



29 June 2022

[REDACTED]

Kia ora [REDACTED]

Your Official Information Act request, reference: GOV-017083

Thank you for your email of 4 March 2022, asking for the January 2022 ACC Board minutes.

On 20 April 2022, we notified you of our decision to grant your request.

We have withheld some information from the minutes

Attached are copies of approved board minutes for January 2022. We have redacted some information that is legally privileged under section 9(2)(h) of the Act.

We have considered the public interest with respect to the information withheld and are of the view it does not outweigh the interests being protected.

We have also redacted the names of some individuals, noting that you confirmed you did not require this information. We have not redacted the names of Board members, staff in senior management roles, and that of Linda Clarke (who conducted an independent review).

As this information may be of interest to other members of the public

ACC has decided to proactively release a copy of this response on ACC's website. All requester data, including your name and contact details, will be removed prior to release. The released response will be made available www.acc.co.nz/resources/#/category/12.

If you're concerned about this response, please get in touch

You can email me at GovernmentServices@acc.co.nz. You can also complaint to the Ombudsman via info@ombudsman.parliament.nz or by phoning 0800 802 602. Information about how to make a complaint is available at www.ombudsman.parliament.nz

Ngā mihi

Sara Freitag

Acting Manager Official Information Act Services
Government Engagement & Support



**MINUTES ACC FULL BOARD MEETING
TUESDAY 25 JANUARY 9.05AM – 4.45PM
WELLINGTON / MICROSOFT TEAMS**

IN ATTENDANCE

<p>Board Members *By Teams</p>	<ul style="list-style-type: none"> • Steve Maharey – Board Chair • Tracey Batten* – Board Member • Bella Takiari-Brame* – Board Member • Pat Bowler – Board Member • Helen Nott* – Board Member • Mark Cross* – Board Member
<p>ACC Staff *By Teams</p>	<ul style="list-style-type: none"> • Megan Main – Chief Executive Officer • Mike Tully – Chief Customer Officer • Vanessa Oakley – Chief General Counsel • Herwig Raubal – Chief Risk and Actuarial Officer • John Healy – Chief Financial Officer • Michelle Murray* – Chief Māori and Equity Officer • Peter Fletcher* – Chief Technology and Innovation Officer • Sharon Champness – Executive Lead, Employment Insurance • Cain McLeod – Acting Chief Talent Officer • Outside of scope – Senior Corporate Secretary (Secretary) • Outside of scope – Head of Legal, Corporate Secretariat and Investments • Outside of scope – Manager, Service Strategy and Insights • Outside of scope – Head of Legal, Scheme and Commercial • Outside of scope – Head of Client Recovery • Outside of scope – Head of Operational Performance and Intelligence • Outside of scope – Head of Health, Safety and Wellbeing
<p>External Attendees</p>	<ul style="list-style-type: none"> • Linda Clark* – Partner, Dentons Kensington Swan

The meeting commenced at 9.05am with all attending Board Members present.

BOARD ONLY

Governance Discussion

The Chair informed the secretary that Ms Takiari-Brame discussed with the Board the governance aspects of Te Tiriti o Waitangi.

Board Only Discussion

Ms Main joined the meeting at 9.45am.

CE only session

Mr Tully, Ms Oakley, Mr Raubal, Mr Healy, Ms Murray, Mr Fletcher, Ms Champness, Mr McLeod, and Outside of scope joined the meeting at 10.10am



The Board took a short break and resumed at 10.15am.

BOARD ADMINISTRATION

1. Apologies

David Hunt – Board Member.

2. Register of Key Interests

The Board Chair noted that he had an addition to the register which he will provide to the Secretary.

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.

3. Minutes

The Board **approved** the December 2021 minutes with no changes.

4. Board Actions

The Chair introduced the action items. The Board noted:

- The Chair had discussed with Management what will be included as actions and realistic timeframes.
- Action item 6 and asked that this be kept open given the emerging response to Omicron.
- Labelling the action items 'proposed closed' if it is to be dealt with at the meeting.
- Items 7 and 8 will be coming to the April 2022 Board meeting not March.

The Board **noted** the actions.

KEY UPDATES

5. Chair Update

The Board Chair noted that he had met with the Chief Executive and Management to discuss the annual plan and confirmed that no further action was required from ACC on a recent media story involving IRD taxing ACC weekly compensation.

The Board **noted** the update.

6. Chief Executive's Report

The Chief Executive took the Board through her report, which outlined top organisational issues and updates, including on the vaccine mandate. The Board noted:

- The lower costs for the independent privacy review. A higher amount had been budgeted for based on previous reviews, but there is no reduction in scope.
- The impact on ACC of a health system under extreme pressure due to Omicron. ACC is already in discussions with Interim Health NZ and the Ministry of Health to discuss expected volumes and resourcing.

The Board **noted** the update.



7. SUI Committee

Mr Bowler provided a verbal report to the Board on the two most recent SUI Committee meetings: the monthly Committee meeting just prior to Christmas and the strategic discussion held the previous week. The Board discussed:

- The consultation document would be released next week which focusses on the proposed income maintenance aspect of the scheme.
- ACC's role in the scheme, including end-to-end case management.
- Treaty implications, and an upcoming plan for consulting with Māori.
- Clarity of the legislative process.
- Overseas experience, although the New Zealand proposal is unique.
- Supporting handover of clients at the end of the six-month SUI period to different agencies.

The Board **noted** the update.

Mr Tully, Mr Raubal, Mr Healy, Ms Murray, Mr Fletcher, Ms Champness, Mr McLeod, and Ms Outside of scope left, and Ms Clarke joined the meeting at 11.00am.

STRATEGIC

8. Independent Review

The Board discussed the progress of the Independent Review with Ms Clark.

The Board **noted** the contents of the Independent Review update.

Ms Clark left the meeting at 12pm. The Board had its lunchbreak and the meeting resumed at 12.31pm. Mr Tully, Mr Raubal, Mr Healy, Ms Murray, Mr Fletcher, Ms Champness, Mr McLeod, and Outside of scope re-joined the meeting.

9. ACC Strategy Development

Ms Main introduced the paper, which provides a summary of the high-level timeframe and milestones for developing the new ACC strategy, and identifies key engagement points with the Board. The Board noted:

- It is comfortable with the timeline.
- Strategy development would be for the whole of ACC, not just the accident compensation scheme.
- A new Statement of Intent is due to the Minister in December 2022.

The Board **noted** the draft timeline and milestones for developing ACC's new Strategy (see Appendix 1).

Outside of scope joined the meeting at 12.40pm.

10. Corporate Delegations

Ms Oakley and Outside of scope introduced the paper, which sought the Board's approval of a refresh of ACC's corporate delegation to the Chief Executive. This is a first step to enable change to the existing framework.

The Board noted its changes to the paper:

- The Whole of Life Cost overspend of up to 20% where the Board did not approve the contract will be amended to 10%.



- Management will provide the list of Board approved corporate policies. Not all were delegated to the Chief Executive.
- A separate line will be added to the human resources section to confirm that the Board approves recruitment and agreements etc for Executive direct reports to the Chief Executive.
- The Board approves the total capex and opex budgets. The Chief Executive can approve reallocations within the total budgets subject to limitations on the Chief Executive's authority within the business plan. Approval of re-forecasts by Executive members are only for their group budgets. This would be clarified.
- Tolerance of risk will be changed to risk appetite statement.

The Board asked Management to consider tiering the structure as it goes through the next stages of the review and how the delegations will be regularly reviewed by the Board.

The Board:

- **Approved:**
 - the updated Delegation to CE; and
 - the Corporate Delegations Policy.
- **Delegated authority** to the Chief General Counsel to make changes to the delegations to incorporate the Board's feedback.

Outside of scope left the meeting at 1.00pm.

11. Board Reporting Between Meetings

Ms Main presented the paper. The paper sought the Board's approval to updating the periodic reporting provided to the Board by management between meetings. It also provided the Board information in respect of the interplay of Board dates with reporting dates.

The Board noted:

- Going forward any updates in relation to COVID would be included in the Chief Executive's monthly report
- It would continue to receive the daily media emails.

The Board instructed that daily media emails continue to be provided to Board members.

The Board **approved** that management:

- Cease providing weekly reporting to the Board.
- Change the frequency of the Performance Reporting and Health, Safety and Wellbeing Reporting from monthly to quarterly.
- Provide more insight and commentary in future reporting.

Outside of scope and *Outside of scope* joined the meeting at 1.10pm.

12. HSS Update

Outside of scope took the Board through the update which outlined upcoming sector and detail challenges and updated the board on the delivery progress of initiatives aligning to the HSS Roadmap. The Board noted:

- ACC is engaging early with the Health NZ transition unit to understand the impact on HSS, particularly from Omicron, and areas where the HSS can be more flexible.
- The privacy review and enhancements has not raised any capability issues with the current system.
- Consistency of Net Trust Score (NTS) reporting in this report with other reports, including alignment with Statement of Intent targets and other data. The provider NTS is amalgamated



across providers and does not show improvement in provider engagement across different sectors. The deep dive in April will provide more background on this.

- Māori health outcomes. Some non-kaupapa Māori services were showing good evidential outcomes on a client level but there is no baseline to compare. Work is continuing on the Māori outcomes framework.
- The quarterly HSS Update is useful to show a clear articulation of the challenges and risks but some financial and qualitative benefits are starting to be realised.

The Board **noted** the contents of this update.

Outside of scope , Outside of scope left and Outside of scope joined the meeting at 1.45pm.

PERFORMANCE

13. *AZ Spina Bifida case [LEGALLY PRIVILEGED]*

9(2)(h)



Outside of scope left the meeting at 2.15pm.

14. Monthly SUI Update

Ms Champness introduced the paper, which updates the Board on the progress with implementation planning for the Government's proposed SUI scheme and sought endorsement of the cost allocation principles for ensuring appropriate allocation of costs between the SUI and ACC schemes. The Board noted:

- Government appropriations have now been confirmed.
- Public consultation is now likely to commence on 2 February 2022. Management will provide updates to the Board on the consultation feedback in real time.
- A two-stage cabinet approval is being planned to start May, which will allow an extra month for implementation.

The Board:

- **Approved** the cost allocation approach for each phase of SUI planning, implementation, and operation.
- **Noted** that the approach may need to be revised over time.

The Board took a short break at 2.20pm and all attendees returned at 2.30pm. Outside of scope and Mr Outside of scope joined the meeting.



15. Quarterly Performance Report

Mr Healy introduced the report, which provides performance information for December 2021. This includes the second quarterly report to the Minister to meet requirements and timelines set out in the Service Agreement for 2021/22 for approval by the Board. The Board noted:

- Short-and long-term performance measures and the impact from COVID.
- Appropriate resourcing levels and available metrics to assess the correct level.
- Completion of priority 2 tasks.
- A Next Generation Case Management detailed update will be provided to the Board in March.
- COVID scenario planning, which will be brought to the Board's next meeting.

The Board:

- **Approved** the presentation of the second quarterly report 2021/2022 to the Minister by 31 Jan 2022.
- **Noted** the additional information for December 2021.

Outside of scope and Outside of scope left the meeting at 3.05pm.

16. Operating Costs

Mr Healy introduced the paper, which provides an update on our 2021/22 financial year-end operating cost forecast and the actions taken to mitigate a predicted overspend. The Board noted the Enterprise Change Portfolio \$11.1m overspend includes the \$4.7 additional technology spend to be brought forward from 2022/23 already approved by the Board.

The Board:

- **Approved** the increased costs for the Enterprise Change Portfolio in 2021/2022.
- **Noted** the contents of the paper.

17. FY23 Budget and Annual Service Agreement

Mr Healy introduced the paper, informing the Board of the annual Budget, business planning and Service Agreement processes ahead of upcoming approval points.

The Board **noted** the contents of the paper.

18. Quarterly Kōkiri Whakamua Update

Ms Murray took the Board through Quarter 2 report on the priorities within Kōkiri Whakamua – our Whāia te Tika Action Plan 2021/2022. The Board noted:

- The impact of COVID on engaging with Māori communities.
- The update on WAI2575 and ongoing work.
- Initial discussions are progressing on alignment with ACC investment fund opportunities.
- The Māori Outcomes Framework conceptual outcome design has been completed.

The raised an **action** to provide the Board with a copy of the Māori Outcomes Framework and how it links to the Health Outcomes Framework.

The Board **noted** the contents of this paper.

Outside of scope joined the meeting at 3.40pm.



19. Work Related Stress Action Plan

Mr McLeod and Outside of scope introduced the paper, which informs the Board about the plan for implementing recommendations from a recent review of work-related stress incidents. The Board noted:

- Management should consider whether it would be useful to get further insight from the external reviewers about where implementation has moved ACC along the spectrum to best practice.
- Complaints management. Incidents are not raised with a manager in the employee's business group unless the employee gives express permission.
- Thinking continued on how to best manage reported incidents while working from home.

The Board **noted** the contents of the paper.

20. Monthly Health, Safety & Wellbeing Update

Mr McLeod and Outside of scope introduced the paper, which informs the Board about health, safety and wellbeing activity for the month. The Board noted:

- Very few work-related stress incidents had been reported, consistent with yearly summer trends. Two of the four incidents directly relate to ACC's vaccination policy.
- The change in injury trends due to working from home, including one employee on a paid break who slipped in their kitchen.

The Board **noted** the contents of the paper.

Outside of scope left the meeting at 4.10pm.

GENERAL BUSINESS AND REFLECTIONS

21. Annual Work Plan

The Chair asked Board Members to send him any feedback on the plan.

22. Any other business

The Board **noted** the NZIIR update in the inform only Monthly Litigation report.

Ms Main, Mr Tully, Ms Oakley, Mr Raubal, Mr Healy, Ms Murray, Mr Fletcher, Ms Champness, Mr McLeod and Outside of scope left the meeting at 4.15pm.

23. Feedback and observations

Dr Nott provided her feedback and observations.

The meeting closed at 4.30.

Approved

Chair Name: Hon Steve Maharey

Date: 3 March 2022

Signature: