lessons learned from the Medibank cyber-attack. • Benchmarking against the National Institute of Standards and Technology (NIST) Framework to demonstrate for the Board a level 	<p>The Board:</p> <ul style="list-style-type: none"> • Noted ACC has detailed planning for responding to cyber-attacks and continues to test our response against differing cyber scenarios. • Noted ACC has a detailed security roadmap to improve the security maturity and posture across all areas.

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<p>of assurance. EY have validated ACC’s self-assessment against NIST. A full external assurance exercise should be done six-monthly and provided to the Board via RAAC.</p> <ul style="list-style-type: none"> Results of penetration testing should also be provided to the Board. A playbook for a cyber-security incident should be available for the Board to refer to, including the role of the Incident Management Controller and when matters would be escalated to the Board for action. 	<p>ACTION: Complete an external assurance review of cyber-security aligned to the NIST framework, and provide to Board via RAAC (November 2023 and then on work-programme).</p> <p>ACTION: Review Cyber Security Metrics and present an updated Cyber Security Dashboard to RAAC, including progress against maturity initiative and results of penetration testing (RAAC September 2023).</p> <p>ACTION: Provide the Board with a cyber-security incident playbook identifying responsibilities and Board involvement (RAAC November 2023).</p>
<p><i>Peter Fletcher and [Name withheld] left the meeting at 4.20pm.</i></p>	
<p>7. Conclusion</p>	
<p>7.1. Board Work Programme and Next Meeting</p>	<p>The Board noted some proposed engagements will be deferred due to the counterparties’ availability, and the Board work programme will updated taking into account Strategy Day discussions the previous day.</p>
<p><i>Megan Main, Stewart McRobie, [Name withheld] and [Name withheld] left the meeting at 4.30pm.</i></p>	
<p>Board Only Meeting</p>	
<p>7.2. Review Actions to be taken</p>	
<p>7.3. Meeting Evaluation (Reflections and Feedback)</p>	
<p>Meeting Close 4.00pm (Karakia)</p>	

Approved

Chair signature: _____

Chair Name: Hon Steve Maharey

Date: 17 May 2023