



Board Minutes

Date	17 May 2023
Time	9.00am – 4.40pm
Location	Wellington Boardroom / Microsoft Teams
Board	Steve Maharey (Chair), Tracey Batten (Deputy Chair), Sandra Alofivae, Mark Cross, David Hunt, Pat Bowler, and Bella Takiari-Brame
Apologies	Helen Nott
Executive Attendees	Megan Main (CE), Tane Cassidy (DCE, Prevention and Partnerships), Peter Fletcher (DCE, Enterprise Change Delivery), Michael Frampton (DCE, People and Culture), Amanda Malu (DCE, Service Delivery), Stewart McRobie (DCE, Corporate and Finance), Andy Milne (DCE Strategy, Engagement and Planning), and Michelle Murray (Tumu Pae Ora)
Other Attendees	3.1 [Name withheld] (Head of Cultural Partnerships and Engagement), [Name withheld] (Kaituhono Rautaki Matua), 4.1 & 4.2 [Name withheld] (Head of Finance and Planning), [Name withheld] (Programme Lead), 5.1 & 5.2 [Name withheld] (Chief Clinical Officer), 5.3 [Name withheld] (Head of Business Partnerships), [Name withheld] (Manager Governance), [Name withheld] (Senior Corporate Secretary - Secretary)

Item	Resolutions and Actions (Due Date)
<i>The meeting opened at 9.00am with all Board members present except Mark Cross.</i>	
Board Only Time (Karakia)	
Board Only Discussion	
<i>Megan Main joined the meeting at 9.20am.</i>	
CE only session	
<i>Tane Cassidy, Peter Fletcher, Michael Frampton, Amanda Malu, Stewart McRobie, Andy Milne, Michelle Murray, [Name withheld] and [Name withheld] joined the meeting at 9.50am.</i>	
1. Introduction	
1.1. Welcome and Apologies	
Helen Nott is an apology. Mark Cross will join the meeting at midday.	

IN CONFIDENCE

Item	Resolutions and Actions (Due Date)
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 and 2024 Board Dates	The Board noted the proposed 2024 Board Dates.
1.5. Previous Minutes	<p>The Board approved:</p> <ul style="list-style-type: none"> • The 19 April 2023 minutes. • The 19 April March 2023 minutes for proactive release on the ACC website with the redactions identified. • The 26 and 27 April 2023 minutes.
<p>1.6. Actions List</p> <ul style="list-style-type: none"> • The Chief Executive noted that Action 1 will be put on hold for six months to focus on upcoming iwi engagements. • Action 4 on the future director framework can be closed as work is underway with Te Kawa Mataaho. • Action 11 on ICP will be updated to include the business case for suppliers. 	The Board noted the Actions List.
<p>1.7. Chair Update</p> <ul style="list-style-type: none"> • Congratulations to the Hamilton staff and everyone involved in the successful opening event of the new Hamilton office. • Meetings during the month included Treasury and the Associate Minister as well as Board Committees.17 M 	The Board noted the update.
<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"> • Ongoing policy work from MBIE on the income insurance scheme and upcoming advice to Ministers in June on the process and challenges. 	The Board noted the report.

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<ul style="list-style-type: none"> • An update from Michael Frampton on the engagement on bargaining with the Public Service Association, including timing. • Feedback on the Board strategy day and stakeholder engagements. Management has followed up with those who were unable to make it to the iwi dinner and will engage with them in the near future. • The overall engagement plan with iwi and understanding what we want to engage on. Board engagement is one aspect and it is important to ensure there are appropriate levels of engagement. • Follow up on the engagements with iwi and Pasifika leaders, including actions and further engagements for the Board. This will be added to the engagement plan and an update in the June CE Report. 	
<p>2. Committee Updates</p>	
<p>2.1. People and Culture</p> <p>Tracey Batten provided an update on the People and Culture Committee meeting held on 1 May 2023, including:</p> <ul style="list-style-type: none"> • The discussion on the DCE People and Culture report and an action to receive a paper at the Committee's next meeting on Payroll over and under payments. • [s 9(2)(h)] • The Wellbeing, Health and Safety Report is on the agenda for the Board's discussion. The Committee has requested a deep dive on physical safety at its next meeting as a key risk. 	<p>The Board noted the update.</p>
<p>2.2. Risk Audit and Assurance</p> <p>Bella Takiari-Brame provided an update on the Risk Audit and Assurance meeting held on 16 May 2023, including:</p> <ul style="list-style-type: none"> • The new process for receiving IQAs on an as-needed basis. 	<p>The Board noted the update.</p> <p>ACTION: Provide an update via the CE's Report on legal compliance, including judgement from the Risk and Compliance team (June 2024).</p>

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<ul style="list-style-type: none"> The Committee is recommending two policies for approval: a new External Auditor Independence Policy and a revised Financial Statements Investments Assets Valuation Policy, which aligns better with the Committee’s Terms of Reference. Positive feedback on the Risk Compliance Review. The Board will have a strategic risk session in June with a risk appetite discussion in September. The Board discussed the need for a dedicated compliance function, including legislative compliance attestation. The Committee is looking forward to the Quarterly Enterprise Risk and Compliance Report reflecting Huakina Te Rā. 	
<p><i>The Board took a short break and returned at 11.00am. Tane Cassidy, Peter Fletcher, Michael Frampton, Amanda Malu, Stewart McRobie and Andy Milne left the meeting. [Name withheld] and [Name withheld] joined the meeting.</i></p>	
<p>3. Te Ao and Mātauranga Māori</p>	
<p>3.1 Mana Motuhake (Autonomy and Choice)</p> <p>[Name withheld] and [Name withheld] took the Board through the second Te Ao and Mātauranga Māori session for the Board to understand the concepts in Te Kāpehu Whetū – mana motuhake.</p> <p>The Board discussed practical examples, including:</p> <ul style="list-style-type: none"> How ACC will balance autonomy of choice and options for Māori clients with the realities of needing structure and practice to deliver at scale at the same time to Māori clients. How ACC can work further with Māori partner providers to enable access for Māori. 	<p>The Board discussed the session questions in the paper, including how the concept applies in practice.</p>
<p><i>Michelle Murray, [Name withheld], [Name withheld] and [Name withheld] left the meeting at 12.10pm. Mark Cross joined the meeting at 12.00pm.</i></p>	
<p>Board and CE Only</p>	
<p>Board Priorities for 2023/24</p>	<p>The Board discussed its priorities for 2023/24.</p>

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<p>The Board Chair introduced the Board priorities discussion, noting that the purpose was for the Board to clearly identify the things it would like to monitor and focus on.</p> <p>Each Board Member identified their top three priorities, and then determined the Board's top five.</p> <p>The summary will be finalised and circulated to the Board as soon as possible ahead of the People and Culture Committee's upcoming discussion on the CE 2023/24 KPIs.</p>	
<p><i>The Board took a break for lunch at 1.15pm and returned to the meeting at 1.35pm. Tane Cassidy, Peter Fletcher, Michael Frampton, Amanda Malu, Stewart McRobie, Andy Milne, Michelle Murray and [Name withheld] re-joined the meeting. [Name withheld] and [Name withheld] joined the meeting.</i></p>	
<p>4. Performance</p>	
<p>4.1. Q3 Performance</p> <p>Megan Main and Amanda Malu introduced the report, noting there is an error on slide 50 which will be corrected before submission to the Minister. The Board's discussion focussed on:</p> <ul style="list-style-type: none"> • The impact of the recent weather events on performance as resource was taken away from customer facing business-as-usual. • The discovery phase of the Rehabilitation Improvement Group (RIG) system design 'Understand' phase will conclude as planned in July and the Board will receive an update in August. The work has so far provided a deeper understanding of the end-to-end rehabilitation 'system'. The update in August will include lessons from Next Generation Case Management, noting RIG also includes all task oriented and administration activity as well as provider tasks and activity. • The malware reports were what had been captured by the cyber security system. • The framework for injury prevention. Some measures relied on the performance of other parties. There will be a broader discussion based on the Board's priorities of how return on investment (ROI) is assessed and the metrics in accordance with the legislation, 	<p>The Board:</p> <ul style="list-style-type: none"> • Approved the submission of the third quarterly report 2022/23 to the Minister by 18 May 2023, subject to any final Board changes.

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<p>including through Te Kāpehu Whetū. ROI is calculated for ACC, not the broader benefit to New Zealand.</p> <ul style="list-style-type: none"> An update on Ngā Tini Whētū funding. The full complement of funding had been confirmed from 1 July from other parties, and there is interest from other sectors. An economic case was being developed to show evidence of success. <p>The Board asked that the noting recommendations to be specific on areas that the Board are asked to note. The resolution for this item will be amended to remove the noting recommendation.</p>	
<p>4.2. Q3 Kōkiri Whakamua</p> <p>Michelle Murray introduced the report, noting that in parallel Management was working towards aligning Kōkiri Whakamua to Huakina Te Rā. The Board discussed:</p> <ul style="list-style-type: none"> The accountability and specificity of the work programme was useful, and the continuing development of the outcomes framework. Sharing lessons learned through design with stakeholders and providers, particularly by different regions. The intention is for the recovery service pilot to scale-up and expand countrywide but it is labour intensive. The Board asked for a summary of the pilot to be included in the next quarterly report. 	<p>The Board discussed the Kōkiri Whakamua report, noting the highlights and challenges experienced in Quarter 3.</p>
<p>[Name withheld] and [Name withheld] left the meeting at 2.30pm.</p>	
<p>4.3. Q3 Wellbeing, Health and Safety Report (via PCC)</p> <p>Michael Frampton introduced the report. The Board discussed:</p> <ul style="list-style-type: none"> The new risk reporting template which will align with the new risk framework, including in the way the risks are described. The employee engagement survey has a question on whether staff feel they have the tools necessary to do their jobs, but not necessarily with a focus on receiving support after engaging with a difficult client. The orientation for customer facing roles is extensive, as well as ongoing, and there are other supports available including mandatory supervision. 	<p>The Board:</p> <ul style="list-style-type: none"> Discussed the contents of the Wellbeing, Health and Safety report, and in particular on controls and assurance for physical safety (which will be further covered in a deep dive review/report that the People and Culture Committee has commissioned). Noted the People and Culture Committee considered the report at its meeting on 1 May 2023.

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<ul style="list-style-type: none"> Work is underway on a work programme for Wellbeing, Health and Safety in connection with Huakina Te Rā with a forward looking view. This will come back to the Board in September. 	
<p><i>Peter Fletcher, Michael Frampton, Amanda Malu, Andy Milne and Michelle Murray left the meeting at 2.45pm. [Name withheld] joined the meeting.</i></p>	
<p>5. Policy, Governance and Other</p>	
<p>5.1 Public Health Acute Services Annual Service Agreement</p> <p>Tane Cassidy and [Name withheld] introduced the paper and explained the background to the PHAS agreement. Management provided its assurance that the agreement is compliant with s301 of the Accident Compensation Act. The Board discussed:</p> <ul style="list-style-type: none"> The total spend on healthcare in New Zealand continues to grow at a rapid rate. Work continues on the need to create visibility of the funding model, but the formula used for the calculation is robust. The formula is reviewed on a 5-10 year cycle. The Board asked that work be undertaken within ACC on a potential three-year funding cycle, noting that engagement with the Minister of Health and Te Whatu Ora will depend on Ministry priorities. Management will come back to the Board in 2024 and consider any compliance issues. The delegations framework requires the Board to endorse and delegate authority to the Chief Executive to sign the joint agency briefing. This yearly endorsement will be considered as part of the review of the three-year funding cycle. ACC's new legislative obligation to monitor access to the scheme by Māori and identified population groups, and the ability to use the PHAS data to support this obligation. The Board asked that this be included in the joint agency briefing to Ministers. 	<p>The Board:</p> <ul style="list-style-type: none"> Endorsed the public Health Acute Service (PHAS) Agreement 2023/24 and the joint agency briefing for forwarding to the Minister of Health and the Minister for ACC to approve by 1 July 2023. Delegated authority to the Chief Executive to sign the joint agency briefing that accompanies the PHAS Agreement. <p>ACTION: Management will come back to the Board in 2024 on a potential three-year PHAS funding cycle.</p>
<p>5.2 NASO – Aeromedical Commissioning Programme – Rotary Wing Fleet Replacement</p>	<p>The Board:</p> <ul style="list-style-type: none"> Endorsed the development of a business case for Approach 2 to request additional funding to support replacing the ageing air

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<p>Tane Cassidy and [Name withheld] introduced the paper. The Board provided feedback areas the business case should cover:</p> <ul style="list-style-type: none"> • Strategy for emergency services including the air ambulance fleet. • What will be required to modernise the fleet, including funding and how the fleet replacement will be placed to deliver the most effective and efficient services e.g., location base, number of assets and the benefits of a unified fleet. • Asset maintenance and replacement [noting that the key issue is that as the fleet ages, more maintenance will be required for each flying hour; and to consider specifying availability as opposed to age of fleet]. • Quantification of the benefit to Māori and other priority population groups' access and equity. 	<p>ambulance rotary wing fleet, which the Board will receive later in 2023.</p> <ul style="list-style-type: none"> • Noted the paper and the ACC Board's decision will be shared with the Te Whatu Ora Board ahead of its discussion on the air ambulance fleet replacement in June 2023. • Noted that the Minister for ACC and Minister of Health will receive a briefing on air ambulance fleet replacement in June/July 2023.
<p>[Name withheld] left the meeting at 3.35pm. [Name withheld] joined the meeting.</p>	
<p>5.3 Accredited Employers Programme – Further Information</p> <p>Tane Cassidy and [Name withheld] introduced the paper. The Board discussed:</p> <ul style="list-style-type: none"> • The AEP measures will be aligned with ACC's updated Service Agreement. The measures included in the paper were indicative from the 2022 consultation documents. • From 1 April 2024 the new AEP performance metrics will be reported on as a baseline, with Accredited Employer performance against these metrics to be managed from April 2025. This will include comparative performance. The Board asked that ahead of the performance reporting it receives an update in October 2023 on data already received by ACC, as well as any anecdotal insights that can be shared. • The shifts the Board can expect the see in the performance reporting include a more direct client connection point with AEP employees including Māori clients and other priority populations. This is an important culture shift. 	<p>The Board:</p> <ul style="list-style-type: none"> • Discussed the intent of the Accredited Employer Performance Monitoring to deliver strategic outcomes and the proposed measures outlined during consultation. • Noted that the proposed changes to AEP are designed to rebalance the benefits amongst employers and employees, as well as improving client satisfaction rates. • Noted that changes to AEP will also support ACC's new legislative obligation to report on the access and outcomes for Māori and identified priority populations. • Noted the specific performance measurements and metrics for the Performance Monitoring will be developed with all relevant AEP stakeholders. • Noted that management recommend a formal review of AEP occur in 2028, after all the changes to AEP have been live for at least three years.

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	ACTION: Report back to the Board in October 2023 on AEP performance based on current data.
<i>Tane Cassidy and [Name withheld] left the meeting at 4.00pm.</i>	
5.4 Policies – Financial Statements Investments Assets Valuation Policy, and External Independence Policy (via RAAC) Stewart McRobie introduced the paper and outlined the changes requested by RAAC to the Financial Statements Investments Assets Valuation Policy. Bella Takiari-Brame confirmed the changes and RAAC’s recommendation to approve.	On the recommendation of the RAAC, the Board: <ul style="list-style-type: none"> • Approved the updated Financial Statements Investments Assets Valuation Policy in Appendix 1, subject to changes requested by RAAC. • Approved the External Auditor Independence Policy in Appendix 2.
<i>Stewart McRobie left the meeting at 4.05pm.</i>	
6. Conclusion	
6.1. Board Work Programme and Next Meeting	The Board noted the Board Work Programme, and discussed the Board stakeholder function and next meeting in June.
<i>Megan Main, [Name withheld] and [Name withheld] left the meeting at 4.10pm.</i>	
Board Only Meeting	
6.2. Review Actions to be taken	
6.3. Meeting Evaluation (Reflections and Feedback)	
Meeting Close 4.30pm (Karakia)	

Approved

Chair signature: _____



Chair Name: Hon Steve Maharey

Date: 22 June 2023