



Board Minutes

Date	16 August 2023
Time	8:30am – 3:15pm
Location	Hamilton Hub/Site – Amohia Ake Hamilton / Microsoft Teams
Board	Steve Maharey (Chair), Tracey Batten (Deputy Chair), David Hunt, Helen Nott, and Bella Takiari-Brame
Apologies	Mark Cross, Pat Bowler, Michael Frampton (DCE People and Culture), Stewart McRobie (DCE Corporate and Finance) and Paul Dyer (Chief Investments Officer)
Executive Attendees	Megan Main (CE), Tane Cassidy (DCE Prevention and Partnerships), Peter Fletcher (DCE Enterprise Change Delivery), Andy Milne (DCE Strategy, Engagement and Planning), Amanda Malu (DCE Service Delivery) and [Name withheld] (Acting DCE Corporate and Finance)
Other Attendees	[Name withheld] (Manager Governance) and [Name withheld] (Senior Corporate Secretary - Secretary), 3.1 [Name withheld] [Name withheld] [Name withheld] 5.1 [Name withheld] 7.1 [Name withheld] 7.1 and 7.3 [Name withheld] 7.2 [Name withheld] and 7.3 [Name withheld] and [Name withheld]

Item	Resolutions and Actions (Due Date)
<i>The meeting opened at 8:30am with all Board members present.</i>	
1. Board Meeting Opening (Karakia)	
1.1. Board Only Discussion (including Board Self-Evaluation)	
<i>Megan Main joined the meeting at 9:20am.</i>	
1.2. CE only session (including update on Family and Sexual Violence Strategy) The Board asked that more information on the definition of ordinary consequence in relation to a case in the High Court be included in the next report from the CE.	The Board noted the need to carefully consider requests for ACC to fund cross-agency initiatives and the extent to which ACC can directly influence outcomes

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<p>1.3. Welcome and Apologies Mark Cross and Pat Bowler are apologies. Michael Frampton, Stewart McRobie and Paul Dyer are Executive apologies.</p>	
<p>1.4. Register of Key Interests The Chair noted that Tracey Batten had a conflict in relation to item 7.3 and will step outside the room for the discussion on the Medical Consumables contract.</p>	<p>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.</p>
<p>1.5. Board and Committee Members and Term</p>	<p>The Board noted the update.</p>
<p>1.6. 2023 and 2024 Board Dates</p>	<p>The Board noted the 2023 and 2024 Board dates.</p>
<p>1.7. Previous Minutes</p>	<p>The Board approved the 22 June 2023 minutes and the 27 June 2023 Out of Cycle minutes.</p>
<p>1.8. Actions List The Chair took the Board through the actions.</p>	<p>The Board noted the Actions List.</p>
<p><i>The Board took a short break and returned at 10:10am. Tane Cassidy, Peter Fletcher, Andy Milne, [Name withheld], [Name withheld] and [Name withheld] joined the meeting.</i></p>	
<p>1.11 Board/Executive Perspectives – Working Together (6 Monthly Review) The Chair and CE introduced the item, noting there is a constructive, honest relationship between the Board and Executive. The Board's discussion focussed on the planning for the 2024 Board meeting schedule. This will include opportunities for interaction for the Board and Executive to understand perspective and priorities, and ensuring there is enough time for strategic discussions. The Executive will also focus on showing the depths of their teams.</p>	<p>The Board and Executive discussed their perspectives.</p>
<p>1.9 Chair Update The Chair provided his update to the Board, including meetings during the month and recent OIA requests. The Board discussed considering operational spending and thanked Management for the work that went</p>	<p>The Board noted the update.</p>

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<p>into the Board engagements from the day before, including a special note regarding the iwi dinner.</p>	
<p>1.10 CE's report</p> <p>Megan Main introduced her report, noting that David Hunt was keen to be involved in the Health and Safety award judging.</p> <p>Tane Cassidy took the Board through the capability of the preferred supplier for the health commissioning review, which had now been through moderation. The focus areas through the moderation had been cultural capability and experience and expertise in the future state.</p>	<p>The Board:</p> <ul style="list-style-type: none"> • Noted the report. • Approved the procurement of the health commissioning review up to a contract price of [s 9(2)(b)(iii)] • Delegated Authority to the Chief Executive to approve the remainder of the procurement process, including selecting the preferred provider and signing the contract of consultancy.
<p>1.12 How is the customer/client?</p> <p>Amanda Malu introduced the update, which followed on from a session the Board had the previous day on understanding customer demand and joining contact centre staff on the phone. The Board will receive an update on the 'understand phase' of the Rehabilitation Improvement Group (RIG) work in September. The Board's discussion focussed on:</p> <ul style="list-style-type: none"> • Attrition of contact centre staff, which is very high. The majority of staff are going to other areas in ACC. • Whether there are any other areas to open up access to ACC, like telehealth services. Data and information from the recently contracted Kaupapa Māori navigation service providers will be reported in the coming months. These providers have deep connections to the community and file their ACC forms through medical centres or other service providers. <p>This item will be a monthly verbal report to the Board and will also include actions to improve service to customers following the RIG discussion in September.</p>	<p>The Board noted the update.</p>

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2. Committee Updates	
2.1. Health Services Strategy Tracey Batten provided an update on the final meeting of the Health Services Strategy Advisory Committee meeting held in July. She thanked the team for their work in supporting the last meeting and took the Board through the papers considered by the Committee. Helen Nott noted that the papers reflected how far the team had come.	The Board noted the update.
2.2. Board Investment David Hunt noted there had been a Committee strategy session and Committee meeting since the Board had met last. The Committee meeting reviewed the previous year's performance and that the Committee will be bringing a recommendation to the Board on risk appetite. The Board discussed the risk appetite, diversity, and playing a role in the organisations we interact with meeting their carbon intensity targets.	The Board noted the update.
2.3. Risk Audit and Assurance Bella Takiari-Brame introduced the update on the out of cycle PREFU meeting held by RAAC, ahead of the Board approval. This was the first time the Committee had reviewed PREFU ahead of the Board approval.	The Board noted the update.
2.4. People and Culture Tracey Batten introduced the update and took the Board through the Committee papers including the violence and aggression deep dive. [s 9(2)(h)] [Name withheld] and the first mysuper annual report will be coming to the Committee in November.	The Board noted the update.
<i>Peter Fletcher, Amanda Malu, Andy Milne, [Name withheld] and [Name withheld] left the meeting at 11:30am. The Board took a short break and returned at 11:45am. [Name withheld] [Name withheld] and [Name withheld] joined the meeting.</i>	

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<p>3. Te Ao and Mātauranga Māori</p>	
<p>3.1. Pou: Tuakiritanga [Name withheld] introduced the paper and the concept of Tuakiritanga that encompasses identity, purpose, belonging, and connection through whakapapa (genealogy) relationships between people and the environment and highlights a relational connection to cultural wellbeing. The Board had a wide-ranging discussion focussing on:</p> <ul style="list-style-type: none"> • The importance of whakawhanaungatanga – the connections made between people create more meaningful discussions and a trust environment. • Opportunities for connectivity within ACC and a ‘for Māori, by Māori’ environment by amplifying already available initiatives and empowering iwi. 	<p>The Board discussed the session questions.</p>
<p>[Name withheld] [Name withheld] and [Name withheld] left the meeting at 12:15pm. Peter Fletcher, Amanda Malu, Andy Milne, [Name withheld] and [Name withheld] rejoined the meeting at 12:15pm. [Name withheld] also joined the meeting.</p>	
<p>5. Performance</p>	
<p>5.1. Q4 Performance [Name withheld] introduced and summarised the report. The Board discussed:</p> <ul style="list-style-type: none"> • The format of the performance reporting for the 2023/24 financial year. There will be a new format quarterly performance report for the Minister which will come to the Board for approval, as well as a monthly dashboard. The first 2023/24 quarterly report will show Management’s confidence in relation to the targets, including assumptions regarding factors outside ACC’s control. • The longer-term view of performance. The targets set for the upcoming financial year reflect realistic and incremental change to move in the right direction. RIG is enabling a broader 	<p>The Board:</p> <ul style="list-style-type: none"> • Approved the submission of the fourth quarterly report 2022/23 to the Minister by 18 August 2023, subject to any final Board changes. • Noted the fourth quarterly report 2022/23 contains ACC’s provisional year-end results. The numbers in this document are provisional, subject to finalisation of claims liability valuation, non-listed investment valuations and external audit. • Noted the additional information for June 2023.

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<p>understanding of both short-term and longer-term drivers of performance.</p> <ul style="list-style-type: none"> Explaining the context of performance measures through the reporting. 	
<p><i>Amanda Malu left the meeting at 12:40pm.</i></p>	
<p>5.2. Kōkiri Whakamua</p> <p>Tane Cassidy and [Name withheld] introduced the report and noted some areas of work were currently on hold including reporting and risk. The Board discussed Te Kāpehu Whetū, which was still recorded as 'green' but is at risk for the first quarter of 2023/24 due to kaimahi leaving the organisation. Work continues on data, analytics and reporting and future measurements will be brought to Board alongside the equity action plan aligned with overall performance reporting.</p> <p>The Board acknowledged the work that had been done up to this point, which is important not to lose through the transition to the new performance framework.</p>	
<p><i>Tane Cassidy, Peter Fletcher and [Name withheld] left the meeting at 12:45pm.</i></p>	
<p>4. Lunch with Hamilton Office Staff</p>	
<p><i>The Board (and Executive) met with Hamilton office staff for lunch. The Board meeting resumed at 1:40pm.</i></p>	
<p>5.3. Q4 Health, Safety and Wellbeing Report.</p> <p>Tracey Batten took the Board through the report, highlighting the People and Culture Committee's recent deep dive on violence and aggression. The Committee had raised and discussed whether there were any process or location issues behind the close calls and near misses in relation to breaches of risk controls and safety measures.</p> <p>The Board discussed the psychosocial impact of work on the worker, which relates to both violence and aggression and workload pressures. This risk had been trending down.</p>	<p>The Board:</p> <ul style="list-style-type: none"> Discussed the contents of the Health, Safety and Wellbeing Report. Noted the People and Culture Committee considered this report at its meeting on 1 August 2023.

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<p>6. Accountability</p>	
<p>6.1. First Draft of Annual Report</p> <p>[Name withheld] took the Board through the paper, including the approach to the Annual Report. The Board noted that the Annual Report was a good improvement and asked Management to consider:</p> <ul style="list-style-type: none"> • The use of people’s surnames. • The order of including risk reporting after the Board Member bios. • Including further narrative in relation to the account summaries. <p>The Chair and CE will also provide further feedback on the forewords as an opportunity to give people a snapshot of the scale, impact and energy of ACC.</p> <p>More detail on the climate change framework and reporting will be provided to the Board later in 2023.</p>	<p>The Board:</p> <ul style="list-style-type: none"> • Noted the contents of this paper, including the proposed timeline for AR23. • Discussed the draft AR23 provided as Annex 1. • Noted the Statement of Performance and the audited Financial Statements will be reviewed by RAAC. A recommendation for the Board to approve will come from the RAAC at the September Board meeting.
<p>Andy Milne and [Name withheld] left the meeting and Tane Cassidy rejoined the meeting at 2:00pm. [Name withheld] and [Name withheld] also joined the meeting.</p>	
<p>7. Policy, Governance and Other</p>	
<p>7.1. Integrated Care Pathways Musculoskeletal Strategy and Procurement</p> <p>Tane Cassidy introduced the paper, noting the additional information provided since the previous Board discussion in June. [Name withheld] took the Board through the strategy and work underway in preparation for the tender process. The Board had a wide-ranging discussion on the next steps in the process, including:</p> <ul style="list-style-type: none"> • Probity advice, which is being sought throughout the process, and government procurement rules are being followed in line with MBIE guidance. • The tender panel includes a range of internal and external expertise, including clients. There is no weighting process in relation to this procurement – the service providers will either pass or fail based on certain criteria to ensure they meet the service and 	<p>The Board:</p> <ul style="list-style-type: none"> • Noted in June 2023, the ACC Board approved the intent to undertake procurement of Integrated Care Pathways Musculoskeletal (ICP MSK), subject to receiving a further paper on the ICP MSK market strategy and procurement approach. • Approved the procurement of the ICP MSK service to achieve nationwide coverage, with the aim for the service to commence from 1 March 2024, but before May 2024, with a whole of life cost over 4 years of \$611 million and [s 9(2)(f)] • Approved lengthening the extension approved by the Board in June 2023 of the Escalated Care Pathways (ECP) pilot from 6 December 2023 to up to 1 May 2024 and the associated cost of up to \$44 million.

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<p>outcome expectations across each requirement. This will also include a Kaupapa Māori approach to ensure providers have the appropriate connections to provide their services to Māori clients.</p> <ul style="list-style-type: none"> • Creating a marketplace for this approach. <p>The Board thanked Management for the paper and supported the innovative approach to delivering these services.</p>	<ul style="list-style-type: none"> • Delegated authority to the Chief Executive to approve the rest of the procurement process, including signing the new contracts for ICP MSK (as noted above up to \$611 million), and the extension of the ECP pilot of up to five months (as noted above up to \$44 million).
<p>[Name withheld] and [Name withheld] left the meeting at 2:35pm. [Name withheld] joined the meeting.</p>	
<p>7.2. Rongoā Practitioners: Governance and Tikanga</p> <p>Tane Cassidy and [Name withheld] introduced the paper. The Health Services Strategy Advisory Committee had considered this item at its meeting in July. The Board discussed:</p> <ul style="list-style-type: none"> • Rongoā governance. ACC does more in this space for Rongoā practitioners as there is no existing governing body to undertake all relevant checks and balances. The model will continue to evolve. ACC is also working with registered rongoā practitioners with employees to ensure those employees also meet the same standards. • Ensuring the right expertise is on the Advisory panel, including other knowledge areas such as finance or legal. • Common goals between ACC and Te Aka Whai Ora and working as a collective. <p>The Board will receive another update on this work within the next 12 months.</p>	<p>The Board:</p> <ul style="list-style-type: none"> • Noted the kiritaki uptake of rongoā services. • Noted the current state of governance for rongoā practitioners and the opportunities and challenges that brings. • Noted the current and proposed work that is underway to strengthen the governance of rongoā within our legislative controls. • Noted the future work being considered including exploring opportunities with other agencies, such as joint purchasing / co-commissioning possibilities with Te Aka Whai Ora (Māori Health Authority) and engaging with Te Kāhuo Rongoā Trust to develop a relationship. • Discussed the current and future work taking place to improve governance in the current framework.
<p>[Name withheld] left the meeting at 3:00pm. [Name withheld] rejoined the meeting and [Name withheld] and [Name withheld] joined the meeting.</p>	
<p>7.3. Health Procurement – Home and Community Support (HCS) and Medical Consumables</p> <p>Tracey Batten left the meeting for the Medical Consumables Service contract discussion due to a conflict of interest.</p>	<p>The Board:</p> <ul style="list-style-type: none"> • Approved exercising the three-year right of renewal for the Medical Consumables Service contract, with a revised whole-of-life cost of [s 9(2)(b)(ii)] • Approved procuring two new Home and Community Support contracts from 1 March 2024, for an initial term of two years plus two

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<p>Tane Cassidy introduced the paper, noting the external factors involved in the price increase. The Board discussed supply chain inflation assumptions.</p> <p>Tracey Batten rejoined the meeting.</p> <p>The Board discussed the HCS contract. ACC was shifting away from the lead supplier model, and there were going to be contracts with more suppliers. This had the benefit of removing management fees for the smaller providers. The quality and efficiency concerns addressed by the introduction of the lead supplier model have been lessened due to standards and technology advancements within the sector.</p>	<p>and one-year rights of renewal, with a whole of life cost of \$2.4 billion over five years.</p> <ul style="list-style-type: none"> • Delegated authority to the Chief Executive to approve the rest of the procurement process including awarding and signing the new two Home and Community Support contracts. • Noted the Home and Community Support service cost will be significantly impacted by the pay equity settlement currently underway, and will seek Board approval for costs related to the settlement separately.
<p><i>Tane Cassidy, [Name withheld], [Name withheld] and [Name withheld] left the meeting at 3:20pm.</i></p>	
<p>8. Conclusion</p>	
<p>8.1. Board Work Programme and Next Meeting</p> <p>The Board noted the Accredited Employer Programme update in October and asked that some Accredited Employers join the Board for a discussion.</p> <p>The Board noted an update on the work underway to meet the requirements of the Access Reporting Amendment Act will come to the Board prior to the end of the calendar year.</p>	<p>The Board noted the Board Work Programme.</p>
<p>9.1. Review Actions to be taken</p>	
<p><i>Megan Main, [Name withheld] and [Name withheld] left the meeting.</i></p>	
<p>9. Board Only Meeting</p>	
<p>9.2. Meeting Evaluation (Reflections and Feedback)</p> <p>David Hunt provided his observations of the meeting.</p>	
<p>Meeting Close 3:15pm</p>	