

09 May 2022

Kia ora [REDACTED]

Your Official Information Act request, reference: GOV-016136

Thank you for your email of 23 December 2021, asking for the following information under the Official Information Act 1982 (the Act):

Would you please email me a copy of the November Board minutes confirmed at their meeting on the 16th December?

You further advised us that you did not require the names of staff below Executive to be included in this response. Therefore, we have redacted these names as out of scope.

On 10 February 2022, we notified you that we needed extra time to make a decision on your request.

We have withheld some information from the minutes

Attached is a copy of approved board minutes for November 2021. We redacted some parts under the following sections of the Act:

- 9(2)(h) – as the information is legally privileged
- 9(2)(j) – to enable to carry on negotiations without prejudice or disadvantage
- 9(2)(f)(iv) – to protect the confidentiality of advice tendered by officials

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.

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

ACC may decide 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 complain 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
THURSDAY 25 NOVEMBER 9AM-4.50PM
WELLINGTON / MICROSOFT TEAMS**

IN ATTENDANCE

<p>Board Members *By Teams</p>	<ul style="list-style-type: none"> • Hon Steve Maharey – Board Chair • James Miller* – Board Deputy Chair • Dr Tracey Batten* – Board Member • Bella Takiari-Brame* – Board Member • Pat Bowler – Board Member • Dr Helen Nott* – Board Member • Mark Cross* – Board Member • David Hunt – Board Member
<p>ACC Staff</p>	<ul style="list-style-type: none"> • Megan Main – Chief Executive Officer • Mike Tully – Transition Executive • Emma Powell – Chief Customer Officer • John Healy – Chief Financial Officer • Michelle Murray – Chief Māori and Equity Officer • Paul Dyer* – Chief Investment Officer • Peter Fletcher* – Chief Technology and Innovation Officer • Sharon Champness – Executive Lead – Employment Insurance • Vanessa Oakley – Chief General Counsel • Cain McLeod – Acting Chief Talent Officer • Gabrielle O’Connor – Acting Chief Operations Officer • Simon Beattie – Executive Advisor • [Out of Scope] – Senior Corporate Secretariat (Secretary) • [Out of Scope] – Head of Customer Engagement • [Out of Scope] – Manager, Brand & Identity • [Out of Scope] – Head of Business Partnerships • [Out of Scope] – Head of Injury Prevention • [Out of Scope] – Manager, Targeted Investment • [Out of Scope] – Chief Clinical Officer & Head of Health Partnerships • [Out of Scope] – Head of Client Recovery • [Out of Scope] – Manager, Recovery Services • [Out of Scope] – Portfolio Manager • [Out of Scope] – Manager, Service Strategy & Commissioning • [Out of Scope] – Manager, Policy • [Out of Scope] – Head of Health Safety Wellbeing • [Out of Scope] – Head of Operational Performance & Intelligence • [Out of Scope] – Head of Risk & Assurance

The meeting commenced at 9.00am am with all Board members present.

BOARD ONLY DISCUSSION

The Chair informed the Secretary that Board discussed the process underway by the Minister for new Board members. Mr Miller stands down from 31 December 2021. The Chair thanked him for his significant contribution to ACC and noted that Mr Millar would be thanked formally at an event in the New Year.



1. Register of Key Interests

CONFIRMED: The Board reviewed the Register of Key Interests and confirmed 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.

Ms Main, Mr Tully, Ms Powell, Mr Healy, Ms Murray, Mr Fletcher, Ms Champness, Ms Oakley, Mr McLeod, Ms O'Connor and Ms [Out of Scope] joined the meeting at 9.50am.

PROCEDURAL BUSINESS

2. Apologies

There were no apologies.

3. Minutes

The Board approved the October 2021 minutes, subject to the clarificatory changes regarding EVs in the levy discussion.

4. Board Actions

The Board noted the actions and that items 4 and 7 are closed.

ACTION: The Board requested that an HSS progress update at the January 2022 meeting. (This sees four scheduled for the 2022 year).

The Board noted the actions.

5. Board Annual Plan

The Chair introduced the Board Annual Plan. Locations would be in place before the end of 2021, including visiting regional centres.

COMMITTEE UPDATES

6. SUI Committee

Mr Bowler provided an overview to the Board and noted the minutes of the Committee meeting and Board paper. The Board discussed:

- The Board Chair's meeting with the Minister of Finance.
- ACC's role and the relationship with other agencies.
- The purpose of the Committee, which is to ensure Management can undertake the work programme at pace to keep moving with the whole of government process.
- The Board will discuss ACC costs during the SUI update later on the agenda.
- The risks for ACC if the costing estimates were not sufficient to implement given the complexity. There was general discussion regarding the assumptions informing the costing estimates and that the Committee's discussion had also focussed on this.
- Technology and digital by design.

The Board noted the update.

CHAIR AND CE UPDATES

7. Chair Update (including correspondence)

The Board Chair provided an update on his work over the previous month, including correspondence received, discussions with Ministers and other stakeholder groups, and welcoming the new Chief Executive.

The Board noted the update.



8. Chief Executive's Report

Ms Main introduced the report. Mr Tully provided an update on key issues, including staff investigations regarding the Snapchat matter and other staff investigations that are continuing. He also updated the Board on the investigation regarding harassment and that this was continuing. He advised the Board that he and Mr McLeod were taking over the OK2Say system and considering where service could be expanded, and ways of making these channels clearer for staff. Consideration will also be given to picking up staff complaints to the Minister's office.

Ms Oakley provided the Board with an update on the engagement and set up of the independent reviewer, Linda Clark. In parallel, Management is working on a range of continuous improvement initiatives. These will progress in parallel with the independent review.

ACTION: Management will provide an overview of continuous improvement initiatives regarding systems, policies and training regarding client information.

ACTION: Ms Clark will attend the 25 January Board meeting to discuss the independent review.

Ms Main congratulated Ms Powell on her secondment as Interim Director of the Joint Venture for Family and Sexual Violence and thanked Mr Tully for stepping into the COO role.

Ms O'Connor and Mr McLeod took the Board through the living and working with COVID presentation. Consultation on the proposed vaccination policy approach would happen from Monday next week. A powerpoint was shared with the Board and will be loaded into Diligent. The Board discussed a range of matters including:

- Members of the public accessing ACC sites. Management noted that 80% of visits to ACC sites were dropping off a medical certificate and this could be done through a drop box. Other reasons for visits can be delivered through virtual channels, which will be strengthened
- Ms O'Connor advised that ACC is not an essential service.
- Proposals will take effect from 15 December, but the 28 February deadline provided time for the consultation process to occur in parallel with an education and encourage programme, also taking account the Christmas period. ACC's position is to leverage materials from the health sector rather than create its own.
- The approach for service providers. Vaccinations are already mandated for health practitioners and the impact on workers is being considered, particularly for home and community support workers. Telehealth services were excluded from mandate.
- Requirements for booster vaccinations will be built in as and when required.
- The medical exemptions process is still being worked through.
- ACC is already working through claims which involve COVID.
- The messaging of any changes implemented is important for customers. Their ability to access ACC will not change. There is a separate external engagement plan for providers, business customers and clients and a plan for engaging with Māori is being developed.

ACTION: The Board requested ongoing updates on COVID and vaccination policies.

The Board noted the update.

KEY PAPERS

9. Speak Up Channels

This item was dealt with during the Chief Executive's Report.

The Board took a short break at 11.13am. The Board and attendees present returned to the meeting at 11.20am. Mr Dyer, Mr Beattie, Ms [Out of Scope] and Ms [Out of Scope] joined the meeting.



10. Public Engagement Update

Ms Powell introduced the update. Ms [Out of Scope] noted that ACC was into year three of a five-year engagement strategy. The strategy had been successful and required continued investment. The Board’s discussion focussed on:

- The public trust and customer engagement metrics, which measure different things, and how this helps to inform where investment might best be made.

ACTION: The Chief Customer Officer will bring together an integrated view of trust, what it is, how it fits with “public confidence” and the metrics.

ACTION: Provide NTS benchmarking information.

- Awareness numbers, which started from a low base. Spontaneous awareness is low – the public knows the name but do not understand the role and the services. Prompted awareness is higher.
- How to gain more insights about topical community issues. ACC is getting more sophisticated with this, including using digital marketing and tools like Salesforce.
- A new Investment communications and engagement strategy is being implemented, including recruiting a resource to proactively communicate some positive stories.
- The engagement strategy went through a significant discovery phase using a Te Ao Māori approach. It will be important to have a dynamic approach during the next year as the broader ACC strategy and SU1 continues to develop, including considering how to best engage with different audiences like Māori.

The Board noted the contents of this paper

Mr Dyer, Ms [Out of Scope] and Ms [Out of Scope] left, and Mr [Out of Scope] joined the meeting at 11.52am.

KEY PROGRAMME UPDATES

11. Accredited Employer Programme

Ms O’Connor informed the Board on the background on recent media articles on Talley’s Group and their AEP audit work. The media has been focussed on the 2019 audit and not the work in between. Management has been working closely with Talley’s Group and WorkSafe.

Ms Takiari-Brame left the meeting at 12.01pm.

Mr [Out of Scope] introduced the paper. The Board made a number of enquiries focused on:

- The proposed new AEP model, which would provide for:

- o [s 9(2)(f)(iv)]
- o [s 9(2)(f)(iv)]
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[s 9(2)(f)(iv)]

- [s 9(2)(f)(iv)]
- [s 9(2)(f)(iv)]
- [s 9(2)(f)(iv)]
- [s 9(2)(f)(iv)]

ACTION: The Board requested to be informed about the future AEP consultation document before it is released.



The Board:

- **Endorsed** Management's proposed changes to the AEP Framework.
- **Approved** Management to engage with the Minister for ACC and MBIE to present our proposed changes to the AEP Framework.
- **Noted** that the Minister for ACC is required to make the final decision to introduce the changes to the AEP Framework following consultation as she deems appropriate.

Mr [Out of Scope] and Mr Beattie left the meeting at 12.20pm and Mr [Out of Scope] and Mr [Out of Scope] joined.

12. Injury prevention, falls campaign

Mr [Out of Scope] introduced the paper and summarised the work to date and the proposals ahead. The Board endorsed the work to date and the ROI on the investment. It was noted that embedding the work into the DHBs in the future is key particularly as the health reforms are implemented. The existing contract will be rolled over to Health NZ.

The Board:

- **Approved** ACC to invest up to \$19.67m in the Live Stronger for Longer programme.
- **Noted** the contents of this paper.

The Board stopped for lunch at 12.30. The meeting resumed at 1.00 with all Board Members present and Ms Main, Mr Tully, Ms Oakley, Ms Powell, Mr Healy, Ms Murray, Mr Dyer, Mr Fletcher, Ms Champness, Mr McLeod, Ms O'Connor, Ms [Out of Scope] and Dr [Out of Scope]

SERVICE CONTACT APPROVALS

13. Emergency Ambulance Services Funding

Dr [Out of Scope] [s 9(2)(j)] introduced the paper, explaining that current response times were not being met. The [redacted] The

Board made a number of enquiries, including:

- How to address the root cause of the incremental funding requests. Discussions with the Minister would happen over the medium-term period, [s 9(2)(j)] [redacted]
- [s 9(2)(j)] [redacted] A meeting with the health reforms transition unit is scheduled.
- The work to be done during the next four-year contract period to ensure ACC is well-prepared to enter the 10-year contract.
- The increased costs were not reflected in the ACC levy projections used for consultation.
- Whether there are other risks not discussed in the paper. The potential impact of COVID-19 was a risk which had been modelled off Australia and the United Kingdom.
- [s 9(2)(j)] [redacted]
- [s 9(2)(j)] [redacted]
- [s 9(2)(j)] [redacted] Options would be brought back to the Board for approval when required.

The Board:

- **Approved** an increase in ACC's contribution to the Emergency Air Ambulance Service contracts.
- **Delegated** authority to the CEO to approve and sign new contracts.
- **Endorsed** the Commissioning Emergency Road Ambulance and Communications Service business case.
- **Delegated** authority to the Board Chair, Dr Batten and Dr Nott to consider and approve funding for Emergency Road Ambulance and Communications Services contract.
- **Noted** the contents of this paper.

Mr [Out of Scope] Mr [Out of Scope] and Mr [Out of Scope] joined the meeting at and [Out of Scope] .40pm.

14. Rural General Practice Contract

Mr [Out of Scope] introduced the paper. He informed the Board of context for ACC and confirmed that GPs will be able to opt to go under the relations or contract.

There was general discussion about how to ensure that contract extensions, which are known to be ahead, are considered in budgeting up front, delegations and ensuring the Board has sufficient insight. This should reduce discussions about cost pressures.

ACTION: The Board requested a future strategic discussion on the 102 contracts, as well as how to consider the cost of treatment regulations and barriers to accessing the scheme.

The Board:

- **Endorsed** ACC progressively moving towards one consolidated contract for purchasing general practice services.
- **Approved** an extension to ACC's Rural General Practice contract.
- **Noted** the contents of this paper.

Mr [Out of Scope] left the meeting at 1.50pm.

15. Increasing Contracted Rates

Dr [Out of Scope] introduced the paper. The Board's discussion focussed on:

- Better clinical outcomes from the new pathway model of care. This will be raised with the HSS Advisory Committee.
- The partnership with the health sector and transparency to deliver good outcomes. The level of significance for DHBs depended on the amount but these costs will progress good patient outcomes. This will also be addressed under the relevant contracts.
- The costs were not built into the levy recommendations for consultation. The Board Chair will raise this in his next meeting with the Minister. The levy discussions at Board level focussed on the consultation, but in future should also consider the budgeting and forecasting process for determining the amounts to be consulted on.

The Board:

- **Approved** the proposed increase in allowance for nurse time and skill mix.
- **Approved** the proposed price increase for the 60 contacts services.
- **Approved** the proposed adjustment for the Integrated Home and Community Services.

Dr [Out of Scope] Mr [Out of Scope] Mr [Out of Scope] and Mr [Out of Scope] left, and Ms Takiari-Brame re-joined and Mr [Out of Scope] joined the meeting at 2.10pm.

16. Cost of Treatment Rates

Ms Powell introduced the paper. The Board's discussion focussed on providers sharing co-payments, which could be prevented through contracts but not under the regulations. This was deliberately done for the sensitive claims contract from 2014 onwards. There was a review of the Regulations scheduled in the Act to occur every two years, with the next one in December 2022. The Board would have a strategic discussion prior to this review.

The Board:

- **Noted** the contents of this paper.
- **Endorsed** Management's proposals for recommendation to the Minister for rates.



Mr [Out of Scope] left, and Ms [Out of Scope] joined the meeting at 2.20pm.

REGULAR REPORTING / UPDATES

17. Monthly Health, Safety and Wellbeing Report

Mr McLeod and Ms [Out of Scope] introduced the update. The Board was informed that:

- Accidents at home were occurring and reminders would go out to people.
- Threat incidents were increasing but, there were good measures in place for dealing with client incidents including immediate response procedures, security advisors and care indicators.

ACTION: Provide the Board with information on security assistance.

Mr McLeod informed the Board that [s 9(2)(h)]

[s 9(2)(h)] He advised that there were some quick wins that can be done and to ensure appropriate leaders were involved. The Board noted that it needed to have insight into the recommendations, and action plan, and its completion.

[s 9(2)(h)]

The Board noted the contents of this paper.

Ms [Out of Scope] and Ms Murray left, and Mr [Out of Scope] and Mr [Out of Scope] joined the meeting at 2.30pm.

18. Monthly Performance Update

The Board discussed the update:

- The Board queried the deterioration in rehabilitation rates in the long-term claims pool. Ms O'Connor explained that it continued to be dealt with through Next Generation Case Management as staff became more expert in assisting the clients within this pool.
- Management is seeing improvements in the front-end metrics for tasks and workload. This month the client recovery space was around 87 FTE over budget, but forward recruitment is beneficial.
- Auckland moving from level 3 saw an impact on assisted recovery.

The Board discussed areas of performance it would like a deep dive on in the future such as Next Generation Case Management (and discussion with sorties about caseloads, people and benefits), and levy adequacy. It was agreed that Mr Bowler could discuss statutory reviews with Ms Oakley and Ms Powell prior to the litigation paper being presented at the next Board meeting.

The Board noted the performance information for October 2021.

Mr [Out of Scope] and Mr [Out of Scope] left the meeting at 2.50pm.

19. Quarterly ICIP Update

Mr Fletcher introduced the update. The pressure on the FY21/22 portfolio was not included in the Cabinet paper as it only included information on the year to June 2021. The paper stated a close out date of FY22 and Management was still reviewing options to meet that date.

ACTION: Management to come back to the Board with a revised ICIP close-out date.

The Board noted the ICIP Q1 FY21-22 Update.

The Board took a short break at 3.05pm and all Board Members and attendees present returned at 3.10pm.

20. Quarterly Customer Feedback Report

Ms Powell introduced the paper, noting that it responded to a board action on benchmarking. The Board's discussion focussed on:

- Root cause analysis of the Severity 3 incident. The analysis took a systematic approach and more capability had been recently introduced on issue analysis.
- Support for employees dealing with self-harm incidents with clients. There was training at induction, refresher training, leader support, escalation methods, and a well-known policy on welfare checks. EAP services and professional supervision provided ongoing support for these staff members.
- How to have a two-way engagement with customers.
- The security reporting should incorporate where complaints are up to in the ACC process.

The Board noted the contents of this paper.

Ms [Out of Scope] joined the meeting at 3.30pm.

21. Quarterly Enterprise Risk & Compliance

The Board discussed the report, including:

- How the second line supported Management in navigating through the changing risk profile. Specialist health and safety, privacy and legal expertise provided breadth in second line reporting in different risk types
- Injury prevention had moved from low to medium because the risk was re-baselined.
- The cyber risk trend is increasing based on environmental factors. Good controls are in place and the Risk Assurance and Audit Committee will receive a summary of all assurance plans at its next meeting.
- The emerging risk related to addressing perceived inequities in the ACC Scheme. ACC is actively part of the advice MBIE is preparing for the Minister. The effort was on making incremental changes to the ACC scheme, but there could also be some opportunities to take a broader view of changes.
- As an update on analysis around mental health (a Board action), Taylor Fry is into phase 2 using machine learning as a way into claims and locating where mental health may be showing up. An update was likely in March and correlation with claims and rehabilitation data to be part of future strategy discussions.

ACTION: Provide an explanation where there is a change to a target in the enterprise risk profile.

The Board noted the report.

Ms [Out of Scope] left the meeting at 4.00pm.

22. Monthly SUI Update

Ms Champness introduced the paper and provided an update on the timelines. The implementation cost proposal has been submitted to MBIE who were drafting a paper explaining the costs to Ministers.

The Board discussed the request for an additional \$4.7m for the ACC technology budget for this financial year. This was ACC work currently scheduled and budgeted for in the FY2022/23 but bringing it forward would reduce the risk of implementing SUI. This was supported by the Chief Financial Officer and the Chief Technology and Innovation Officer. The Board discussed it would not approve the request at this meeting and enable Management to consider it further.

ACTION: Provide the SUI Committee and Board with a principled governance model for cost sharing between the ACC scheme and SUI.

The Board:

- **Ratified** that the SUI Board Committee approved:



- [s 9(2)(f)(iv)]
- [Redacted]

- **Approved** amendment to slightly reduce the contingency amount
- **Approved** changes to the SUI – Board ToR to:
 - allow the committee to have external members appointed by Board resolution
 - add the Tumu Pae Ora to the persons with a standing invitation to attend committee meetings; and
 - authorise the Chief General Counsel to make and finalise the changes to the Terms of Reference
- **Approved** the appointment of [Out of Scope] as an external member of the Social Unemployment Insurance Board Committee.

Ms [Out of Scope] joined the meeting at 4.25pm.

23. Monthly Litigation Update

Ms [Out of Scope] and Ms Oakley discussed the issues in the supplementary legally privileged paper [s 9(2)(h)]

The Board noted the contents of this paper.

Ms [Out of Scope] joined the meeting at 4.35pm.

APPROVALS

24. Delegation Authority for Recommendation to Select Supplier

Mr Fletcher outlined what he wished with discussions as a next step.

The Board:

- **Authorised** the Chief Technology and Innovation Officer to proceed with the Recommendation to Select' a preferred supplier for Cloud based Telephony services, with a Whole of Life Cost (WOLC) over seven years estimated to be valued at over \$50 million.
- **Noted** the contents of this paper.

GENERAL BUSINESS

25. Any other business

ACTION: Management to provide a deep dive on the media and communications strategy.

There were no further items of general business.

Ms Main, Mr Tully, Ms Powell, Mr Healy, Mr Fletcher, Ms Champness, Ms Oakley, Mr McLeod, Ms O'Connor and Ms [Out of Scope] left the meeting at 4.40pm.

26. Feedback and observations

The Board discussed feedback and observations on the meeting in Board only time.

Closure: The meeting closed at 4.50pm.

Approved: *Hon Steve Maharey*

Date:

Chair Signature: