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He Whakaora.
prevention. care. recovery.

Ratonga Whakaaetanga Service Agreement 2021/22

Accident Compensation Corporation



Service Agreement

For the year ending 30 June 2022
between the Minister for ACC and the
Accident Compensation Corporation

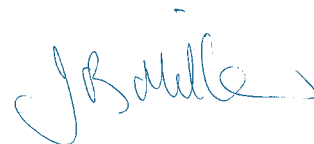
This Service Agreement¹ is required under the Accident Compensation Act 2001 and it also constitutes the annual statement of performance expectations for the purposes of the Crown Entities Act 2004 – both as amended by the Crown Entities Amendment Act 2013.



Hon Carmel Sepuloni
Minister for ACC
Dated 29 June 2021



Dame Paula Rebstock DNZM
Board Chair
Dated 24 June 2021



James Miller
Deputy Chair
Dated 23 June 2021

Ratonga Whakaaetanga

Mo te mutunga o te tau 30 o Pipiri
2022 e te Minitā o ACC me te
Kaporeihana Āwhina Hunga Whara

Mā te Ratonga Whakaaetanga² e whaimana ana i raro o te Ture ACC me ngā mahi kōrero whaitake-a-tau me ngā hoaketanga o te Ture Crown Entities Act 2004 me ana nekeneketanga e te Ture Crown Entities 2013.

1. For information on how this Service Agreement aligns with our other accountability documents, refer to **Appendix 1 – Alignment of the Service Agreement**. The conditions of this Service Agreement are disclosed in **Appendix 2 – Conditions of the Service Agreement**.

2. Mā te kōrero e pēhea ana ki ngā Ratonga Whakaaetanga me ngā herenga kōrero whānui, tirohia ki te **Appendix 1 – Alignment of the Service Agreement**. Kei kōnei ngā herenga ki tēnei Ratonga Whakaaetanga ki **Appendix 2 – Conditions of the Service Agreement**.

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An online version of this can be found at www.acc.co.nz/about-us/corporate/

Our strategic and performance environment

Our strategic framework

ACC's vision and values reflect the organisation that we want to be and the vision established by Sir Owen Woodhouse.

Our vision, values and outcomes are intended to remain constant over time, while our strategic intentions reflect the areas that we have identified as needing the most focus during the period of the Statement of Intent (2021–2025). There is a strong alignment between our outcomes and our strategic intentions.

Our strategic intentions represent our commitment to:

- reduce the incidence and severity of injury in New Zealand by increasing the success of our injury prevention activities
- rehabilitate injured people in New Zealand more effectively by improving our customers' outcomes and experiences
- ensure that New Zealand has an affordable and sustainable scheme by improving the sustainability of the ACC Scheme.

Injury prevention is critical to the success of ACC. It all starts before injury, because most injuries are preventable. By preventing injuries or reducing the severity of injuries sustained in the first place, we can reduce overall harm to New Zealanders.

Where an injury has occurred, ACC works to rehabilitate the individual. We recognise that an individual's health and wellbeing are significantly improved with a rapid return to independence, so it is important that we ensure the Scheme is fair and accessible and provides individuals with the right services at the right time.

We will continue to transform, contribute to our strategic intentions and respond to the changing needs of our customers. This will be achieved through delivery of new initiatives to support improved client outcomes, operational resilience and efficiency.

We plan to maintain our pace of change and our management team and Board are committed to ensuring that our performance tracks as expected as changes are delivered.

Strategic framework



Our key performance measures

Our most important performance measures are presented in our Statement of Intent 2021–2025. These measures best reflect the aspects of performance we can control. They are closely aligned with the expectations of the Minister for ACC, as expressed in the letter of expectations. Together, they provide a succinct view of:

- how we are delivering impact
- the extent to which we are meeting our customer expectations
- the extent to which we are delivering a Scheme that New Zealanders have trust and confidence in
- whether we are delivering a cost-effective Scheme that provides fair compensation in return for a fair levy.

These key performance measures cover our strategic intentions and extend to providing transparency in how we are developing our organisational health and capabilities.

TABLE 1 – KEY PERFORMANCE MEASURES – STRATEGIC INTENTIONS

Key measure		Rationale	Actual 2019/20	Mar 2021	Target 2021/22
Injury prevention	Return on investment³ 0 to 20-year programmes	We invest to keep New Zealanders safe from accidental injury by working with others to reduce the risk across a range of areas.	\$1.99:\$1	\$2.01:\$1	\$2.08:\$1
	Return on investment workplace programmes ⁴	We take a portfolio approach. This means that overall we expect our injury prevention programmes to deliver positive returns on investment.	\$1.43:\$1	\$1.53:\$1	\$1.60:\$1
	Rate of serious injury 0 to 20-year programmes	Our investment in changing the behaviours of New Zealanders should reduce the severity of injuries sustained in the settings targeted by our investments.	9.3	9.1	9.1
	Rate of serious injury workplace programmes		0.16	0.16	0.20

Continued...

3. The total return on investment consists of two parts: the historical value of claims saved divided by the cost of the interventions to date, plus the 10-year expected claims saved divided by the likely future cost of the interventions.

4. Excluding WorkSafe New Zealand investment.

Key measure		Rationale	Actual 2019/20	Mar 2021	Target 2021/22	
Customer outcomes and experience	Return to work within ten weeks	We know that a rapid return to work makes a big difference to people's health and well-being while reducing the negative impacts of injury.	65.0%	62.3%	65.0%	
	Return to independence for those not in the workforce	Research tells us, that just like work, a rapid return to independence reduces the adverse social and economic impacts of injury.	89.1%	87.6%	87.5%	
	Growth rate of the Long-Term Claims Pool ⁵	Getting clients back to independence is positive for them and can make a significant difference to the long-term sustainability of the Scheme.	+12.6%	+13.3%	+9.5%	
	Public trust and confidence	The way the public views ACC is a useful indicator of how effectively we have communicated the value that ACC delivers, and demonstrated this in our interactions with levy payers, clients, providers and stakeholders.	65%	68%	66%	
	Client net trust score	If we get their experiences and outcomes right, our clients will trust us and have confidence in our abilities to support their return to independence.	+31	+30	+31	
	Client net trust score for Māori		+43	+28	+28	
	Provider net trust score	Successful partnering through consistent decision making, improved engagements and the ease of working with us will increase the trust and confidence health providers have in us.	-15	-10	-13	
	Business net trust score	As we more effectively engage with business customers and make it easier to work with us, they will develop a stronger belief in ACC's purpose and the value of their levy.	-1	-5	-5	
	Sustainability	Change in treatment cost per injury	Managing treatment and care costs means we are effectively countering inflationary pressures while delivering effective services to our clients when needed, supporting the long-term financial sustainability of the Scheme.	+6.4%	+7.1%	≤+5.0%
		Average care hours per serious injury claim		1,393	1,385	1,387
Actuarial movement ⁶		By effectively managing the controllable factors driving the Outstanding Claims Liability, the long-term sustainability of the Scheme is enhanced.	+0.48%	+0.62%	Within -3% to +1%	
Investment performance after costs relative to benchmark		The quality of our investment management is an important factor in ensuring we have sufficient resources in the future, safeguarding the Scheme for future generations.	+0.16%	+1.06%	+0.15%	

5. In this context, 'long term' refers to clients who have received weekly compensation for more than 365 days.

6. Actuarial movement tells us that claim volumes, types and costs differ from what we expected.

TABLE 2 – KEY PERFORMANCE MEASURES – ORGANISATIONAL HEALTH AND CAPABILITY

Key measure		Rationale	Actual 2019/20	Mar 2021	Target 2021/22
People	Employee net promoter score	Equipping our people with the right tools and capabilities enables them to be high-performing employees, proud of their organisation.	+21	+3	+12
	Total recordable injury frequency rate ⁷	We keep people safe, healthy and well, enabling them to arrive home in the same mental and physical condition that they were in when they left for work.	3.4	1.9	<3.5
Information	The number of category 3, 4 and 5 privacy breaches and near misses (as defined by the Government Chief Privacy Officer's privacy matrix)	We deal with confidential and sensitive information for a large number of people and entities. Our customers expect us to protect this information and maintain our progress in reducing privacy breaches.	0	0	<3 Cat 3 or 4 breaches No Cat 5 breaches
Information technology	Overall operational system availability	Our systems need to be available so that we can deliver the services our customers expect.	99.9%	99.9%	99.5%

These form part of a comprehensive measures set that is detailed in the following sections (including our targets for the next four years). This broader set allows us to track the financial and non-financial measures that represent the many aspects of the Scheme. For more information on the full set of measures we use to monitor our performance and manage our organisation, refer to our **Statement of performance expectations by output** and **Other performance measures**.

7. The total recordable injury frequency rate is the number of lost-time incidents, restricted work incidents and medical treatment incidents per million hours worked.

What we will deliver in 2021/22

The Government's key priorities

The Government's key priorities for ACC are outlined in the annual letter of expectations from the Minister.

At a high level, the Government expects the Scheme to support injured New Zealanders to realise their potential, feel valued and live productive lives.

It is therefore essential that ACC works with other agencies to enable this, while ensuring decisions made improve value for money into the future.

At a more detailed level, these priorities are represented by six themes:

- Government priorities – ensure that ACC functions as a publicly administered and delivered social insurance scheme, distinct in character from a private insurance company.
- Whāia te Tika – deliver more equitable outcomes and better claims experience for Māori, demonstrate the tangible differences the Whāia Te Tika initiatives are making.
- Performance and fiscal management – improve rehabilitation performance and costs management, leverage analytics to facilitate system-wide performance improvements.
- Policy collaboration – proactively look for opportunities to align with, and support cross sector work to improve outcomes. Work collaboratively to identify changes that could be made to the Scheme to address policy and legislative barriers that impact on sustainability or equity.
- Injury prevention – continue to work collaboratively with others to deliver injury prevention investments that reduce the incidence of injury. Share insights, analytics, investment and design capability to reduce incidence and severity of injuries.

- Communication – take a no surprises approach to communication, keeping the Minister for ACC informed of any significant events that could be considered contentious, attract wide public attention or affect ACC's financial position.

The Minister's specific expectations are documented in the annual letter of expectations, presented in **Appendix 3 – Letters of expectations**. The Government also communicates key priorities for ACC as a Crown Financial Institution. These priorities are presented in the Minister of Finance's letter of expectations (**Appendix 3 – Letters of expectations**) and are summarised in **Appendix 4 – Investment statement**.

Delivering our strategic intentions in 2021/22

Our strategic intentions reflect the areas that need the most focus during the period of our Statement of Intent 2021–2025. They demonstrate where we intend to concentrate our efforts to deliver our vision, our outcomes and the Government’s priorities for ACC. They are:

- Injury prevention – increase the success of our injury prevention activities.
- Customers’ outcomes and experience – improve our customers’ outcomes and experience.
- Sustainability – improve the sustainability of the Scheme.

Strategic intention: Increase the success of our injury prevention activities

It all starts before injury, because most injuries are preventable. By preventing injuries or reducing the severity of injuries sustained in the first place, we can reduce overall harm to New Zealanders.

But we know we cannot do this important task alone. Our network of partners helps us design and deliver a set of well-integrated injury prevention programmes. This spirit of partnership extends to communities across New Zealand, allowing us to work together to deliver programmes that improve the safety of New Zealanders of all ages and across a wide range of settings.

In 2021/22 we expect to invest \$110 million in injury prevention programmes, an increase on the forecast for 2020/21 of \$77 million.

We deliver our injury prevention by focusing on five priorities:

TABLE 3 – INJURY PREVENTION DELIVERY STATEMENTS

What we want to achieve	What we will have delivered by 30 June 2022
We use analytics to target our injury prevention investments and increase the impact of our efforts	We will use data, insights and evidence to understand the root causes of injury to better target and focus interventions, maximising returns from investment.
	We will explore and review appropriate measurement of our injury prevention investment, considering our evolving investment approach.
	We will be making Treatment Safety information more accessible, through the Health Quality and Safety Commission online health system quality dashboard and via other online channels.
We increase prevention effectiveness by partnering with capable, like minded organisations	We will have continued to evolve our existing injury prevention partnerships while developing new partnerships where appropriate. Together with our partners, we will have designed and delivered initiatives in the areas that have the greatest impact on reducing injuries.
	We will have continued to evolve our injury prevention partnership with WorkSafe NZ to design and deliver initiatives that have the greatest impact on reducing injuries in the New Zealand workplace.
	We will continue to partner with Oranga Tamariki, and Te Puni Kōkiri to co-invest in the Whānau Ora Commissioning Agency to work collaboratively to establish a Whānau-centred Early Support Prototype – Ngā Tini Whetū. Ngā Tini Whetū will see additional early support progressively offered to whānau Māori across Te Ika-a-Māui, to support tamariki and whānau wellbeing.
We extend our reach by working closely with communities	We will have a Māori investment portfolio to appropriately resource Kaupapa Māori approaches to injury prevention that will help reduce the incidence and severity of injury for Māori.
	We will work with communities to develop and deploy effective injury prevention programmes to a cross section of the New Zealand population using a broad set of channels.
	ACC will continue to deliver an injury prevention grants and subsidies programme investing in businesses to stimulate the adoption of initiatives to reduce harm in New Zealand workplaces.
Our injury prevention investments contribute to a reduction in the OCL	We will apply an investment approach that balances benefits, costs and risks and, where appropriate, assess both the claim and social economic returns from our investment.
We design for New Zealanders, creating sustained behaviour changes and large scale, long-term, sustainable societal change	We will use Preventable, our national behaviour change programme to constructively challenge Aotearoa to take action to avoid injury and keep themselves and their whānau, friends and community safe and well. This will address the ACC claim portfolio by talking to all New Zealanders about the risks they take where they live, work and play.
	We will use the customer, not just the injury, as the basis for investment. Our investment in prevention will be based on understanding the customer cohorts who suffer injuries. We will focus on the root cause, be empathetic and apply a customer lens when designing and delivering interventions.
	We will develop long-term approaches with scaled investment solutions designed by Māori, for Māori.
	We will increase injury prevention investment on strategic initiatives. This includes areas such as the prevention of family and sexual violence, Kaupapa Māori and using broader channels to influence attitudes and change behaviour.

Strategic intention: Improve our customers’ outcomes and experiences

Once somebody has sustained an injury, we know that person’s health and wellbeing is significantly improved with a rapid return to independence. This improvement extends to their family, whānau and community.

By connecting closely with providers, we will enable clients to access the right treatment and rehabilitation services at the right time from across the health sector. This enables simple, seamless and effective delivery of treatment and rehabilitation services.

To help all New Zealanders access our services in a way that meets their needs, we are committed to ensuring the delivery of services reflects the rich diversity of our communities.

We will continue to improve our customers’ outcomes and experiences by focusing on four priorities:

TABLE 4 – CUSTOMERS’ OUTCOMES AND EXPERIENCES DELIVERY STATEMENTS

What we want to achieve	What we will have delivered by 30 June 2022
We deliver high quality and effective treatment and rehabilitation services for our clients to enable a return to independence	We will continue to enhance our claims management model. This will improve customer experiences and return to independence outcomes.
	We will be automating administration and payment processes to enable more clients to access end-to-end self-managed services.
	We will have used data to build and automate models for rehabilitation outcomes and injury prevention.
We partner with providers, businesses, government agencies, iwi, hapū, whānau and communities to enable improved value for our customers	We will optimise our levy and business customer systems to drive better customer outcomes and experiences.
	We will be working to develop measurement of client outcomes. This will support our understanding of value and our ability to commission services for outcomes.
	We will be making changes to the way we contract for services such as concussion services and acupuncture to improve client outcomes and value for customers.
	We will develop a needs assessment process to understand the health and wellbeing needs of a population. This will improve health and wellbeing outcomes and reduce inequities.
We actively make it easier for our customers and others to work with us	We will have started our phased process to revitalise ACC’s brand to reflect a modern organisation that is better connected to meeting the needs of its customers.
	We will evolve our clients’ experiences when they call us enabling improved timeliness of response and first call resolution.
	We will continue to leverage our digital channels to provide value add interactions for our business customers.
We achieve improved access, experiences and outcomes for Māori	We will implement Kaupapa Māori services to provide culturally responsive services and experiences for Māori.
	We will have identified, and are measuring, all areas across the organisation supporting the delivery of our Whāia Te Tika strategy ⁸ , specifically better outcomes for Māori.
	We will take a human centred co-design approach to establish kaupapa Māori and culturally appropriate pathways and experiences for Māori with the most significant ongoing needs. This includes those seriously injured, those impacted by sexual abuse and assault, those with other high and complex needs requiring a range of services and supports, often over the long-term.
	We will have delivered an evidenced-based cultural competency workforce development programme, enhancing our people’s cultural literacy levels and lifting our ability to engage with all our customers.

8. Whāia Te Tika, our Māori strategy, aims to create better ACC experiences and outcomes for Māori. Further information is included on [page 21](#).

Strategic intention: Improve the sustainability of the Scheme

To ensure the longevity of the Scheme for future generations of New Zealand, we need to be considerate of our environmental, social and financial sustainability.

Our careful stewardship of the Scheme will ensure we can continue to provide the high-quality services our clients need, while not simultaneously imposing a burden on future levy payers (including the Government).

We recognise that social, health and economic issues can be interconnected, so we manage the Scheme focused on both financial and non-financial sustainability via environmental, social and governance themes. We consider these issues in the way we operate internally, how we design and deliver our services to customers and how we manage our investments and claims liabilities.

As we support our clients to achieve high-quality rehabilitation and independence outcomes, we must balance the continued improvements to customer experience and outcomes with a financially sustainable Scheme to minimise levy volatility.

We must be mindful of the role we play in maximising intergenerational fairness. Our responsible stewardship of the Scheme will reinforce the fully funded model. This means we can reduce the need for future generations of levy payers to cover the costs of injuries that happened in earlier years.

Some clients with serious injuries will require ongoing support for decades into the future. A portion of levies collected each year is set aside to provide for these future costs. We invest these funds to meet the future costs to support these clients. Our investment fund is one of the largest in New Zealand.

The impact of climate change presents current and emerging risks to the Scheme. These risks include our financial sustainability and ability to fulfil core functions, as well as our need to meet legal obligations, respond to changing demands, and balance public and stakeholder expectations.

Climate change may have direct impact on the number of New Zealanders that are injured due to increased rates of climate change-related accidents and injuries. Climate change may also indirectly impact through a greater strain on the overall health system. We need to support the wider health system to prepare and adapt.

Climate change is also an issue of significance for many of our customers and stakeholders. This includes the Māori perspective on climate change and our commitment to listen to and meet the needs of Māori. Therefore, our actions to manage climate change impacts will align with our commitment to uphold the principles of the Treaty of Waitangi.

We are aiming to reduce our corporate emissions by 60% by 2025, and to reduce the carbon intensity of the global equity investment portfolio by at least 50% by 2030, both compared to 2019 levels.

We will continue to strengthen the sustainability of the Scheme by focusing on five priorities:

TABLE 5 – SUSTAINABILITY DELIVERY STATEMENTS

What we want to achieve	What we will have delivered by 30 June 2022
We carefully consider the costs of the services we offer to achieve the most appropriate client outcomes and best value for our customers	We will continue to refine our performance management approach to ensure we manage the dual focus on the costs and outcomes of the services we provide while increasing our overall effectiveness.
	We will continue the delivery of a single integrated Enterprise Resource Planning system including financial management, procurement, and human resource processes. This will enhance controls and processes for non-health related expenditure.
	We will have revised our strategy for inclusion in the Statement of Intent 2022–2026. This will include updating our performance management framework and developing better measures of client outcomes, specifically for Māori.
We manage cost and liability growth	We will continue to develop our understanding of which drivers of cost and volume changes are influenceable, versus those that are outside of our control. This will inform the actions we can take to improve customer and financial outcomes.
We maintain investment performance above benchmarks to reduce the impact on levy payers	We will continue to manage our investments with the objective of obtaining the best possible balance of return and risk.
	We will continue to develop the investment portfolio Impact Fund, aligned with the Scheme’s role in Health and Safety, while contributing to a balance of benefits, costs and risks.
Risk management is embedded across our organisation	We will continue to enhance ACC’s risk maturity and culture, so decision makers are informed of the risks they are taking to enable performance and/or in the pursuit of value.
We are committed to New Zealand’s environmental goals including the net zero emissions target and achieving carbon neutrality	We will continue to deliver on our public commitments to New Zealand’s environmental goals.
	We are tracking and reporting on our progress to reduce carbon emissions.

Building organisational health and capability in 2021/22

To deliver our outcomes and our strategic intentions successfully, we need to have high-performing, diverse teams that are focused on all of our different customers. These teams must be supported by a suite of modern, reliable and secure systems.

Our organisational health and capability intentions for 2021–2025 are:

- maintain a diverse, high-performing workforce empowered to deliver great customer experiences and outcomes
- improve the way we use, protect and share information
- support our business outcomes with modern, reliable and secure information technology.

Maintain a diverse, high-performing workforce empowered to deliver great customer experiences and outcomes

Supporting injured New Zealanders and delivering our strategic intentions depends on the culture and capabilities of our people.

Our leaders will have the capabilities and motivation to develop and nurture high-performing, customer-focused teams.

Those leaders will champion efforts to make our environments, and those we have influence over, injury free. In fact, we will demonstrate genuine workplace safety leadership as an example for all New Zealand organisations.

New Zealand's diversity will increasingly be reflected in our own workforce. This will allow us to listen, respond to and anticipate our customers' needs more effectively.

This will ensure our people are highly engaged and are proud to be part of our organisation.

We will maintain a diverse, high performing team by focusing on five people priorities:

TABLE 6 – PEOPLE DELIVERY STATEMENTS

What we want to achieve	What we will have delivered by 30 June 2022
Our workforce reflects New Zealand’s diversity	We will support ACC’s Whāia te Tika strategy through building the cultural capability of our people and increasing the representation of Māori employees within our workforce. We will implement talent sourcing strategies that increase the representation of employees with a disability at ACC and model this to other employers in New Zealand.
We have highly motivated capable leaders	We will continue to develop and support our leaders across ACC.
We ensure the work we do and direct is healthy and safe for all involved, and the wellbeing of our people is supported	We will continue to mature our Health, Safety and Wellbeing culture by progressing actions in our 2019–2022 Health, Safety and Wellbeing strategy and will develop a refreshed Health, Safety and Wellbeing strategy for the period beyond 2022.
Our people are capable and proud to be part of ACC	We will support our people to adopt new capabilities, technology and ways of working to deliver our key organisational initiatives. We will continue to improve employee engagement by better communicating our employee value proposition and through initiatives which reinforce inclusion, development, wellbeing and our ACC purpose.
Our organisational design and our practices facilitate high performance now and into the future	We will implement key components of our new Human Capital Management system to streamline our people processes. We will continue to mature our ability to align our change activity to our organisation’s change capacity.

TABLE 7 – WORKFORCE PROFILE AND EQUAL OPPORTUNITIES AS AT 31 MARCH 2021

3,748 permanent and temporary staff	68% of our workforce are women
53% of our Board members are women	48% of our senior members (Tiers 3 and 4) are women
40.3 is the average age of our people	33% of our Executive (Tiers 1 and 2) are women
13% of our people indicated a disability via survey	76% European 12% Māori 13% Asian 7% Pasifika 10% Other Ethnicity profile of our people via survey ⁹
17.6% median pay gender ¹⁰	

We are committed to being an equal employment opportunity (EEO) employer through our organisation-wide EEO good employer practices relating to the recruitment, selection, development and retention of all staff.

9. Ethnicity sums to more than 100% as employees were able to select more than one ethnicity.

10. This measure is based on the Ministry for Women’s methodology.

Improve the way we use, protect and share information

We collect and use personal, confidential and sensitive information from a large number of people and entities including clients, providers and business customers. Our relationship with this information is complex – some information is compelled by law, some is volunteered, some comes directly from our customers and some comes to us through third parties. We use that information to make decisions about a person’s individual circumstances and in some cases, we need to share it with others. New Zealanders must have confidence that this information is collected appropriately, stored securely and accurately, only disclosed with appropriate authority and that they can access it when they need it.

At the same time, our technology must empower our people by providing them with the tools to deliver positive outcomes for our clients. Part of this empowerment will come through improved data and analytics capabilities, enhancing our culture of data-driven decision making to create a higher-performing, effective and efficient organisation.

We expect to achieve our intended information objectives through four priorities:

TABLE 8 – INFORMATION DELIVERY STATEMENTS

What we want to achieve	What we will have delivered by 30 June 2022
We are custodians of customer information	We are fair, open and transparent, and committed to making information available under the principles of the Official Information Act 1982, unless there is a good reason to withhold it.
We enable safe and appropriate sharing of information	We will have further protected our customers’ information by rolling out important updates to our systems and invested to ensure our systems have the capacity to meet predicted future demands.
We enable the appropriate sharing of information across government	We will have supported and adopted New Zealand Government data and technology standards to better enable flow of data for joined up services. We will have supported and contributed to open government data standards and driven to improve access and appropriate sharing of information to enrich data and analytics to inform and strengthen decision making.
We use our organisation-wide analytical strength to make effective investment decisions	We will have generated value from ACC’s cloud data platform to enable enterprise decision making.

Support ACC business outcomes with modern, reliable and secure information technology

ACC will continue to evolve as an organisation requiring the development of new capabilities to respond to the challenge of offering our customers more choice with less effort when they interact with us.

In this changing environment, we need to ensure our organisation, our clients and our providers are supported by reliable, safe and secure information technology. This technology needs to be flexible to allow us to quickly adapt to changing needs.

We will achieve our technology intentions by focusing on four priorities:

TABLE 9 – TECHNOLOGY DELIVERY STATEMENTS

What we want to achieve	What we will have delivered by 30 June 2022
We maintain safe, secure and stable information technology	We will have continued to maintain the stability and security of our information technology by implementing an appropriate maintenance programme and ensuring that our suite of technologies remains well integrated.
Our technology empowers our people	<p>We will continue to improve our mobile hardware and software capability to better enable our people to service our customers with ease and minimal business disruption.</p> <p>We continue to improve our organisational capability through new modern technologies.</p>
Our technology enables our digital aspirations	<p>We will have continued to enhance our digital environment allowing us to:</p> <ul style="list-style-type: none"> • automate manual tasks and processes to remove friction and improve the quality and timeliness of payments, data and services • increase the range of self-service options so that our customers can choose the best options to suit their needs • work collaboratively with the health sector to ensure that our solutions integrate seamlessly with their ways of working.
We create and maintain an adaptive technology environment	<p>We will have continued to develop our adaptive technology environment by:</p> <ul style="list-style-type: none"> • implementing a range of modern technologies and innovation, supporting ACC to better manage performance and customer service delivery • reducing legacy and customisation of our core systems to provide more flexibility and agility.

Whāia Te Tika

Whāia te whānuitanga me te hōhonutanga o te mātauranga

Pursue the breadth and depth of knowledge

We recognise that the Treaty of Waitangi is a founding document of government in New Zealand and established the country as a nation. We aim to support the Crown in its Treaty of Waitangi relationships and deliver our services in ways that enable equitable outcomes for Māori.

Whāia Te Tika, our ACC Māori strategy, aims to create better ACC experiences and outcomes for Māori, through Te Arotahi Kiritaki (strong customer focus), Kia Hiranga Te Mahi Ngātahi (partnering for excellence) and Whakawhanaketia (developing capability).

Ultimately we want to achieve results that mean:

- Māori New Zealanders are injured less often
- barriers to access and engagement for Māori are removed, reducing disparities and improving equity
- Māori customers receive the right support delivered in the right way for them and their whānau
- we engage, understand and respond to the needs, expectations, and aspirations of Māori when they engage with ACC
- we partner with Māori health providers and other agencies to design and deliver products and services to meet Māori customer needs.

To deliver on these aspirations, we will focus on the following actions in 2021/22:

Te Arotahi Kiritaki – customer focus

Our actions seek to improve customer access, experiences and outcomes

We will have a Māori investment portfolio to appropriately resource Kaupapa Māori approaches to injury prevention to help reduce the incidence and severity of injury for Māori.

However, should an injury occur, we will be implementing Kaupapa Māori services to provide culturally responsive services and experiences for injured clients.

Kia Hiranga Te Mahi Ngātahi – partnering for excellence

Our actions focus on strategic engagement and partnering to improve outcomes

We are developing long-term approaches with scaled investment injury prevention solutions designed by Māori, for Māori. This includes our partnership with to co-invest in the Whānau Ora Commissioning Agency to work collaboratively to establish a Whānau-centred Early Support Prototype – Ngā Tini Whetū. Ngā Tini Whetū will see additional early support progressively offered to whānau Māori across Te Ika-a-Māui, to support tamariki and whānau wellbeing.

We will take a human centred co-design approach to establish kaupapa Māori and culturally appropriate pathways and experiences for Māori with the most significant ongoing needs. This includes those seriously injured, those impacted by sexual abuse and assault, and those with other high and complex needs requiring a range of services and supports, often over the long-term.

Whakawhanaketia – developing capability

Our actions seek to improve cultural capability and how we deliver for Māori

We will support ACC's Whāia Te Tika strategy by building the cultural capability of our people and increasing the representation of Māori employees within our workforce.

This will include an evidenced-based cultural competency workforce development programme, enhancing our people's cultural literacy levels and lifting our ability to engage with all our customers.

We will continue to develop other measures in 2021/22 to support our understanding of progress towards improving access, outcomes and experiences for Māori.

Statement of performance expectations

Statement of performance expectations by output

This section sets out the outputs that we are funded to provide. Outputs are the actual products and services that ACC provides to its stakeholders.

The information includes:

- the link between our strategic intentions and outputs
- a brief explanation of what is intended to be achieved within each output
- an explanation of how performance under each output will be assessed. These measures evaluate our performance in terms of quality, cost and timeliness
- activity information – this is contextual or service demand information to provide greater context for our performance measures. Significant variations in demand can influence the achievement of our performance measures' targets.

We will report quarterly against a wide range of output performance measures to assess whether our activities are making a difference and the extent to which we are achieving our strategic intentions. Each measure has a target for each year from 2021/22 to 2024/25.

Breakdown of budget against output classes

TABLE 10 – 2021/22 BUDGET BY OUTPUT CLASS

(\$m)	2021/22 Budget		
	Administration	Claims paid	Revenue
Output class			
Output class 1 – Injury prevention	110		
Output class 2 – Levy setting and collection	52		5,176
Output class 3 – Investment management	73		1,476
Output class 4 – Claims management	520	5,759	
Total	755	5,759	6,652
Other operating costs	68		
Total ACC	823	5,759	6,652

Other operating costs include indirect costs allocated to all four outputs by support business groups such as Finance, Talent, Information Technology and executive management.

Aligning our strategic intentions with the outputs

Our outputs are clearly related to our three externally focused strategic intentions.

TABLE 11 – ALIGNMENT OF STRATEGIC INTENTIONS WITH OUTPUTS

Increase the success of our injury prevention activities	Output 1 Injury prevention	By developing and delivering the ACC and cross-government injury prevention strategy.
Improve our customers' outcomes and experiences	Output 2 Levy setting and collection	By working closely with our business customers (largely employers and self-employed) to identify appropriate products, to invoice accurately and to collect levies.
	Output 4 Claims management	By working closely with our clients and their families to return them to independence as soon as possible, and by collaborating with our providers to achieve the most appropriate outcomes for our clients.
Improve the sustainability of the Scheme	Output 1 Injury prevention	By only investing in a portfolio of injury prevention activities that will lead to a positive return on investment.
	Output 2 Levy setting and collection	By recommending levies that are sufficient to cover the costs of claims incurred in each year and collecting the levies approved by Cabinet.
	Output 3 Investment management	By investing effectively in order to meet the future costs of claims from injuries already incurred.
	Output 4 Claims management	The costs associated with this output class have the largest bearing on overall Scheme financial performance. To achieve cost stability we must balance the quality, efficiency and effectiveness of services delivered to clients.

Output 1: Injury prevention

What is intended to be achieved?

ACC is one of a number of government agencies with a responsibility to reduce the incidence and severity of injury in New Zealand.

We can only undertake an injury prevention activity if it is likely to result in a cost-effective reduction in actual or projected levy rates or the Non-Earners' appropriation. This requirement means that we focus our efforts on injuries that affect the Scheme, such as high-cost and high-volume claims that affect claim costs, the Outstanding Claims Liability and levies.

We work with non-government organisations, community groups and other government agencies so that the activities and funding are effective. This coordination role is as important as directly funding injury prevention interventions.

How we will know we have achieved this

TABLE 12 – OUTPUT 1 PERFORMANCE MEASURES

Measure	Rationale	Actual		Target			
		2019/20	Mar 2021	2021/22	2022/23	2023/24	2024/25
Key measure Return on investment: 0 to 20-year programmes	We invest to keep New Zealanders safe from accidental injury by working with others to reduce the risk across a range of areas.	\$1.99:\$1	\$2.01:\$1	\$2.08:\$1	\$2.12:\$1	\$2.15:\$1	\$2.18:\$1
Key measure Return on investment: workplace programmes ¹¹	We take a portfolio approach. This means that overall we expect our injury prevention programmes to deliver positive returns on investment.	\$1.43:\$1	\$1.53:\$1	\$1.60:\$1	\$1.65:\$1	\$1.70:\$1	\$1.75:\$1
Supporting measure Number of claims avoided through our injury prevention investments		15,541	3,945	14,641	16,105	23,000	25,000
Supporting measure Investment in Kaupapa Māori programmes		>\$0.4m	>\$0.3m	\$7m	\$7m	\$8m	\$12m
Key measure Rate of serious injury: 0 to 20-year programmes	Our investment in changing the behaviours of New Zealanders should reduce the severity of injuries sustained in the settings targeted by our investments.	9.3	9.1	9.1	8.9	8.7	8.5
Key measure Rate of serious injury: workplace programmes		0.16	0.16	0.20	0.18	0.16	0.14

11. Excluding WorkSafe New Zealand investment.

Output 2: Levy setting and collection

What is intended to be achieved?

The Scheme is managed through five Accounts, with each providing cover for a specific grouping of injuries.

In order for us to deliver services, we must collect revenue. Through our levy setting process we calculate our future revenue needs for each Account. We recommend levies that are sufficient to cover the costs of claims incurred in that year. The recommendations are consulted on with levy payers and provided to Cabinet for consideration.

How we will know we have achieved this

TABLE 13 – OUTPUT 2 PERFORMANCE MEASURES

Measure	Rationale	Actual		Target			
		2019/20	Mar 2021	2021/22	2022/23	2023/24	2024/25
Key measure Actuarial movement	This provides an indicator of the effectiveness of our management of the controllable factors driving the OCL.	+0.48%	+0.62% ¹²	Within -3% to +1%	Within -3% to +1%	Within -3% to +1%	Within -3% to +1%

12. As at 31 December 2020.

How we are funded

Figure 1 shows our 2021/22 forecasts for the number of funders, and the levy and appropriation revenue and the currently approved levy rates for each Account.

FIGURE 1 – SOURCES OF ACCOUNT FUNDING

Cabinet sets levies at least every three years following public consultation and a recommendation from ACC			Appropriations are sought through the Budget process	
Work Account	Earners' Account	Motor Vehicle Account	Treatment Injury Account	Non-Earners' Account
Work-related injuries	Non-work injuries to people in employment	Injuries on public roads involving a moving vehicle	Injuries that are caused by, or happen during treatment	Injuries not covered in other Accounts to people not in employment
Levied from employers and the self-employed	Levied from employees and the self-employed	Levied from registration fees and petrol charges	Levied from employees and the self-employed plus appropriations	Funded through appropriations
Number of employed and the self-employed 2.39 million	Number of earners 2.77 million	Number of vehicles 4.06 million	Number of non-earners 2.38 million Number of earners 2.77 million	Number of non-earners 2.38 million
Levy revenue \$850 million	Levy revenue \$1,888 million	Levy revenue \$460 million	Government appropriation \$245 million Levy revenue \$81 million	Government appropriation \$1,652 million
\$0.67 per \$100 liable earnings	\$1.21 per \$100 liable earnings	\$113.94 per motor vehicle		

Funding ratios

The financial sustainability of each Account is measured using funding ratios. Funding ratios represent the extent to which applicable net assets cover the value of what is intended to be the fully funded portion of the Outstanding Claims Liability (excluding risk margin) for each Account.

Each ratio is presented as a percentage, calculated by dividing total assets less payables, accrued liabilities, provisions and the unearned levy liability, by the Outstanding Claims Liability (including an additional liability for work-related gradual process claims not yet made) excluding any risk margin. The funding ratio for the Work Account excludes those claims and assets from the Accredited Employer Programmes that the Work Account does not aim to fund.

Funding ratios provide an indication of the funding adequacy of each Account in relation to the funding policy. Each Account operates separately and cannot cross-subsidise another.

The AC Act requires the Government to issue a funding policy setting out criteria on how to fully fund the levied Accounts, including the Earners' portion of the Treatment Injury Account. ACC must make levy rate recommendations in accordance with that funding policy. The current funding policy was published in the New Zealand Gazette¹³ on 8 July 2020 (Gazette No. 2021-g01226).

TABLE 14 – SOURCES OF ACCOUNT FUNDING

As at 30 June (%)	Forecast 2020/21 ¹⁴	Budget 2021/22	Funding policy target
Work Account			
Including gradual process claims incurred but not yet made	125.7%	123.7%	100.0%
Motor Vehicle Account	117.8%	114.5%	100.0%
Earners' Account	112.5%	106.5%	100.0%
Non-Earners' Account			
Fully funded portion	76.0%	75.6%	100.0%
Treatment Injury Account			
Earners' portion	157.2%	153.5%	100.0%
Fully funded portion	79.0%	76.8%	100.0%

13. www.gazette.govt.nz.

14. As at 28 February 2021.

Output 3: Investment management

What is intended to be achieved?

Because serious injuries will require ongoing expenditure for decades into the future, a portion of levies collected each year is set aside to provide for future costs. We invest these funds to meet the future costs of claims. To meet this purpose, we tend to favour long-term investments that we expect to deliver relatively certain income streams for long periods of time. Such investments match our long-term cash flow requirements and provide a partial offset against the risk of declines in interest rates.

We manage our investments with the objective of obtaining the best possible balance of return and risk. To this end, we:

- review strategic asset allocations to ensure that the benchmark asset allocations provide the best possible balance of risk and expected returns for our objectives
- actively manage our investment portfolios with the objective of obtaining better risk-adjusted returns from those portfolios than would be achieved from passive investment.

How we will know we have achieved this

TABLE 15 – OUTPUT 3 PERFORMANCE MEASURES

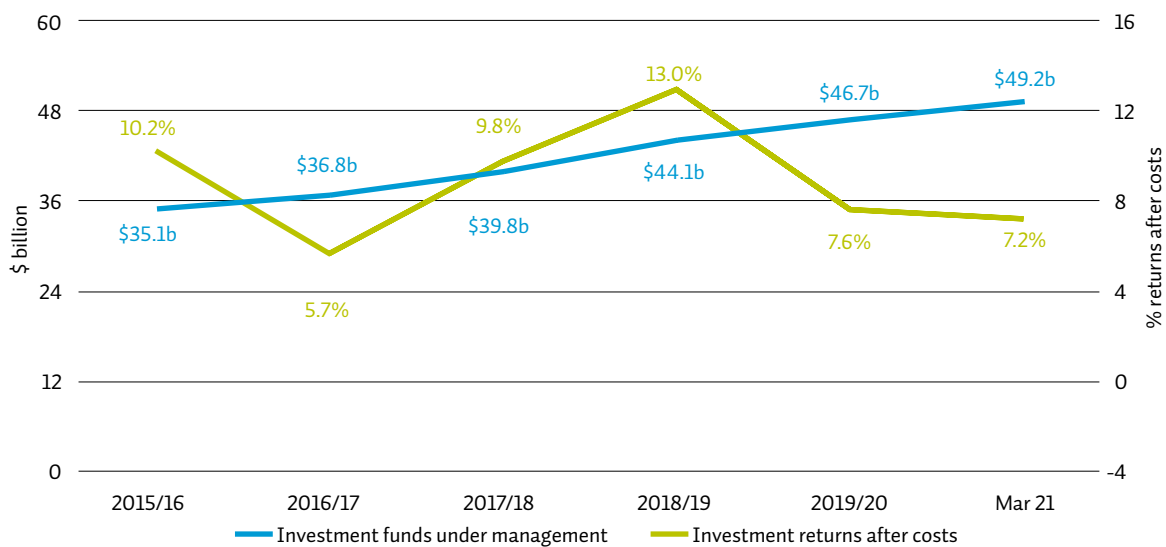
Measure	Rationale	Actual 2019/20	Mar 2021	Target			
				2021/22	2022/23	2023/24	2024/25
Key measure Investment performance after costs relative to benchmark	The quality of our investment management can be gauged by comparing our returns net of costs with that of a blended market average benchmark, which provides a comparison with the asset classes in which we have invested.	+0.16%	+1.06%	+0.15%	+0.15%	+0.15%	+0.15%
Supporting measure Investment management costs as a proportion of total funds under management	The efficiency of our investment management is measured by expressing total investment management costs as a proportion of the total funds under management.	0.12%	0.14%	0.15%	0.15%	0.15%	0.15%

Activity information

Investments

ACC had \$49.2 billion of investment funds at the end of March 2021, and has returned 7.2%, after costs.

FIGURE 2 – HISTORICAL FUNDS UNDER MANAGEMENT AND INVESTMENT RETURNS



Expectations as a Crown Financial Institution

The Government communicates key priorities for ACC as a Crown Financial Institution through the annual letter of expectations from the Minister of Finance. These priorities are presented in **Appendix 3 – Letters of expectations** and are summarised in **Appendix 4 – Investment Statement**.

Output 4: Claims management

What is intended to be achieved?

We help injured people covered by the Scheme to get the appropriate medical treatment, social and vocational rehabilitation services and compensation to enable a return to work, independence or everyday life.

We manage claims from the relatively minor, where clients only require primary health services (such as a one-off visit to a general practitioner), to claims from individuals who suffer serious injuries requiring lifelong services and support.

How we will know we have achieved this

TABLE 16 – OUTPUT 4 PERFORMANCE MEASURES

Measure	Rationale	Actual		Target			
		2019/20	Mar 2021	2021/22	2022/23	2023/24	2024/25
Key measure Return to work within 10 weeks	Research confirms that when people make rapid returns to independence or work after injury, their overall health and wellbeing is significantly improved. These measures evaluate how effectively we are supporting our clients to return to work or independence, and whether their returns are sustained.	65.0%	62.3%	65.0%	66.0%	67.6%	68.1%
Supporting measure Return to work within nine months		91.0%	89.9%	91.0%	91.6%	92.2%	92.7%
Supporting measure Durable return to work		72%	71%	1% higher than latest Australian result			
Supporting measure Average weekly compensation days paid ¹⁵		102.2 days	105.1 days	102.3 days	100.6 days	98.4 days	96.4 days
Key measure Return to independence for those not in the workforce		89.1%	87.6%	87.5%	88.5%	88.5%	88.5%

Continued...

15. An increase for this measure would reflect an increase in weekly compensation days paid compared to the benchmark of March 2015. The increases presented reflect the fact that weekly compensation days paid have increased not reduced. Longer term targets are for a reduction.

Measure	Rationale	Actual		Target			
		2019/20	Mar 2021	2021/22	2022/23	2023/24	2024/25
Key measure Public trust and confidence	The way the public views ACC is a useful indicator of how effectively we have communicated the value that ACC delivers, and demonstrated this in our interactions with levy payers, clients, providers and stakeholders.	65%	68%	66%	68%	71%	72%
Key measure Client net trust score	If we get their experiences and outcomes right, our clients will trust us and have confidence in our abilities to support their return to independence.	+31	+30	+31	+33	+35	+38
Supporting measure Speed of cover decisions: non-complicated claims		0.6 days	0.8 days	<0.9 days	<0.9 days	<0.9 days	<0.9 days
Supporting measure Speed of cover decisions: complicated claims		59.7 days	64.3 days	<70 days	<65 days	<65 days	<60 days
Supporting measure Reviews as a percentage of cover decline decisions		8.2%	8.8%	≤8.7%	≤8.7%	≤8.7%	≤8.7%
Supporting measure Average time to resolution for claims with reviews		133.1 days	127.9 days	≤130.0 days	≤125.0 days	≤125.0 days	≤125.0 days
Supporting measure Proportion of ACC reviews upheld (in favour of ACC)		86.7%	90.0%	≥86%	≥87%	≥88%	≥88%
Supporting measure ACC focused on the best possible outcomes		77%	79%	78%	79%	80%	81%
Key measure Client net trust score for Māori		+43	+26	+28	+32	+35	+38
Supporting measure Māori lodgement ratio		0.81	0.81	1% increase on previous year			
Key measure Provider net trust score	Successful partnering through consistent decision making, improved engagements and the ease of working with us will increase the trust and confidence health providers have in us.	-15	-10	-13	-9	-5	-1

Continued...

Measure	Rationale	Actual		Target			
		2019/20	Mar 2021	2021/22	2022/23	2023/24	2024/25
Key measure Business net trust score	As we more effectively engage with business customers and make it easier to work with us, they will develop a stronger belief in ACC's purpose and the value of their levy.	-1	-5	-5	-1	+2	+4
Key measure Growth rate of the Long-Term Claim Pool ¹⁶	Getting clients back to independence is positive for them and can make a significant difference to the long-term sustainability of the Scheme.	+12.6%	+13.3%	+9.5%	+6.0%	+4.4%	+3.7%
Supporting measure Long Term Claim Pool returns to independence		3,593	4,461	5,200	5,800	6,100	6,300
Supporting measure Rate of long-term clients in part-time work		9.3%	12.4%	11.5%	11.5%	12.0%	12.0%
Key measure Change in average treatment cost	Managing treatment and care costs means we are effectively countering inflationary pressures while delivering effective services to our clients when needed, supporting the long-term financial sustainability of the Scheme.	+6.4%	+7.1%	≤+5.0%	≤+5.0%	≤+3.4%	≤+3.9%
Supporting measure Administration costs per active claim		\$2,590	\$2,194	\$2,762	\$2,603	\$2,633	\$2,559
Supporting measure Percentage of total expenditure paid directly to clients, or for services to clients		86.1%	88.4%	88.5%	89.1%	89.5%	89.8%
Supporting measure Claims processed per full time equivalent		507	541	583	594	603	611
Key measure Average care hours per serious injury claim		1,393	1,385	1,387	1,380	1,374	1,369

16. In this context, 'long term' refers to clients who have received weekly compensation for more than 365 days.

Activity information

Claims activity

Our analysis has demonstrated a strong correlation between claim volume growth and four key drivers:

- **Population** – as the population increases, the number of claims increases (assuming the rate of injury stays constant)
- **GDP** – an increase in the rate of GDP growth will increase the rate of new claim growth
- **Unemployment** – as unemployment goes up, claim numbers tend to reduce
- **Distance driven** – motor vehicle claim volumes increase as the total distance travelled increases.

We forecast claim volumes in order to ensure that we can respond to the anticipated demand for our services. If actual claim volumes differ significantly from our forecast claim volumes, our ability to achieve performance targets may be impacted.

FIGURE 3 – TOTAL NEW REGISTERED CLAIMS VS. RATE OF NEW CLAIMS GROWTH, BY YEAR (ACTUAL, FORECAST)

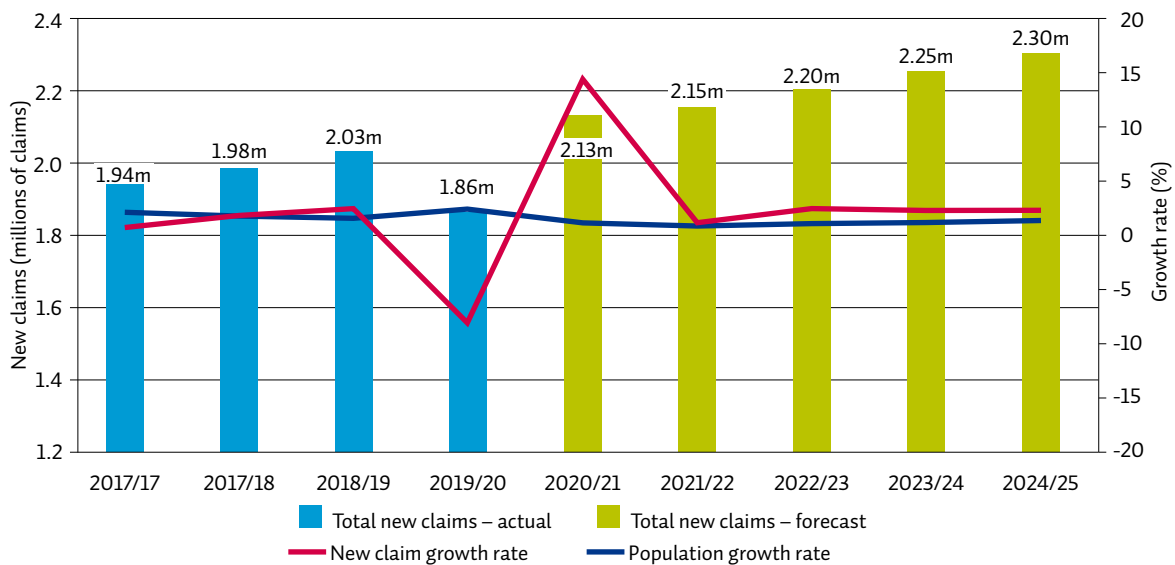


FIGURE 4 – TOTAL NEW REGISTERED CLAIM GROWTH RATE VS. SELECTED CLAIM DRIVER RATES, BY YEAR (ACTUAL, FORECAST)

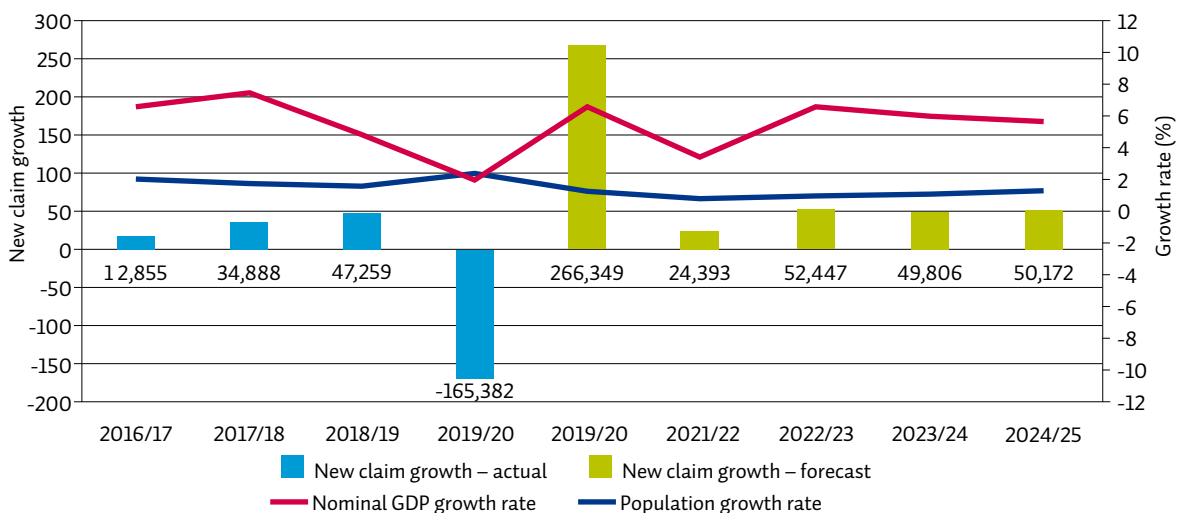


Table 17 shows recent trends in the types of claims that we receive and accept. The Scheme is based on legislation and each claim is evaluated to determine whether it meets the requirement of the AC Act. We do not ration our services. Demand is determined by the number of covered injuries that occur and the types and amounts of services those who have covered injuries are eligible to receive.

Please note that historical claim activity values in the table below may differ from values presented in other reports. This is due to the timing of claim lodgements and claim decisions.

TABLE 17 – HISTORICAL CLAIM VOLUMES, BY TYPE

Measure	Definition	2017/18	2018/19	2019/20	Mar 2021 ¹⁷
Registered claims	Total number of registered claims in the period.	1,978,513	2,025,802	1,860,519	1,933,946
Medical fees only claims	Total number of medical fees only claims in the period.	1,687,923	1,729,187	1,584,920	1,311,408
Other entitlement claims	Total number of entitlement claims (all entitlement claims excluding weekly compensation) that receive payments in the period.	129,575	138,588	134,182	117,658
Weekly compensation claims	Total number of weekly compensation claims that receive payments in the period.	119,426	126,938	125,376	114,763
Long-term weekly compensation claims	Number of clients receiving weekly compensation for more than one year as at 30 June.	13,333	14,201	15,993	17,407
New serious injury claims	Total number of new serious injury claims in the period.	263	302	208	96
Fatal claims	Total number of fatal claims in the period.	1,377	1,542	1,410	903

We enable clients to receive the appropriate entitlements under the Scheme while at the same time monitoring expenditure against budget for the key areas of the Scheme.

TABLE 18 – EXPENDITURE FOR KEY CLAIMS COSTS

\$ million	Actual 2019/20	Forecast 2020/21	Budget 2021/22
Weekly compensation	1,502	1,742	1,870
Medical treatment	846	978	1,081
Social rehabilitation	839	957	1,076
Public health acute services	555	578	630
Hospital treatment (elective surgery)	375	443	481

17. Registered claims for March 2021 are for the 12 months prior. All other figures as at March 2021 are financial year-to-date.

Other performance measures

This set of measures is used to demonstrate the extent to which we are achieving our organisational health and capability intentions, and the performance of our assets.

Our organisational health and capability intentions

TABLE 19 – PERFORMANCE MEASURES – MAINTAIN A DIVERSE, HIGH-PERFORMING WORKFORCE EMPOWERED TO DELIVER GREAT CUSTOMER EXPERIENCES AND OUTCOMES

Measure	Rationale	Actual		Target			
		2019/20	Mar 2021	2021/22	2022/23	2023/24	2024/25
Key measure Employee net promoter score	Equipping our staff with the right tools and capabilities enables them to be high-performing employees, proud of their organisation.	+21	+3	+12	+25	+28	+28
Supporting measure Proportion of ACC staff who identify as Māori	We are committed to being an equal employment opportunity (EEO) employer through our organisation-wide EEO good employer practices relating to the recruitment and selection, development and retention of all staff.	12.0%	11.8%	12.5%	13.0%	13.5%	14.0%
Supporting measure Proportion of ACC staff who identify as having a disability	It is also important that our workforce reflects the community we serve.	12.0%	13.0%	14.5%	15.0%	15.5%	16.0%
Key measure Total recordable injury frequency rate	We keep people safe, healthy and well, enabling them to arrive home in the same mental and physical condition that they left for work.	3.4	1.9	<3.5	<3.5	<3.5	<3.5
Supporting measure Lost-time injury frequency rate		1.0	1.0	<1.1	<1.1	<1.1	<1.1

TABLE 20 – PERFORMANCE MEASURES – IMPROVE THE WAY WE USE, PROTECT AND SHARE INFORMATION

Measure	Rationale	Actual		Target			
		2019/20	Mar 2021	2021/22	2022/23	2023/24	2024/25
Key measure The number of category 3, 4 and 5 privacy breaches and near misses (as defined by the Government Chief Privacy Officer’s privacy matrix)	We deal with confidential and sensitive information for a large number of people and entities. Our customers expect us to protect this information and maintain our progress in reducing privacy breaches.	0	0	<3 category 3 or 4 breaches per year. No category 5 privacy breaches			

TABLE 21 – PERFORMANCE MEASURES – SUPPORT ACC BUSINESS OUTCOMES WITH MODERN, RELIABLE AND SECURE INFORMATION TECHNOLOGY

Measure	Rationale	Actual		Target			
		2019/20	Mar 2021	2021/22	2022/23	2023/24	2024/25
Key measure Overall operational system availability	Our systems need to be available so that we can deliver the services our customers expect.	99.9%	99.9%	99.5%	99.5%	99.5%	99.5%

Asset performance measures

Cabinet Office Circular CO (19)6: Investment Management and Asset Performance in the State Services sets out expectations for agencies to report on investment performance.

To address this requirement, we selected the following asset performance measures aligned with our two largest asset portfolios: property and ICT.

TABLE 22 – ASSET PERFORMANCE MEASURES

Measure	Rationale	Actual		Target			
		2019/20	Mar 2021	2021/22	2022/23	2023/24	2024/25
ICT – Utilisation Percentage of ACC staff utilising mobile computer hardware technology	To deliver services to our customers, our computer hardware must have the right functionality, capacity and be current.	41%	83%	85%	90%	90%	90%
ICT – Utilisation Percentage of active ACC computer devices that are within the accepted lifecycle target		New measure	71%	75%	75%	75%	75%
ICT – Condition Percentage of key systems with a condition rating of Good or Excellent	This measure uses supportability as an indicator of the condition of our assets.	93.3%	100%	>80%	>80%	>80%	>80%
ICT – Condition Number of critical faults for key ACC systems	This measure demonstrates the physical state of our critical ICT assets, representing asset integrity.	1	0	<5	<5	<5	<5

Continued...

Measure	Rationale	Actual		Target			
		2019/20	Mar 2021	2021/22	2022/23	2023/24	2024/25
ICT – Functionality Total operational ICT spend per full-time equivalent (FTE)	Measuring ICT cost per FTE demonstrates the efficiency of our ICT expenditure and the value for money achieved. It is able to be compared with that of peer groups to ensure that it is appropriate.	\$28,334	\$23,188	<\$28,200	<\$28,200	<\$28,200	<\$28,200
ICT – Availability Percentage of time key applications and networks are available to perform required functions	System availability and stability is crucial in the delivery of services to our customers.	99.9%	99.9%	99.5%	99.5%	99.5%	99.5%
Property – Utilisation Square metres (m ²) of leased area per FTE	This measure is applied across the entire leased property portfolio. Performance can be easily compared year on year and against the Government Property Group’s guidelines.	16.0m ² /FTE	15.9m ² /FTE	12–16m ² /FTE	12–16m ² /FTE	12–16m ² /FTE	12–16m ² /FTE
Property – Condition Percentage of total leased area with a current code compliance certificate / building warrant of fitness	This measure offers an independently assessed perspective of property condition. It is also easy to apply consistently to the entire leased property portfolio.	100%	100%	100%	100%	100%	100%
Property – Functionality Percentage of total leased areas that meets or exceeds the ACC security standards	We have ACC security standards in line with the WorkSafe Building Security Policy, October 2014 and regularly assess our total leased property portfolio against these standards.	100%	100%	100%	100%	100%	100%

Financial information

Forecast financial information

Introduction

The information following sets out the 2021/22 budgets for ACC, as prepared for Budget Economic and Fiscal Update 2021. Comparative information is based on the forecast financial results for the year to 30 June 2021, prepared as at 28 February 2021.

Drivers of the Scheme's financial performance

We will continue to manage the organisation in a way that strikes the right balance between ensuring financial sustainability and delivering our functions in the manner of a publicly administered and delivered social investment scheme, distinct in character from a private insurance company. This means we will deliver the services our customers expect while demonstrating responsible management of the Government's finances and a commitment to delivering the Government's priorities.

To achieve this important balance, we need to have a good understanding of the drivers of financial performance. This understanding allows us to:

- forecast the drivers' potential impacts
- manage the drivers where we have control and influence
- manage the Scheme in a way that mitigates adverse impacts from drivers where we lack control or significant influence.

For the Scheme there are five main drivers of financial performance:

Claim volumes – growth in the number of new claims is driven by a range of factors outside our control: population growth, gross domestic product growth, the unemployment rate and the total vehicle

distance travelled. However, we offset some of the claim volume growth through our injury prevention activities. Our relationships with providers are also important in ensuring that we are responsible for all the injuries covered by the Accident Compensation Act 2001 (AC Act) and that injuries are treated appropriately. We actively monitor the way that treatment and rehabilitation costs change as our claim volumes change, allowing us to understand early cost pressures from claim volume growth.

Economic factors – we employ active strategies to best match our assets and liabilities. As such, we tend to favour long-term investments with relatively certain income streams. Given the size of our balance sheet relative to our underlying costs, small movements in interest rates and investment earnings can have material impacts on the funding ratios of the Scheme.

Inflation – inflation increases the costs of the services we provide. The way we contract for services with providers (such as elective services) mitigates the impacts of inflation on the costs of our services. The nature of the services we purchase exposes us to additional cost inflation that is specific to treatment and rehabilitation services. To make sure that our efforts have an impact, we constantly monitor our average treatment costs.

Service offerings – we change the set of services we offer as new and improved services become available, and to support the rehabilitation of clients who have suffered injuries newly covered by the Scheme. We closely monitor the rehabilitation performance of the services we offer, ensuring the services focus on both client rehabilitation outcomes and financial sustainability. We test this dual focus by monitoring return-to-work rates and the average treatment cost per claim.

Legislative changes – we engage closely with the Ministry of Business, Innovation and Employment and the Treasury to influence proposed changes and predict the impacts of those changes. Additions to the Scheme (such as continued growth in the provision of services for sensitive claims and improved road and air ambulance services) can increase both the number of claims we accept and our overall costs of providing treatment and rehabilitation services.

Statement of comprehensive revenue and expense by Account (budget)

(\$m)	2021/22 budget						2020/21 forecast
	Motor Vehicle Account	Non-Earners' Account	Earners' Account	Work Account	Treatment Injury Account	Total ACC	
Income							
Total net levy and other revenue	460	1,652	1,888	850	326	5,176	4,886
Interest, dividend and rental income	332	99	250	248	115	1,044	1,095
Total revenue	792	1,751	2,138	1,098	441	6,220	5,981
Expenditure							
Claims paid	871	1,447	2,062	1,024	355	5,759	5,264
Expected increase in OCL	292	305	586	76	264	1,523	2,145
Net losses from changes in discount and inflation rates and other factors on the OCL	0	0	0	0	0	0	375
Movement in unexpired risk liability	11	0	(13)	10	0	8	(16)
Total claims costs	1,174	1,752	2,635	1,110	619	7,290	7,768
Injury prevention costs	11	36	20	31	12	110	77
Enterprise change costs	9	15	34	30	4	92	92
Investment management costs	23	8	18	16	9	74	77
Operating costs	51	96	213	164	23	547	526
Return from insurance operations	(476)	(156)	(782)	(253)	(226)	(1,892)	(2,559)
Net gains on investments	56	116	144	50	66	432	1,689
Net gains / (losses) from changes in discount and inflation rates on outstanding claims liability	0	0	0	0	0	0	9,844
Net gains / (losses) from changes in discount and inflation rates on unexpired risk liability	0	0	0	0	0	0	209
Surplus / (deficit)	(420)	(40)	(638)	(203)	(160)	(1,461)	9,183
Total comprehensive revenue and expense for the year	(420)	(40)	(638)	(203)	(160)	(1,461)	9,183

Statement of changes in reserves (equity) by Account (budget)

(\$m)	2021/22 budget						2020/21 forecast
	Motor Vehicle Account	Non- Earners' Account	Earners' Account	Work Account	Treatment Injury Account	Total ACC	
Total Account reserves							
Balance at the beginning of the year surplus / (deficit)	275	(6,577)	(633)	2,353	(2,195)	(6,777)	(15,959)
Total comprehensive revenue and expense for the year	(420)	(40)	(638)	(203)	(160)	(1,461)	9,183
Balance at the end of the year surplus / (deficit)	(145)	(6,617)	(1,271)	2,150	(2,355)	(8,238)	(6,776)

Statement of financial position (budget)

As at 30 June (\$m)	2020/21 forecast	2021/22 budget
Assets		
Cash and cash equivalents	200	200
Cash pledged as collateral	0	0
Receivables	575	573
Accrued levy revenue	2,600	2,820
Investments	48,094	48,165
Derivative financial instruments	895	0
Property, plant and equipment and intangible assets	155	134
Total assets	52,519	51,892
Less liabilities		
Cash collateral received	0	0
Payables and accrued liabilities	741	732
Derivative financial instruments	875	0
Provisions	72	70
Unearned levy liability	2,223	2,413
Unearned risk liability	1,245	1,253
Outstanding claims liability	54,140	55,663
Total liabilities	59,296	60,130
Net assets (liabilities)	(6,777)	(8,238)

Statement of cash flows (budget)

(\$m)	2020/21 forecast	2021/22 budget
Cash flows from operating activities		
Cash was provided from:		
Levy revenue	4,872	5,144
Investment income	1,095	1,044
Other revenue	1	1
	5,968	6,189
Cash was applied to:		
Payments to suppliers, employees and injured persons	6,170	6,545
Goods and services tax (net)	9	3
	6,179	6,548
Net cash movement from operating activities	(211)	(359)
Cash flows from investing activities		
Cash was provided from:		
Proceeds from sale of investments	81,428	82,164
Proceeds from sale of property, plant and equipment and intangible assets	0	0
	81,428	82,164
Cash was applied to:		
Payments for investments	81,243	81,777
Payment for property, plant and equipment and intangible assets	29	28
	81,272	81,805
Net cash movement from investing activities	155	359
Net (decrease) increase in cash and cash equivalents	(56)	0
Cash and cash equivalents – opening balance	256	200
Cash and cash equivalents – closing balance	200	200

1. Financial Reporting

Reporting and funding by Account

The Accident Compensation Corporation Scheme (as required through the Accident Compensation Act 2001 (AC Act)) comprises five separate Accounts being the Motor Vehicle, Non-Earners', Earners', Work, and Treatment Injury Accounts. Each Account receives individual funding and is maintained for a separate purpose.

Under the AC Act unless otherwise provided by that Act, funds held in an Account can only be used to meet costs incurred in the same Account. This means that cross-subsidisation between separate Accounts is not permitted. The Accident Compensation Corporation (ACC) therefore manages and separately reports on the performance and funding ratios of each Account.

The basis of setting levies is a fully funded basis for all levy payers other than the Government in respect of the Non-Earners' Account.

The ACC Board recommends sustainable levies to achieve full funding of the Motor Vehicle, Earners' and Work Accounts, but final levy rates are set by the Government. Claims incurred from 1 July 2001 in the Non-Earners' Account are fully funded by the Government. Claims before that date continue to be funded on a pay-as-you-go basis.

The Treatment Injury Account is funded through levies from the Earners' and Non-Earners' Accounts on the basis of whether the treatment injury claims are from earners or non-earners.

Reporting entity

The Accident Compensation Corporation (ACC) is designated as a Crown Agent under the Crown Entities Act 2004.

ACC provides comprehensive 24-hour, no-fault personal injury cover for all New Zealand residents and visitors to New Zealand. ACC has designated itself as a public benefit entity (PBE) for financial reporting purposes.

Basis of preparation

The forecast financial statements of ACC have been prepared in accordance with generally accepted accounting practice in New Zealand (NZ GAAP). The forecast financial statements comply with Tier 1 PBE accounting standards and have been prepared in accordance with the Accident Compensation Act 2001 (AC Act) and the Crown Entities Act 2004.

The forecast financial statements are prepared on a historical cost basis unless otherwise stated. All balances are expressed in New Zealand dollars and rounded to the nearest million dollars (\$m) unless otherwise stated.

The budget figures have been prepared in accordance with NZ GAAP and are consistent with the accounting policies adopted in preparing the forecast financial statements. The budget figures are unaudited.

2. Critical accounting judgements, estimates and assumptions

Outstanding Claims Liability (OCL)

PBE IFRS 4 *Insurance Contracts* requires an outstanding claims liability to be recognised and to be measured as the central estimate of the present value of the expected future payments for claims incurred with an additional risk margin to allow for the inherent uncertainty in the central estimate. The OCL is to be discounted for the time value of money using risk-free discount rates that are based on current observable, objective rates that relate to the nature, structure and term of the future obligations.

The OCL consists of expected future payments associated with:

- claims reported and accepted as at the valuation date that remain unsettled as at the valuation date
- claims incurred but not reported to, or accepted by, ACC as at the valuation date

- closed claims that are expected, on the basis of actuarial projections, to be reopened after the valuation date
- the costs of managing reported but unsettled, reopened, and incurred but not yet reported claims.

The OCL is the central estimate of the present value of expected future payments on claims occurring on or before the balance date, plus a risk margin to ensure the liability is sufficient to meet all the costs of future claim payments 75% of the time.

Future payments associated with gradual process claims that have not yet been reported are not included in the OCL. ACC's major exposure to gradual process claims or latent claims is in respect of hearing loss and asbestos-related injuries.

Section 37 of the AC Act states that a person is considered injured when:

- they first report the incapacity, or
- they first receive medical treatment for the incapacity.

The AC Act effectively defines gradual process claims as being consistent with the 'claims made' policies issued by general insurance entities. That is, clients are covered for specified contract periods, regardless of when the event occurred giving rise to the claim. Under 'claims made' policies, an insurer only has liability for reported claims.

Levy revenue

Levies required to fund the Work Account are invoiced directly to employers or self-employed persons based on their respective liable earnings at the applicable levy rate.

Earners levies of shareholder-employees and the self-employed are also invoiced directly. Earner levies of employee earners are collected within the PAYE system and are paid to ACC by Inland Revenue.

Accrued levy revenue for the Work and Earners' Accounts are estimated by using their respective expected liable earnings and average levy rate.

Going concern assumption

The financial statements have been prepared on a going concern basis.

The Board has considered a combination of circumstances, and the likelihood these could create uncertainty over the going concern assumption. We are particularly mindful that as interest rates continue to fall to historically low levels the OCL increases to historically high levels. This requires increased levels of funding in order to meet the future costs of current claims. In addition, the regulatory scheme contemplates periods when funding of some Accounts will be inadequate and catch up funding will occur at a later stage. In the circumstances where the Crown has elected for a period to not fund the deficit in the Crown funded accounts – the Non-Earners' Account and the Non-Earners' portion of the Treatment Injury Account, and /or not approve the levy changes recommended to the Crown by the Board, a financial deficit results. Were this to continue for some years, a combination of these circumstances will result in an increasing significant deficit. The financial statements are prepared on a going concern basis, reflecting the Government's on-going obligation to fund the Scheme and the long-term nature of its funding policy pursuant to ss.166 A&B of the AC Act.

Investment assets

ACC holds investment assets to generate investment income that matches the expected future cash flows arising from insurance liabilities. All assets held in the investment portfolios are designated as 'assets backing insurance liabilities'. All investment assets, other than service concession arrangements, are designated as financial assets recognised at fair value through surplus or deficit. The service concession arrangement is carried at cost less accumulated amortisation.

Fair value for investment assets is determined as follows:

- Listed shares and unit trusts are valued at the quoted prices on established markets.
- Non-listed equity investments (private equity and venture capital) are valued at fair value, as determined using the most appropriate valuation technique. The valuation techniques include discounted cash flow analysis, capitalisation of earnings and prices observed from recent market transactions associated with a particular investment.
- Unlisted unit trust investments are valued based on the exit price (the value ACC would receive if the units were sold).
- Bonds and other fixed interest investments are valued using quoted yield curves.
- For investments with no active markets or quotable inputs, fair value is determined using the most appropriate valuation technique. These techniques include reference to substantially similar investments with quotable prices, discounted cash flow analysis and option pricing models that incorporate as much supportable market data as possible and keeping judgemental inputs to a minimum
- Investment properties are revalued by independent registered property valuers.

Unexpired risk liability

At each balance date, ACC assesses whether the levy revenue recognised in the current period is sufficient to cover all expected future cash flows relating to future claims incurred in the current period. This assessment is referred to as the liability adequacy test and is performed for each Account. Gradual process claims are excluded from the liability adequacy test.

If levies are insufficient to cover the expected future claims plus a risk margin, then they are deemed to be deficient. The entire deficiency is recognised immediately in surplus or deficit. The deficiency is recorded in the statement of financial position as an unexpired risk liability.

The expected future claims are determined as the present value of the expected future cash flows relating to future claims. ACC applies a risk margin to achieve the same probability of sufficiency for future claims as is achieved by the estimate of the claims liability.

Investment income

Investment revenue consists of, and is recognised on the following basis:

- dividends on equity securities are recorded as revenue on the ex-dividend date (date security starts trading without the value of its next dividend payment)
- interest income is recognised as it accrues
- investment gains (losses) represent the realised and unrealised movements in the investment values. Realised gains (losses) occur at the time of disposal of an investment asset and are calculated as the difference between the proceeds received and their carrying value. Unrealised gains (losses) represent the difference between the carrying value of the investment assets and their fair value at year end.

3. Financial risks

As the forecasts are projecting future events, there are risks that the actual results may materially differ from forecasts.

A major risk is the impact of economic factors that are not controlled by ACC (for example wage and cost inflation, and interest rates) on future claims payments, investment income and the Outstanding Claims Liability.

The nature, timing and magnitude of expenditure related to planned organisation change projects is decided through our structured prioritisation process. It is important to note that these expenses are estimates only and are subject to the completion of detailed designs and implementation plans.

ACC's performance management framework is designed to identify and monitor risks to the Budget and Forecast on a timely basis and to allow management the opportunity to respond appropriately.

4. Levy revenue (including appropriations)

All levy revenue is recognised in the levy period to which it relates. Levy revenue relating to levy periods that have commenced prior to balance date is accrued if not yet invoiced. The accrual is estimated based on expected liable earnings at the applicable levy rate, with the assumption that the levy revenue is earned evenly over the levy period. The calculation of levy rates considers the current funding position of an Account and the lifetime costs of new year claims, discounted using expected investment rates of return applicable to each Account. The proportion of levies not earned at the reporting date is recognised in the statement of financial position as unearned levy liability.

Levies

Approved aggregate levy rates (GST exclusive) and funding bases as detailed have been used to prepare the budget.

TABLE 23 – BUDGET LEVY RATES BY LEVY YEAR

Account	2020/21	2021/22
Motor Vehicle	\$113.94 per vehicle through licencing fees and petrol levies	\$113.94 per vehicle through licencing fees and petrol levies
Earners'	\$1.21 per \$100 liable earnings	\$1.21 per \$100 liable earnings
Work	\$0.67 per \$100 liable earnings	\$0.67 per \$100 liable earnings

The \$5,176 million levy revenue for 2021/22 is \$290 million higher than forecast for 2020/21. The budget for levy revenue incorporates:

- Maintaining levy rates for 2021/22 levy year following Cabinet decision in July 2020.
- Non-earners' Account Appropriation, including the non-earners' portion of the Treatment Injury Account, which has increased by \$131 million to \$1,897 million.
- Increased liable earnings in 2021/22 by 5.4%.
- Changes in motor vehicle registrations and petrol consumption forecasts (the number of vehicles registered is expected to increase by 1.8%).

Non-Earners' Account appropriation

The Minister purchases from ACC outputs consistent with the provisions of the AC Act in respect of non-earners (other than motor vehicle injury). This includes the funding requirements of the Treatment Injury Account in respect of treatment injuries to non-earners. This funding is appropriated within Vote Labour Market.

TABLE 24 – BUDGET NON-EARNERS' ACCOUNT OUTPUT EXPENSES

(\$m)	2021/22 budget	Relevant ACC Activity	Relevant ACC output class
Case management and supporting services	281	Setting, invoicing and collecting levies – the Vote Labour Market appropriation process. Management of investment assets. Lodgement of new claims and making cover decisions. The costs of determining, processing, paying and monitoring payments to treatment and service providers and clients. Also includes the cost to ACC of managing claims with the goal of returning clients to independence. Development and delivery of programmes to reduce the incidence and severity of injury.	2 Levy setting and collection 3 Investment management 4 Claims management 1 Injury prevention
Sexual abuse assessment and treatment	8	Payments to providers for sexual abuse and treatment services, and associated training and accreditation services, to victims of sexual abuse or assault.	4 Claims management
Rehabilitation entitlements and services	1,100	Payments to providers for services including social rehabilitation, medical treatment, and vocational rehabilitation.	4 Claims management
Public health acute services	409	Funding via the Ministry of Health to provide services to injured people in hospitals during the acute phase of their treatment.	4 Claims management
Compensation entitlements	97	Direct payments of entitlements to clients including weekly compensation, independence allowances and lump sum payments.	4 Claims management
Total	1,895		

5. Investment income

Investment income is calculated using forecast returns based on a methodology that provides an estimate of ACC's median returns. The projected changes in rates from year to year reflect market expectations about the returns expected in each of the next 20 years.

Investment income in the 2021/22 year has been calculated by Account. The projected rate of return range in 2021/22 is 2.63% to 4.13% per annum, depending on the Account.

TABLE 25 – BUDGET INVESTMENT INCOME

(\$m)	2020/21 forecast	2021/22 budget
Operational cash portfolio	200	200
Investments (including derivative financial instruments)	48,114	48,165
Receivables (including unsettled transactions, dividend and interest receivables)	431	431
Payables (Unsettled transactions)	(597)	(597)
Investments reserves portfolio	47,948	47,999

6. Claims paid

TABLE 26 – BUDGET CLAIMS PAID

(\$m)	2020/21 forecast	2021/22 budget
Rehabilitation (including treatment) costs		
Medical treatment	978	1,081
Elective surgery	443	481
Public health acute services	578	630
Other treatment	228	246
Vocational rehabilitation	87	96
Social rehabilitation	957	1,076
Total rehabilitation (including treatment)	3,271	3,610
Compensation costs		
Income maintenance	1,743	1,870
Other compensation and benefits	199	210
Total compensation	1,942	2,080
Miscellaneous costs	51	69
Total cash cost of claims paid	5,264	5,759

Total claims costs are budgeted to increase 9.4%. This growth can be broken into volume and price drivers (~4.3% volume and ~5.1% average cost).

Claims costs are derived from the expectation of new registered and new weekly compensation claims growth, expected rehabilitation duration performance, Labour Cost Index and average weekly earnings assumptions.

Volume drivers have been applied to some individual services to recognise instances where claim volumes are expected to differ from the global new claim volumes forecast (up and down). This includes services that are currently generating, or expect to generate, higher utilisation through targeting or responding to specific client needs, and services where demand is sensitive to various demographic or other factors.

7. Increase in the Outstanding Claims Liability (OCL)

The OCL is the central estimate of the present value of the expected future payments for claims incurred with an additional risk margin to allow for the inherent uncertainty in the central estimate. The OCL is discounted for the time value of money using risk-free discount rates that are based on current observable, objective rates that relate to the nature, structure and term of the future obligation.

The liability is forecast to decrease from \$61,463 million to \$54,140 million in 2020/21, a decrease of \$7,323 million. This reflects the 31 December 2020 valuation, with adjustments to reflect economic assumptions as at 28 February 2021.

TABLE 27 – BUDGET MOVEMENT IN THE OCL

(\$m)	2020/21 forecast	2021/22 budget
OCL opening balance as at 1 July	61,463	54,140
Expected increase in the OCL	2,145	1,523
Impact of frequency rate updates	19	0
Impact of change due to actual v. expected inflation	141	0
Impact of change in claims experience & modelling	356	0
Impact of change in economic assumptions	(9,984)	0
Outstanding Claims Liability balance at 30 June	54,140	55,663

8. Increase in unexpired risk liability

At each balance date, ACC assess whether the levy revenue recognised in the current period is sufficient to cover all expected future cash flows related to future claims incurred in the current period. This assessment is referred to as the liability adequacy test and is performed for each Account. If levies are insufficient to cover the expected future claims plus a risk margin, then they are deemed to be deficient. The entire deficiency is recognised immediately in surplus or deficit. The deficiency is recorded in the statement of financial position as an unexpired risk liability.

TABLE 28 – BUDGET MOVEMENT IN UNEXPIRED RISK LIABILITY

(\$m)	2020/21 forecast	2021/22 budget
Opening balance as at 1 July	1,470	1,245
Movement in unexpired risk liability	(16)	8
Effect of changes in discount and inflation rates on unexpired risk liability	(209)	0
Closing balance at 30 June	1,245	1,253

9. Capital expenditure

TABLE 29 – BUDGET CAPITAL EXPENDITURE

(\$m)	2020/21 forecast	2021/22 budget
Property, plant and equipment		
IT	6	3
Property	5	9
Motor vehicles, equipment	2	1
Total	13	13
Intangible assets		
Intangible assets	16	15
Total capital expenditure	29	28

The proposed 2021/22 capital expenditure of \$28 million is in line with 2020/21. IT related costs is the IT infrastructure expenditure in maintaining and implementing minor enhancements to existing core applications. Property spend is the necessary annual spend to ensure that our property is fit for purpose.

10. Summary of other important assumptions

Our financial statements are underpinned by a range of assumptions. In addition to those noted earlier in this section, we adopt a range of forecasts for those indices that drive aspects of our financial performance.

TABLE 30 – IMPORTANT ASSUMPTIONS

Index	Indices (year to 30 June)				
	2021	2022	2023	2024	2025
Claim volume growth	14.4%	1.1%	2.4%	2.3%	2.2%
Entitlement claims volume growth	15.0%	3.1%	5.3%	5.1%	5.1%
Population growth	1.1%	0.8%	1.0%	1.1%	1.3%
Consumer price index	1.5%	1.7%	1.9%	1.9%	1.9%
Labour cost index	1.7%	1.9%	2.1%	2.1%	2.1%
Average weekly earnings	2.5%	2.7%	2.9%	2.9%	2.9%

Appendices

Appendix 1 – Alignment of the Service Agreement

How the Service Agreement aligns with our other accountability documents

We have three key accountability documents



Purpose of the Statement of Intent

Our Statement of Intent summarises our strategic intentions for the next four years. It includes our medium-term outcomes, our vision, our areas of focus and how we assess our performance overall using a public value measurement approach. Our Statement of Intent also summarises how we maintain our organisational health: our people, our systems and our risk management framework. Our Statement of Intent 2021–2025 can be found at www.acc.co.nz.

- the expected cost of delivering those services
- the performance measures, targets and related information necessary for the Minister to assess our performance
- the nature and frequency of the reporting requirements against the Agreement
- how we will deliver our outputs: injury prevention, levy setting and collection, investment management, and claims management.

The Agreement outlines the initiatives and outcomes that ACC will deliver. It does not impose corresponding obligations on the Minister.

Purpose of the Service Agreement

The Service Agreement (the Agreement) is between the Minister for ACC (the Minister) and the Accident Compensation Corporation (ACC).

The Agreement outlines for the forthcoming year:

- what we will have delivered by 30 June 2022 to demonstrate progress against our strategic intentions
- the quality and quantity of services to be provided by ACC

Purpose of our Annual Report

Our Annual Report provides information on our progress relative to our strategic intentions (as per our Statement of Intent) and reports on our progress during the year. The Annual Report also provides a summary of our actual results against all the performance measures included in this Agreement. Our Annual Reports can be found at www.acc.co.nz.

Appendix 2 – Conditions of the Service Agreement

Roles and responsibilities

The Minister for ACC is the Minister responsible for both the Accident Compensation Scheme (the Scheme) and the Accident Compensation Corporation (ACC). The Minister's roles and responsibilities are to:

- make sure an effective board is in place to govern ACC
- participate in setting the direction of ACC
- monitor and review ACC's performance and results
- manage risks on behalf of the Crown.

The Minister exercises this responsibility through the relationship with the ACC Board (the Board) and, in particular, the Board Chair. This Service Agreement (Agreement) supports that relationship.

The Board is accountable to the Minister for the delivery of the services specified in this Agreement, to the quality and costs specified. ACC remains accountable for the delivery of all outputs, including outputs that have been subcontracted to third parties.

Parties

This Agreement is between the Minister and ACC. Under section 25 of the Crown Entities Act 2004 the Board is responsible for all decisions relating to the operation of ACC. Under section 49 of that Act the Board also has a statutory duty to ensure that ACC acts in a manner consistent with this Agreement.

Term

This Agreement, entered into pursuant to section 271 of the Accident Compensation Act 2001 (AC Act), relates to a one-year period from 1 July 2021 to

30 June 2022. This Agreement revokes the Service Agreement for the period 1 July 2020 to 30 June 2021.

ACC's functions and duties

ACC provides accident insurance cover for all New Zealanders and visitors to New Zealand. We receive approximately two million claims per year.

Our core services are:

- injury prevention – we have a key role in promoting a reduction in the incidence and severity of personal injury. The injury prevention programmes are expected to be cost-effective and to lead to a reduction in levy rates
- rehabilitation – we aim to restore an injured person's independence to the maximum extent practicable. Specific provisions in the AC Act prescribe the entitlements that clients can access
- compensation – the Scheme provides financial compensation to clients for losses owing to personal injury.

The costs of services for each injury are assigned to the Motor Vehicle, Work, Earners', Non-Earners' or Treatment Injury Account depending on who was injured and/or where the injury occurred. The injury prevention costs are also assigned to the relevant Accounts. There is no cross-subsidisation between the Accounts.

ACC complies with procedures, conditions, restrictions and other provisions in the performance of its duties in relation to the management of each Account as set out in the AC Act. ACC is governed in accordance with the provisions of the Crown Entities Act 2004, the Public Service Act 2020, the Public Finance Act 1989 and the Health and Safety at Work Act 2015.

Amendments to this Agreement

This Agreement may be amended with the consent of the Minister and the Board if at any time during its term the work or environment of ACC is materially altered and the contents of this Agreement are no longer appropriate.

Any changes must be signed by the Minister and the Board, and attached to this Agreement. Both parties will hold copies of the original and any amendments to this Agreement.

Payment

The Minister, on behalf of the Crown, will pay ACC up to the amount authorised by Parliamentary Appropriations for 2021/22. The Ministry of Business, Innovation and Employment (the Ministry, acting as the administering agency responsible for Vote Labour Market) will action payments to ACC in accordance with the Public Finance Act 1989. Payments will be made monthly by direct credit from the Ministry to ACC, coinciding with the Ministry's receipt of funding from the Treasury.

Interpretation

The appendices to this Agreement form part of this Agreement, as do any amendments to those appendices signed by the Minister and the Board.

The parties agree to discuss and seek to resolve any differences of opinion between them under the Agreement, or any matter not covered by this Agreement relating to the supply of outputs.

Quarterly reporting

ACC will provide quarterly reports on its performance against this Agreement. Quarterly reports are to be read in conjunction with this Agreement and the reports of any preceding quarters to provide a context for the reporting of ongoing performance for the financial year 2021/22.

Each quarterly report will include commentary on performance against the performance targets, progress in implementing key initiatives and, where necessary, an explanation of performance trends, an analysis of those trends, and proposed actions to improve performance. It will also include commentary on our financial performance and an analysis of risks, critical issues, and opportunities arising from our performance to date.

Where our performance does not meet targets, we will provide further information that may include:

- an analysis of causes
- strategies and plans to improve performance and meet the specified targets
- an outlook for full year performance against targets.

As necessary ACC will provide the Minister with:

- any proposals to amend this Agreement due to changed circumstances
- timely advice of any risks that may create a significant exposure for the Crown
- information to support the forecast adjustment process for funding cost pressures in the Non-Earners' Account.

The timeframes for quarterly reporting are:

TABLE 31 – QUARTERLY REPORTING SCHEDULE

Quarterly performance report	Timeframe
Quarter 1 report	By 1 November 2021
Quarter 2 report	By 31 January 2022
Quarter 3 report	By 2 May 2022
Quarter 4 report	By 1 August 2022

Our quarterly reports to the Minister will be published on ACC's website.

Appendix 3 – Letters of expectations

Hon Carmel Sepuloni

MP for Kelston

Minister for Social Development and Employment

Minister for ACC

Minister for Arts, Culture and Heritage

Minister for Disability Issues



22 DEC 2020

Dame Paula Rebstock
Chair
Accident Compensation Corporation
PO Box 242
WELLINGTON, 6410

Tēnā koe Dame Paula

ANNUAL LETTER OF EXPECTATIONS

I am writing to summarise my expectations of the Accident Compensation Corporation (ACC) for the forthcoming year.

Firstly, my thanks go to you, the Board and the wider organisation for the work carried out during the last year. This was made more challenging due to the country's response in managing the effects of the global COVID-19 pandemic. The successful implementation of key transformation projects during this period is a significant achievement and ACC is now well placed to deliver greater value from this investment to all New Zealanders. I look forward to working with you in the year ahead.

The 2019 letter from the Ministers of Finance and State Services setting out expectations for all statutory Crown Entities is still in effect. The Minister of Finance has also provided a separate letter that sets expectations for all Crown Financial Institutions for the coming year, including the specific expectations regarding ACC's investment function.

I note that ACC is due to refresh its Statement of Intent during 2021. My officials at the Ministry of Business, Innovation and Employment (MBIE) and the Treasury are available to work with ACC officials to coordinate strategic priorities, performance measures and targets that best support governance requirements. ACC should ensure it provides its draft Statement of Intent and draft Service Agreement to me by 30 April 2021.

Government priorities

This Government continues to focus on recovering from COVID-19 and improving the wellbeing of all New Zealanders. Achieving our objectives will be more challenging as a result of the public health and economic impacts from the virus. Health, economic and social issues are all interconnected. ACC has a significant role to play in supporting injured New Zealanders to realise their potential, feel valued and live productive lives. It is essential therefore that ACC works in partnership with other agencies to enable this to happen whilst ensuring that the decisions it makes improve value for money for Public Sector services into the future.

My expectations for the year ahead are consistent with previous Minister's letters, the core requirements of the Crown Entities Act and other legislative requirements. These include:

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- Ensuring that the Scheme is fair, equitable and accessible for all claimants and that it delivers on its Te Tiriti o Waitangi obligations.
- Ensuring that the successful implementation of Integrated Change Investment Portfolio (ICIP) initiatives in the last few years deliver the required improvements in performance, in particular:
 - Improvements in processes, controls and management information that minimise delays in clients receiving the rehabilitation they need. This will enable New Zealanders to receive the right services at the right time, recover quickly from their injuries and return to work or independence more efficiently and effectively.
 - Improved use of data, analytics and clinical evidence to support targeted injury prevention activities, reduce the risk of waste and improve pathways to recovery.
 - Maintaining and building on the gains in net trust scores and the public's trust and confidence.
- Ensuring that ACC meets the Government's expectations of Public Sector Services to achieve carbon neutrality by 2025.

Whāia Te Tika

I was pleased to see a supporting measure included in ACC's 2020/21 Service Agreement to deliver more equitable claims lodgement ratios for Māori. Ultimately this should lead to ACC delivering more equitable outcomes and better claims experiences for Māori. I would like to see further clarity on how ACC intends to measure and report on its progress towards delivering equitable outcomes in its next Statement of Intent. I also expect you to keep both myself and the Associate Minister for ACC informed on the initiatives developed under the Whāia Te Tika strategy and the tangible differences they are making.

Improved performance and fiscal management

Claim volumes and costs have continued to increase above forecasts over recent years. At the same time, rehabilitation performance has continued to decline from previous levels. This means more New Zealanders are out of work for longer periods. Continuation of these trends presents a challenge to the long-term sustainability of the Scheme and impacts negatively on outcomes for claimants, employers and levy payers.

Now that several significant ICIP initiatives have been implemented, it is important that ACC makes the best use of its investment in new systems and processes to achieve the required improvements in rehabilitation performance and management of costs.

ACC should leverage its significant data and analytics capability to support improved efficiency and effectiveness of the Scheme through appropriate segmentation analysis and benchmarking. It should share insights from this information with providers and the wider health sector to facilitate system wide performance improvements.

Close oversight of performance metrics will support ACC in identifying and responding to drivers of underlying performance. You should continue to keep myself, MBIE and Treasury officials regularly informed on key insights from claims experience, major decisions, risks, milestones and progress against benefits targets.

Consultation for the next levy round will take place in 2021. I expect that you will work with officials at MBIE and the Treasury to provide me with information in a timely manner, clearly showing the pressures affecting the Scheme and the different options ACC has to respond.

Now that more than 70% of ICIP funding has been released and key initiatives have been rolled out, I intend to provide a further report to Cabinet on progress in 2021, with a particular focus on the Health Sector Strategy. You should continue to keep me informed in your regular reporting on how ICIP funded initiatives are tracking towards full benefits realisation.

Customer satisfaction

Stakeholder feedback has shown a generally increasing satisfaction with the Scheme over the last year. It is important that ACC continues to deliver a client centric Scheme that meets the expectations of all New Zealanders. I expect you to keep me regularly informed of any trends or themes being seen in ACC's Heartbeat or other customer feedback systems, along with ACC's response to those trends.

Collaboration

ACC provides an integral role in the provision of health and social sector services. It should be proactive in looking for opportunities to align with, support and coordinate cross sector work that could lead to improved outcomes for New Zealanders. This includes looking for opportunities to align with policy changes resulting from the Health and Disability System Review and welfare reform. You should advise me and my officials where a discussion with Ministerial colleagues may be required to progress these opportunities and foster engagement across different agencies.

Policy

The Scheme needs to be ready to respond to the changing demographics and needs of New Zealanders. I expect you to support officials from MBIE and Treasury and work with them to identify and address policy and legislative barriers that impact on the sustainability of the Scheme or lead to inequitable outcomes. This will help ensure that ACC is funded appropriately and well set up to manage claims and commission high quality, evidence based, cost-effective services that meet the needs of all New Zealanders into the future.

Injury prevention

Preventing injuries from happening in the first place is a primary purpose of the Scheme. The rates of serious injury from workplace injuries has risen over the past two years. I note that the 2020/21 Service Agreement has split out workplace rates of serious injury and returns on investment to enable clarity in reporting. ACC should continue to work closely with WorkSafe NZ and businesses to support efforts in driving forward improvements in workplace safety as identified in the Harm Reduction Action Plan. ACC should also provide me with regular updates throughout the year on actions being taken and progress being made.

In addition to WorkSafe, I expect ACC to continue its work with a range of partners across the public and private sector, sharing insights, analytics and investment and design capability to help reduce the incidence and severity of injuries.

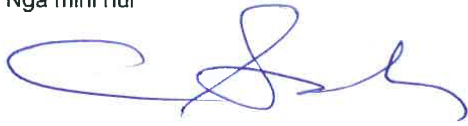
Communication

Performance expectations were lowered in the 2020/21 Service Agreement due to the uncertainty brought about by COVID-19. I expect ACC to ensure it delivers on its performance targets as a result. ACC's quarterly reports should continue to highlight its achievements along with progress towards meeting key milestones that address longstanding performance issues.

I continue to expect a "no surprises" communication approach. Please inform me of any significant events, positive or negative, that could be considered contentious, attract wide public attention and/or affect the financial position of ACC. This extends to the ongoing commitment of ACC to work constructively with advisors from my office, MBIE and the Treasury.

Thank you in advance for your work in the coming year.

Ngā mihi nui

A handwritten signature in blue ink, appearing to be 'C Sepuloni', written in a cursive style.

Hon Carmel Sepuloni
Minister for ACC

Hon Grant Robertson

MP for Wellington Central
Deputy Prime Minister
Minister of Finance
Minister for Infrastructure
Minister for Sport and Recreation
Minister for Racing



22 DEC 2020

Dame Paula Rebstock
Chair
Accident Compensation Corporation
PO Box 242
WELLINGTON 6410

Dear Dame Paula

ANNUAL LETTER OF EXPECTATIONS

I'd like to thank you, as well as the rest of the Board and ACC staff for all of your work in the last year, particularly the pivoting that was required due to the COVID-19 pandemic. Going forward I'd like to build on your good work by setting out my expectations for the investments function of the Accident Compensation Corporation (ACC) as it executes its business planning process for the forthcoming year. I note that you have received a Letter of Expectations from the Minister for ACC. Any general expectations contained in that letter should also be applied to the investments function.

Government priorities and the response to COVID-19

The Government has set out clear priorities to respond to an unparalleled international public health and economic shock. In this year of crisis, protecting New Zealand and the lives and livelihoods of New Zealanders has been the urgent and abiding consideration. Allied to this, three of the country's longest-standing and hardest issues demand continued and determined action: affordable housing and homelessness, child poverty, and the global climate crisis.

On each of these areas there is a need to do more and go further. Problems that are decades in the making are not easily or quickly solved but this Government is committed to relentlessly pursuing progress. The Government will have three overarching objectives:

- To keep New Zealanders safe from COVID-19
- To accelerate our economic recovery
- To lay the foundations for a better future

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An overview of the programme to achieve these objectives was laid out in the Governor-General's Speech from the Throne.¹ I encourage you to familiarise yourself with these areas of priority, including the Government's five point economic plan to foster jobs and growth. I expect you to consider the confluence of interests with your organisation in areas for social, sustainable and/or infrastructure investments that can also be beneficial for long-term investment strategies.

A core element of the objective 'to lay the foundations for a better future' is the particular focus on sustainability, and pursuing carbon neutrality. Every part of the economic apparatus has a role to play now in meeting the 2050 goals and I expect this to be a focus as your organisation develops its strategic plans.

Expectations for All Crown Financial Institutions

Fit for Purpose

I recognise that the ability of all Crown Financial Institutions (CFIs) to deliver on their legislated purpose means that investment returns may vary from year to year. It is my expectation that the Board, acting as the Crown's agent, will continue to focus on the appropriate balance of risk and return to assure the Fund's investment performance is able to meet its policy objectives and obligations.

Should investment performance impact your institution's ability to meet its intended purpose, I expect to be informed of this in a timely manner, including any remedial action the Board will take. Such information should include a detailed explanation of risks, financial or otherwise, which may have an impact on the Crown's fiscal position or cause a prejudicial impact on New Zealand's reputation.

Crown Risk

The nature of your mandate is to accept risk, but the Crown must have a good understanding of the potential fiscal implications to the Crown's consolidated balance sheet. To better understand such risks and implications it is my expectation that your organisation will continue to proactively work with the Treasury and collaborate with the other CFIs to help develop a framework that will aid the Government in its consideration of such scenarios, and in so doing, making the New Zealand economy more resilient to future financial shocks.

Where derivative instruments or leverage are employed in your organisation, I expect that their use is aligned with your entity's purpose. When such instruments are employed, CFIs should be mindful of their fiduciary responsibilities and statutory duties.

Where derivatives or leverage are employed, I expect that the appropriate level of knowledge, skill, transparency and controls are in place throughout your organisation to ensure that negative financial or reputational outcomes do not impact the Crown.

¹ <https://www.beehive.govt.nz/speech/speech-throne-3>

Partnership

Your organisation, along with other CFIs, is an important asset on the Crown's balance sheet – the importance in aggregate of the CFIs will increase over time.

For the Crown to be effective there needs to be a collaborative approach across all of Government (including CFIs and other Crown Entities). Your institution can play a part in delivering positive outcomes for New Zealanders through active and constructive engagement. This type of engagement, led by the Board, should permeate throughout your organisation, helping all concerned be more efficient in the use of scarce resources.

The CFI joint statement on climate change was a positive example of the partnership I expect. However, while it emphasised the importance the CFIs place on responding to climate change, this is a priority area for this Government. I expect more urgency and consistency in making progress on this issue.

I appreciate that you require clarity on the Government's expectations, so I am asking all CFIs to proactively work with my officials as they develop a framework that provides this transparency. Ultimately, my expectation is that Government funds are leaders in New Zealand's achievement of our shared target of being carbon-zero by 2050.

A successful partnership should be built on openness and trust. It is my expectation that this policy will continue in the shape of the existing 'no surprises' policy, and I encourage your institution to maintain a policy of transparency in its operations, expenses and communications across all of Government.

Citizenship

This Government is committed to acting as a responsible citizen. In your role in the investment community you can play an important part by: adopting, sharing and promoting investment policies and practices with other areas of Government that are not only consistent with your mandate, but help lift New Zealand's reputational standing as a responsible investor in the international community. To achieve this, it is my expectation that CFIs maintain robust ethical investment policies which are reviewed regularly and reflect best practice standards both here in New Zealand and internationally.

It should be the goal of all CFIs in fulfilling their mandates to give consideration to the part they can play in New Zealand's financial market landscape - helping make the economy more productive, sustainable and inclusive for all New Zealanders.

As CFIs with domestic investments you have a unique role in the future of New Zealand, particularly as we look to accelerate an economic recovery. I encourage you to consider where your long-term investment mandate can support the goals of the Government, while remaining consistent with that mandate and your overarching purpose.

Further to this wider arc of responsibility, CFIs must be seen as 'good citizens' in their home markets; and be cognisant of second order effects that can promote, and certainly not hinder, the development of deep capital markets in New Zealand.

Finally, I expect CFIs to disclose climate-related financial risks and opportunities in line with the Task Force on Climate-related Financial Disclosures recommendations in your annual reports.

Expectations Specific to ACC

Responsible investing/Engagement: ACC has evolved its approach to responsible investment over the last year, and this is welcomed. I expect ACC to work proactively with my officials to develop a framework to support the transparency, and application, of the Government's responsible investment priorities and ensure alignment with ACC's strategy.

The Government has an expectation that ACC will accelerate its moves to divest from investments in fossil fuels, as part of an overall responsible investment strategy. I expect the Board to engage with my officials as strategies are developed, to elicit where a Crown perspective might be required.

For the avoidance of doubt, this comment is not intended to be at the individual investment level but should consider how the Board can bring all stakeholders on the journey where there is a significant change to investment strategy, policy or philosophy. I expect that you err on the side of openness if in any doubt about how to apply this expectation.

If you have any questions or require further clarification on any of my expectations, please contact Emily Howe at the Treasury on 04 890 7446 in the first instance.

Yours sincerely



Hon Grant Robertson
Minister of Finance

cc: Scott Pickering
Chief Executive Officer
Accident Compensation Corporation
PO Box 242
WELLINGTON 6140

Annex 1

Timetable for the Business Planning Process for 2021/22

<i>Due Date</i>	<i>Key Action</i>
February	The Treasury to discuss the Letter of Expectations with the Board
26 February	Board sends strategic issues/Letter of Expectations response letter to the Minister
30 April	Board submits draft SOI (if required) and SPE to the Minister and the Treasury
30 June	Board delivers final SOI (if required) and SPE to the Minister and the Treasury

All entities are expected to provide the Minister with a strategic issues letter by **26 February 2021**, setting out the key strategic issues facing the entity, this can also include a response to the Letter of Expectations if you wish. Should your entity wish to engage with the Minister to seek clarification of expectations, we would ask that you advise the Treasury as early as possible of such intentions.

All entities are expected to provide the Minister with a draft SPE, consistent with the expectations as detailed in this letter, by **30 April 2021**.

The final SPE should be delivered to the Minister before **30 June 2021**.

The Minister and the Treasury should be alerted as soon as possible if any of these deadlines cannot be met.

Appendix 4 – Investment statement

The Government's expectations

The Government's expectations for ACC's investment function are outlined in the letter of expectations to ACC from the Minister of Finance. The expectations and priority areas for all Crown Financial Institutions are represented by several themes:

Governments Priorities and Response to COVID-19

- Keep New Zealanders safe from COVID-19
- Accelerate the economic recovery
- Lay the foundations for a better future

Fit for purpose:

- performance: focus on appropriate balance of risk and return to assure performance can meet policy objectives and obligations. Inform Minister of Finance and the Treasury of details of remediation where investment performance could impact ACC's ability to meet its intended purpose.

Crown Risk:

- risk profile: proactively work with the Treasury and collaborate with other CFIs to help develop a framework to aid the Government in consideration of risk and implication scenarios.
- complex products and activities: be mindful of fiduciary responsibilities and statutory duties where derivative instruments are employed.

Partnership:

- collaborative approach: actively and constructively engage with across all of Government to deliver positive outcomes for New Zealanders. Help all concerned be more efficient in the use of scarce resources.

- Climate change: proactively work with Treasury to develop a framework in response to climate change enabling wider transparency.
- Climate change: Government funds are leaders in New Zealand's achievement of being carbon-zero by 2050.
- no-surprises policy: maintain a policy of transparency in operations, expenses and communications across all of Government.

Citizenship:

- ethical investment: maintain robust ethical investment policies which are reviewed regularly and reflect best practice both in New Zealand and internationally. Adopt the highest standards of responsible investing.
- good citizens: be seen as 'good citizens' in home markets and be cognisant of second order effects that promote the development of deep capital markets.
- Disclose climate-related financial risks and opportunities in line with the Task Force on Climate-related Financial Disclosures in Annual Reports.

There are also expectations specific to ACC:

Responsible Investment/ Engagement:

- proactively work with Treasury to develop a framework that aligns to the Government's expectations for responsible investment and,
- accelerate ACC's progress towards fossil fuel divestment.

Investment context

To reduce the risk that future levy payers may have to pay for past injuries, ACC has built an investment portfolio that is designed to meet the future cost of accidents that have already occurred.

Until 1999 the ACC operated on a 'pay-as-you-go' basis, collecting only enough levies each year to cover the cost of claims for that particular year. In 1999 the Government decided to change the Scheme to a fully funded way of operating. That means ACC should now collect enough money during each levy year to fund all the future costs of any injuries that occur in that year.

Inter-generational equity is an underlying objective of the Scheme. In essence, this means that each population cohort should bear the cost of accidents that happen during the period when it was paying levies. Unanticipated rising costs, rising incomes, and the introduction of effective but expensive new medical treatments could otherwise mean that future levy payers would contribute to the cost of previous years accidents.

As required by its legislation, ACC invests funds as if it were a trustee. The investment portfolio cannot be used for anything other than meeting the claims of each of the Accounts. One Account cannot cross-subsidise another. If ACC could invest to fully 'match' its liabilities, the changes in value of its assets would offset the valuation changes for its liabilities. In practice, ACC's assets can only partially match its liabilities given their long-term nature and the limited supply of equivalent assets.

ACC is close to being fully funded across all Accounts, but this assessment relies on forecasts of returns achievable on the ACC's investment portfolios. If forecasts of returns reduce due to interest rates declining or claims costs rise unexpectedly catch up contributions would be required. In such a situation, ACC aims to reduce the impact that these may have on levy rates and on the contribution that the Government is required to make to the Scheme.

Thus, ACC favours long-term investments that are expected to deliver relatively certain income streams for long periods of time. Such investments match the long-term cash flow requirements and tend to provide an offset against the risk of declining interest rates.

ACC's Investment Objective

ACC invests to meet the future costs of outstanding claims. ACC's investment objectives seek to maximise investment returns over the long term while minimising unexpected mismatches between investment income and growth in the outstanding claims liability. To this end, ACC aims to:

- Achieve a suitable balance between return and risk (being the potential for unexpected declines in the ability of investment assets to meet future liability payments).
- Maximise long-term investment returns, for the level of risk taken.
- Achieve long-term investment returns that exceed the benchmark by 0.30% (30 basis points) before investment related costs,
- Mitigate risks through appropriate levels of diversification, effective risk management, and a strong and efficient operational control environment.
- Incorporate the evolving stakeholder themes such as Environmental, Social and Governance, into investment decision-making.
- Support the spirit and content of New Zealand's Health and Safety legislation.

Governance

The ACC Board Investment Committee (BIC) is responsible for ensuring the development of, and approving, our investment strategy, policies and guidelines, and for approving the appointment of any external fund manager, investment consultant or custodian. The BIC reports to the full Board on a regular basis.

The ACC Board determines the membership of the BIC which consists of members of ACC's Board plus expert external appointees and operates within the delegated authority and risk appetite provided by the ACC Board. The BIC determines the investment policies, whilst implementation of the policies is undertaken by ACC's in-house investment managers or by external fund managers (within the requirements and constraints of an Investment Management Agreement). In delegating investment decisions to internal investment staff, the BIC seeks to ensure that investment decisions are made in a manner consistent with ACC's investment objectives by:

- specifying the investment policies that must be complied with by ACC investment unit staff
- specifying the investment benchmarks that are to be used to measure investment performance
- specifying how the Investment Group should measure and take account of risk when measuring investment performance
- setting various limits and controls governing the scale and nature of the investment decisions
- ensuring there is clear accountability for the various aspects of investment performance
- making sure the Investment Group have a strong control environment to ensure the limits and controls are enforced and conflicts of interest are minimised.

Key decisions the BIC does not delegate include the:

- approval of asset allocation benchmarks and establishing the default allocation between investment markets for each of ACC's Accounts

- approval of policy documents, discussing how we will approach various aspects of our investment operation (such as how we set the strategic asset allocation and the approach that we will take to managing a particular investment portfolio)
- approval of changes to our Investment Guidelines, which specify limits to, and controls of, all aspects of the investment operation
- approval of the Investment Risk Management Policy which specifies the ACC's investment risk tolerance and how investment risk is managed
- appointment of external fund managers or custodians
- approval of any investment transactions that fall outside the limits and controls specified in the Investment Guidelines

The Chief Investment Officer (CIO) ensures the investment portfolio is managed relative to the investment risk tolerances set out by the restrictions and limits of the Investment Guidelines and the Investment Risk Management Policy. The CIO reports to the BIC on a regular basis.

Investment Strategies & Policies

Investment Strategy

The highest layer of investment strategy involves the setting and review of the Strategic Asset Allocation (SAA). The SAA sets out the asset class allocation percentages for each Account. Each asset class is described by a market benchmark which is considered the best representation of the risk and return characteristics of the asset class. The asset allocation ranges, together with the asset class benchmarks, are referred to as the Strategic Asset Allocation and are used by the Investment Group as a basis to implement the investment portfolio. The BIC reviews the asset allocation benchmarks on both an annual and an interim basis.

Management Strategy

ACC aims for continued investment success by employing the best investment professionals in the market and encourage them to manage ACC's investment portfolios in an environment that:

- emphasises individual accountability, but also encourages individuals to work together as a team
- encourages open discussion and debate, without requiring team members to buy in to an artificial 'consensus'
- encourages investment professionals to think about risk as well as long-run returns, and more generally to align their behaviours to ACC's objectives
- empowers investment professionals to make decisions that could add real value for ACC, whilst recognising that some misjudgement is inevitable.

The Investment Group is focused on ensuring that ACC's investment infrastructure and operational control environment are robust, and that the strategy delivers outcomes that are aligned to our vision and our fiduciary responsibility.

Investing with purpose

In 2020, ACC launched its first impact fund focused on health and safety. ACC believe there are opportunities to deliver superior risk-adjusted returns as well as make a measurable positive impact to the lives of New Zealanders.

ACC intend on establishing a second impact fund focused on Climate Change. The fund will invest in opportunities that support New Zealand's transition to net zero carbon.

Health and Safety Impact Fund

The Health and Safety Impact Fund aligns to ACC's core purpose (prevention, care and recovery). The fund invests in opportunities to improve health, safety and wellbeing in New Zealand.

Climate Change Impact Fund

The Climate Change Impact Fund will seek to invest in opportunities that support New Zealand's transition to a lower carbon economy.

Risk Management

Taking compensated risk is core to investing. The BIC ensures that the level of risk accepted aligns to the objectives of the investment portfolio and is consistent with the Board's risk appetite. The BIC manage risk through the Investment Risk Management Policy and Investment Guidelines. Strategic Asset

Allocation (SAA) is also a primary tool in helping the BIC manage the risk profile of the investment portfolio. SAA establishes the financial risk profile of the investment portfolio through a set of market benchmarks and exposures which best meet the long-term investments objectives of the portfolio while ignoring short-term fluctuations in market conditions. The Investment Guidelines limit how much risk the Investment Group can take by placing constraints on the exposure to different categories of risks. The BIC employ a number of rules to govern the types of investments that can be entered into, the way in which the Investment Group invests and the ways in which the Investment Group manage performance. The Investment Group measures investment risks from a number of perspectives to give a broad a picture of risk as possible. Risk measures are reported to the BIC monthly.

The investment portfolio faces many types of risks by investing in financial markets. The significant risks it faces include, but are not limited to:

- **Interest Rate Risk.** Changes in interest rates will affect the value of investments in fixed-income securities. When interest rates rise, the value of investments in fixed-income securities tends to fall and this decrease in value may not be offset by higher income from new investments. Interest rate risk is generally greater for fixed-income securities with longer maturities or durations.
- **Inflation Risk:** Inflation impacts the value of investments and the future costs of claims through higher rehabilitation costs and wage prices. The value of fixed income securities in the investment portfolio, particularly those with long durations and fixed cash flows, typically decreases if expected inflation increases interest rates (the mechanism being as described under Interest Rate Risk above). The value of other investments, like equity and inflation-linked securities, or property assets, may increase with inflation.
- **General Market Risk:** The value of the investment portfolio will fluctuate as the equity or bond markets fluctuate. The value of the investment portfolio may decline because of economic changes (including but not confined to the specific interest rate risk and inflation risks detailed above) or other changes including developments or trends in any particular industry, the financial condition of issuers of such assets and national and international political events and policy developments
- **Counterparty Risk:** We enter into derivative contracts with banking counterparties and futures exchanges as part of the investment process. If a counterparty is unable or unwilling to make timely payments to honour its obligations under the contract, ACC may incur a full or partial loss on the derivative. The value of derivative contracts can also change quickly as market conditions change which in turn means the exposure to counterparties can change quickly. ACC use cash collateral and margining to offset this exposure.
- **Liquidity Risk:** The investment portfolio requires exposure to liquid assets to both meet the claims costs of the ACC scheme and to take advantage of opportunities in investment markets. Liquidity risk exists when investments are difficult to sell, possibly forcing us to sell at a disadvantageous price. Derivatives involving substantial market risk also tend to involve greater liquidity risk. Liquidity risk can arise from the need to post large amounts of cash collateral or margin to counterparties of derivatives trades as market conditions change, or if sizeable funding activity from the ACC scheme requires the sale of securities to meet unexpected liquidity requirements.
- **Climate Change Risk:** The impact of climate change, such as higher temperatures, rising sea levels, more frequent extreme weather events and adverse health impacts, present current and emerging risks to ACC. The impact of climate change may have direct implications for ACC's claim rates and liabilities due to increased rates of climate change related accidents and injuries.

Active Management

Active portfolio management is an integral part of the ACC's investment beliefs and is important in achieving ACC's investment objectives. Active portfolio management allows ACC to identify and exploit market opportunities, enhance returns and manage risks.

ACC continues to actively manage all of their investment portfolios. The majority of ACC's investments are actively managed by the in-house investment managers. ACC manages most of its Australasian funds internally and uses external fund managers for all of its global investment mandates.

ACC Investments Code of Conduct

The ACC Investments Code of Conduct governs how the Investment Group must manage trading behaviours, personal investments and any offers of gifts or hospitality. The investment portfolio is managed to high standards of investment, business and ethical standards. The Investment Group maintains a culture of compliance that is consistent with its position as a Crown Agent and as a leading investment fund. This means:

- i. being fully aware of, and complying with, all applicable legal obligations and internal policies and guidelines, and
- ii. readily identifying and appropriately addressing any instances of non-compliance (actual or potential) to eliminate or minimise ACC's exposure to legal or reputational risk.

Ethical Investment Policy

ACC's Ethical Investment Policy requires ACC to consider the ethical implications of ACC's investments as well as ACC's fiduciary responsibilities.

ACC seeks to avoid investing in entities involved in activities that would be considered unethical by a substantial majority of the New Zealand public. ACC

use New Zealand law and international conventions such as the United Nations Global Compact and the Principles for Responsible Investment (PRI) as a reflection of the principles widely held by the New Zealand public. ACC also aims to avoid investing in entities that exhibit corporate behaviour that seriously breaches ethical/responsible investing standards.

The ACC Board provides overall guidance as to the types of activity that are considered unethical. In providing guidance for ACC's day-to-day investing, the ACC Board has highlighted activities that should be part of ACC's ethical considerations: tobacco companies, cannabis companies, those involved with the development and/or production of anti-personnel mines, cluster munitions, nuclear explosive devices, automatic or semi-automatic guns for civilian use, the hunting or processing of whales and companies who generate more than 30% of their revenue from thermal coal.

ACC notes that distinguishing between companies in legitimate businesses and those acting unethically is inherently subjective. By way of example, ACC believes that investing in supermarket companies that derive only a small proportion of their income from the sale of tobacco products may not go against our ethical considerations and that a substantial majority of the New Zealand public would not view this as unethical investing. ACC seeks to address any subjectivity that may arise in an open and transparent manner, to the extent commercially possible, by utilising a number of sources and processes.

ACC aims to continue to earn strong investment returns for levy payers in the future and reduce the cost New Zealanders pay for accident cover, while also meeting our ethical responsibilities.

In 2019 ACC committed to a 50% reduction in the carbon intensity of the global equity portfolio by 2030 compared to 2019 levels. Significant progress has been made towards this target, with commitment to review this target on an iterative basis.

Principles for Responsible Investment

ACC became a signatory to the PRI in March 2008. These principles provide investors with a framework to incorporate environmental, social and governance issues into their investment decision-making and ownership practices. As a signatory ACC are committed to adopting and implementing the principles where consistent with our fiduciary responsibilities.

Investment Valuations

The ACC Investment Valuations Policy governs how ACC value non-traded investments such as property and private equity, the timeframes on changing valuation managers and the specific requirements in doing so.

ACC manages its financial statements in accordance with generally accepted accounting practice in New Zealand (NZ GAAP) and comply with Tier 1 Public Benefit Entity (PBE) accounting standards. To ensure assets are measured accurately and without bias, ACC maintains independence between those responsible for managing the investment and those responsible for valuing the investment. For material investments where no observable market prices are available, the Investment Group obtains an independent third-party valuation. Independent third-party valuers must be managed on a rotation policy. The Policy requires ACC to ensure it follows the ACC's Procurement Policy which ensures independence within ACC on the selection of valuers.

Cost Management

ACC use a market recognised measure – Management Expense Ratio (MER) – which includes all the investment costs for the management of the portfolios. The BIC monitor ACC's Investment MER on a quarterly basis and review it against peer funds and other Crown Financial Institutions.

Measuring Performance

Oversight for investment performance is a primary function of the BIC with independent reporting provided by the Investment Risk and Performance team.

Investment performance should ultimately be evaluated by looking at the extent to which ACC's investments have achieved the objectives of enhancing returns and reducing risk, and how performance compares with global investment markets' performance.

The Investment Group measure the performance of each portfolio against a relevant benchmark and measure our overall investment return against a composite benchmark.

Inherently, most investment decisions involve a considerable degree of uncertainty and the outcomes of a few investment decisions in a short period of time could be regarded as being due more to luck than skill. But with enough time and enough distinct investment decisions to consider, ACC expects that any unpredictable positive or negative results will average out. Therefore, investment performance over a longer timeframe is more likely to reflect mainly the quality of the investment decisions rather than the 'noise' of relatively unpredictable fluctuations in investment markets.

Standards & Procedures

Investment Strategy & Policies are implemented through standards and procedures that sit outside of this document. Standards and procedures are monitored and controlled centrally by the ACC Investment Compliance team and are reviewed and reported to the BIC on an ongoing basis.

Glossaries

Glossary of terms

ACC Scheme

New Zealand's no-fault accident insurance scheme that provides cover to all New Zealanders and visitors to our country.

Accident Compensation Act 2001 (AC Act)

The major piece of legislation under which ACC is governed.

Account

ACC manages five Accounts, each funded differently. Combined these Accounts fund every accident, treatment and compensation claim that ACC covers.

Business customer

A business that pays a levy under the Scheme.

Client

A person who makes a claim under the Scheme.

Consumer price index

A measure of the price change of goods and services purchased by private New Zealand households.

Crown entity

An organisation in which the Government has a controlling interest.

Customer

A client, provider or business customer.

Earners' Account

The Account for non-work injuries for people in employment that occur outside work (e.g. at home or playing sport), that are not motor vehicle or treatment injuries.

Entitlement claim

A claim that has received additional support, such as weekly compensation or social or vocational rehabilitation for a covered injury, as well as any funded medical treatment required.

Full-time equivalent

The hours worked by one employee on a fulltime basis, generally considered to be 35–40 hours per week.

Gradual process claims

Claims as a result of injuries that have occurred due to prolonged exposure in the workplace to conditions that result in some form of harm (e.g. hearing loss).

Labour cost index

A measure of the increased cost of salaries and wages paid to workers, commonly expressed as an annual percentage.

Levies

Amounts charged, separate from general taxation, and used to cover the cost of injuries caused by accidents within the Motor Vehicle, Earners' and Work Accounts.

Motor Vehicle Account

The Account for all road-related injuries.

Non-Earners' Account

The Account for injuries of people not in the workforce, such as children and retirees.

Outstanding claims liability (OCL)

An estimate of the present value of expected future payments on all existing ACC claims.

Pay-as-you-go basis

Funding the costs of injuries as the costs are incurred.

Provider

A person or organisation providing a treatment or rehabilitation service to a client (e.g. a GP or physiotherapist).

Return on investment

The return or benefit obtained from an investment over and above the original investment, commonly expressed as a percentage or ratio.

Risk margin

ACC has added a risk margin to the central estimate of the discounted future claim payments to provide for a higher degree of certainty that the liability for outstanding claims, at balance date, will be adequate to cover possible adverse developments.

Shaping Our Future

Our overarching strategy to look at how we operate, from our technology to how we train our people, while putting the customer at the centre of everything we do.

Statement of Intent

A statutory document that covers a four-year period and outlines our medium-term strategic intentions.

Strategic intentions

The areas that ACC has identified as needing the most focus during the period of the Statement of Intent (2021–2025).

Superimposed inflation

Increase in costs over and above baseline inflation.

Transformation programme

A series of projects that were focused on improving our systems, processes and employee capabilities.

Treatment Injury Account

The Account for injuries arising during medical treatment.

Weekly compensation

Payments to a client who cannot work because of an injury, based on 80% of weekly income (capped) before the injury occurred.

Whāia Te Tika

Our strategy to pursue what is right for Māori and deliver on our aspirations.

Work Account

The Account for injuries that occur in the workplace.

Glossary of performance measures

ACC is focused on the best possible outcomes for clients given their situations

A measure of the extent to which respondents agree that ACC has focused on achieving the best possible outcome for them given their situation. Agreement is measured via a five-point scale (strongly agree to strongly disagree) with the reported score reflecting the percent that agree and strongly agree. Presented as a rolling four-quarter result.

Actuarial movement

The percentage growth in the OCL (balance at the start of the year) from actuarial gains or losses. Actuarial gains or losses arise from claim volumes, types and costs differing from expectations.

Average administration cost per active claim

The average administration cost per active entitlement claim. Administration costs exclude investment and injury prevention costs. Presented as a year-to-date measure.

Average care hours per serious injury claim

The average annual hours of attendant care, home help and childcare per serious injury claim. Presented as a rolling four-quarter result.

Average time to resolution for claims with reviews

The average time (in calendar days) for resolution of a review from review lodgement to review outcome. Presented as a rolling 12-month result.

Average weekly compensation days paid

The average number of weekly compensation days paid when a client exits the Scheme (rolling 12-month basis). Claims with 29 to 365 days of weekly compensation are included.

Change in average treatment cost per injury

The percentage growth in the average cost of medical treatment and elective surgery per claim. Presented as a rolling 12-month result.

Claims processed per FTE

The average number of new claims registered per FTE. The number of new claims registered is 12-month rolling and FTE is a point in time.

Durable return to work

The percentage of clients in the Work Account who have returned to work and have remained at work.

Employee net promoter score

A measure of how likely our employees are to recommend ACC as a place to work. Respondents rate themselves on an 11-point scale, with 0 being 'not at all likely' and 10 being 'very likely'. The net promoter score is the proportion of 'promoter' respondents (score 9–10) less the proportion of 'detractor' respondents (score 0–6). Total scores can range from -100 to +100.

Funding ratio (solvency)

This was previously referred to as solvency. The funding ratio is presented as a percentage and calculated by dividing total assets, less payables, accrued liabilities, provisions and unearned levy liability by the outstanding claims liability (including additional liability for work-related gradual process claims not yet made) excluding any risk margin. The funding ratio for the Work Account excludes those claims, and equivalent assets, funded through the Accredited Employer Programme. This is calculated for the fully-funded portions of the Accounts only.

Growth rate of the Long-Term Claim Pool

The percentage growth in the number of Long-Term Claim Pool clients who have received weekly compensation for more than 365 days. Presented as a point-in-time result.

Investment in Kaupapa Māori programmes

The amount invested in Kaupapa Māori injury prevention programmes.

Investment management costs as a proportion of total funds under management

Investment costs excluding costs associated with trading as a percentage of average funds under management. Presented as a year-to-date result.

Investment performance after costs relative to benchmark

A measure of ACC's investment performance after costs compared with the industry standard. Measured as the percentage above the blended market average benchmark. Presented as a year-to-date result.

Long-Term Claim Pool returns to independence

The net number of Long-Term Claim Pool clients who have returned to independence (ceased receiving weekly compensation) in 12 months. A Long-Term Claim Pool client has received weekly compensation for more than 365 days. Presented as a rolling 12-month result.

Lost-time injury frequency rate

The number of lost-time incidents per million hours worked.

Māori lodgement ratio

The ratio between the claim lodgement rate per head of population for Māori, benchmarked against the claim lodgement rate for all New Zealand.

Net trust score

A measure of the extent to which respondents have trust and confidence in ACC on a 0–10 scale grouped into four categories (low trust and confidence, medium trust and confidence, high trust and confidence, and don't know/refused). The net trust score is the proportion of respondents with high trust and confidence (score 9–10) less the proportion of respondents with low trust and confidence (score 0–6). Overall scores can range from -100 to +100. Four groups of our customers are included; clients, Māori clients, providers and businesses

Number of category 3, 4 and 5 privacy breaches and near misses

The year-to-date number of category 3, 4 and 5 privacy breaches and near misses. The category of a breach or near miss is determined using the Government Chief Privacy Officer's definition of a privacy breach.

Number of claims avoided through our injury prevention investments

The number of claims avoided in the areas where we have targeted injury prevention programmes. Presented as a year-to-date result.

Overall operational system availability

Percentage of time key applications and networks are available to perform required functions. Presented as a year-to-date result.

Percentage of total expenditure paid directly to clients or for services to clients

The proportion of expenditure (claims paid and administration costs) paid for clients (claims paid). Investment costs are excluded. Presented as a year-to-date result.

Proportion of ACC reviews upheld

The proportion of all review outcomes where the decision was in favour of ACC. Reviews in favour of ACC include all reviews dismissed at an external review hearing, as well as any reviews that have been withdrawn or settled. Presented as a rolling 12-month percentage.

Proportion of ACC staff who identify as having a disability

The proportion of FTEs who identify as having a disability, self-reported in a six-monthly survey. Presented as a point-in-time result.

Proportion of ACC staff who identify as Māori

The proportion of FTE who identify as Māori, self-reported in a six-monthly survey. Presented as a point-in-time result.

Public trust and confidence

The proportion of general public surveyed (who felt they had a reasonable understanding of ACC) who reported having full trust and confidence in ACC. Presented as a rolling four-quarter result.

Rate of long-term clients in part-time work

The proportion of Long-Term Claim Pool clients with part-time earnings (abated weekly compensation payments). In this context, Long-Term Claim Pool clients are those who have received weekly compensation for more than 365 days. This is a point-in-time measure.

Rate of serious injury

The number of new serious injury and fatal claims where we have injury prevention programmes as a proportion of the New Zealand population. Presented as a rolling 12-month result.

Return to independence for those not in the workforce

The proportion of clients (who have never received weekly compensation) who have returned to independence (ceased receiving any entitlements) in 12 months. Presented as a rolling 12-month result.

Return to work within 10 weeks

The percentage of clients receiving weekly compensation who return to work within 10 weeks (70 days). A client is considered to have returned to work five weeks after the cessation of weekly compensation payments. Presented as a 52-week rolling average result.

Return to work within nine months (273 days)

The percentage of clients receiving weekly compensation, who return to work within nine months (273 days). A client is considered to have returned to work five weeks after the cessation of weekly compensation payments. Presented as a 52-week rolling average result.

Reviews as a percentage of decline decisions

The number of client reviews lodged as a percentage of the number of cover and entitlement decline decisions, presented as a rolling 12-month result.

Speed of cover decisions

The average number of calendar days between the lodgement date and time, and date and time of first cover decision (accept or decline). Measured for non-complicated and complicated claims separately and presented as a rolling 12-month result.

The portfolio of injury prevention investments will have an assessed positive return on investment

The return on investment from our injury prevention investments in two areas: 0 to 20-year programmes and workplace programmes. This consists of two parts: the historical value of claims saved divided by the cost of the interventions to date, and the 10-year expected claims saved divided by the likely future cost of the interventions. The future investment and value of claims saved in the calculation of the return on investment are discounted using our expected investment rate of return. The workplace measure excludes ACC's investment with WorkSafe New Zealand. Presented as an evaluation of the costs and savings at a point in time.

Total recordable injury frequency rate

The number of lost-time incidents, restricted work incidents and medical treatment incidents per million hours worked.

Directory

Directory

Claims

0800 101 996

claims@acc.co.nz

Business

0800 222 776

business@acc.co.nz

Providers

0800 222 070

providerhelp@acc.co.nz

Our three main call centres are open Monday to Friday, 7am to 7pm.

Claims

General claims questions

0800 101 996
+64 7 848 7400

claims@acc.co.nz

Sensitive claims

0800 735 566

sensitiveclaims@acc.co.nz

Sensitive Claims
PO Box 430
Dunedin 9054

Health and service providers

Providers

0800 222 070

providerhelp@acc.co.nz

Northern Service Centre
PO Box 90341
Auckland 1142

Make a complaint

0800 650 222
+64 7 859 8560

customerfeedback@acc.co.nz

Customer Resolution
Freepost 264
PO Box 892
Hamilton 3240

Deaf, language and cultural services

Deaf services

deaf@acc.co.nz

Language and cultural services

0800 101 996

General questions

General questions	04 816 7400	information@acc.co.nz
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ACC
PO Box 242
Wellington 6140

Statistics		statistics@acc.co.nz
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Corporate office	04 816 7400	information@acc.co.nz
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Justice Centre
19 Aitken Street
PO Box 242
Wellington 6140

Managing employee injuries

Injury management team	0800 101 996	returntowork@acc.co.nz
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Injury Management Consultant
Private Bag 9000
Hastings

Business and levies

Business and levies	0800 222 776	business@acc.co.nz
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+64 7 859 8675

ACC Business Service Centre
PO Box 795
Wellington 6140

Collections and recoveries	0800 729 538	collections@acc.co.nz
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+64 4 805 4296

Media questions

Media team	021 998 165	media@acc.co.nz
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ACC Media Team
PO Box 242
Wellington 6140



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He Whakaora.**

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www.acc.co.nz

0800 101 996

New Zealand Government

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