



CHALLENGE

Community Services

Challenge Community Services
(CCS)

Modern Slavery
Statement

Financial Year Ending 30 June
2023

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Foreword

Modern slavery is used to describe situations where coercion, threats or deception are used to exploit victims and undermine or deprive them of their freedom. It can occur in many forms including human trafficking, slavery, servitude, forced marriage, forced labour, debt bondage and any other forms of child labour.

The introduction of the Modern Slavery Act 2018 aims to combat modern slavery in global supply chains.

Challenge Community Services (CCS), ABN: 17 059 209 675 is a Company Limited by Guarantee and is registered as a charity with the Australian Charities and Not-for-profits Commission. **CCS is committed to ensuring that the risks of modern slavery in our business operations and supply chain are managed and minimised.**

We are pleased to publish our updated statement on modern slavery which is an expression of our beliefs as a socially responsible organisation, and a reflection of CCS's core values which are:

Collaboration: We come together to achieve our vision.

Compassion: We care for people.

Integrity: We do the right thing.

People Focused: We put people first in all we do.

Respect: We accept everybody for who they are.

CCS's Modern Slavery Statement is made pursuant to the Modern Slavery Act 2018 and covers the reporting period 1 July 2022 to 30 June 2023.

The Statement outlines the approach CCS has taken to identify, assess and manage modern slavery risks in our operations and supply chain.

This statement was approved by the Board of CCS by circular resolution 2023-03.01.

DocuSigned by:

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William Warburton
Chair of Board

Mandatory Criterion 1: Who is Challenge Community Services (CCS)?

CCS focuses on making a positive difference in the lives of all members of our community.

CCS is a Public Benevolent Institution (PBI), with Deductible Gift Recipient (DGR) status and has provided innovative and people-focused service to the communities we serve for over 60 years. Our offering to regional and metropolitan communities includes Disability Services, Foster Care, Allied Health and supported employment for people with a disability as part of our range of Business Services.

CCS operates throughout regional and metropolitan New South Wales, and the greater Brisbane area in Queensland. Our organization is built on a strong workforce of 1,050 staff, including over 90 employees with disability.

As a Company Limited by Guarantee, CCS is governed by a Board of Directors. CCS's independent Board ensures that CCS delivers on its purpose for its clients. The Company is managed by the CEO who is supported by the Executive Team.



Our Purpose

We care about enriching every interaction, no matter how big or small, to make a positive difference in the lives of all members of our community. We do this because we are passionate about realising the potential of all people we support.



Our Vision

We aim to be the industry leader in the empowerment and support of people within the community through integrated services and employment opportunities. We will positively impact and influence the development of social policy to enhance the communities we engage with.

Mandatory Criterion 2: Describe CCS's structure, operations and supply chain; and

Mandatory Criterion 3: Describe the risks in CCS's operations and supply chain

CCS's operations and activities are conducted wholly within Australia. CCS operates four revenue generating services, namely: 1. Allied Health; 2. Business Services; 3. Disability Services and 4. Foster Care. We deliver services from approximately 120 sites in New South Wales and Queensland. During FY2023, we supported 534 Children and Young People in the Foster Care system in New South Wales and 1193 NDIS participants in Supported Independent Living, Specialist Disability Accommodation and/or Day Programs.

CCS's Quality Framework in part measures our delivery of best practice services (including recruitment practices) to clients and employees through our governance principles that demonstrate adherence to regulatory and legislative requirements. This is further demonstrated through our mandated accreditation certification audits for Foster Care and Disability Services.

In reviewing the risks of modern slavery practices within our operations, we have considered the risks across all our service areas.

This year, when we assessed the modern slavery risks amongst our suppliers we considered two levels of suppliers, namely:

1. Top Tier Suppliers – 15 were identified, due to the amount we spend with them; and
2. High Risk Suppliers - classified this way based on the country of origin of goods.

The main types of goods and services CCS procures are:

- Agency staff through Labour Hire companies to supplement our permanent and casual workforce; and
- Residential and Commercial properties to enable the provision of supported accommodation and day programs for people with disabilities.

We have assessed our suppliers by using the Australian Government Risk Screening tool which focuses on the following four criteria:

1. Sector and Industry Risks – deemed low;
2. Product and Services Risks – deemed medium (relates to some Labour Hire organisations involving staff recruited on Visas);
3. Geographic Risks – deemed low; and
4. Supply Chain Model Risks – deemed low

By using this screening tool we have deemed that this year that none of our suppliers meet a high-risk threshold. CCS will review their suppliers using this tool on a periodic basis.

1. Top Tier Suppliers

Supplier's Name	Supplier's ABN	\$ Spend	Risk Rating
Employers Mutual NSW Limited (iCARE)	83 564 379 108	\$4.34M	Low
Be Recruitment	82 626 742 505	\$1.42M	Low
Kensells Sales Pty Ltd	84 002 733 860	\$1.38M	Low
Summit Auto Lease Australia Pty Ltd	87 054 704 737	\$1.19M	Low
Maple Youth Services Pty Ltd	18 662 200 713	\$1.15M	Low
Paul Wakeling Motor Group Pty Ltd	47 119 908 780	\$850K	Low
Safe Places Community Service Ltd	53 131 345 910	\$768K	Low
Servco Australia Tamworth Pty Ltd (Tamworth City Toyota)	28 628 011 905	\$722K	Low
Ingite Support Services Pty Ltd	29 636 021 184	\$695K	Low
Ryde Kia	79 619 139 016	\$625K	Low
Telstra Corporation Ltd	33 051 775 556	\$605K	Low
Pathfinders Ltd	64 146 004 524	\$481K	Low
Mana Support Pty Ltd	72 639 485 466	\$454K	Low
Aspire Homes Australia Pty Ltd	21 532 046 041	\$407K	Low
Healthcare Australia Pty Ltd	95 108 180 589	\$372K	Low

The results of using the screening tool revealed that the risk of modern slavery across CCS's supplier network is low at this time.

2. High Risk Suppliers

Currently, CCS has no suppliers who have been deemed as High Risk Suppliers when matched against the Australian Government's Risk Screening tool. This is being monitored particularly in relation to labour hire organisations, particularly if their Head Office is not in Australia.

Mandatory Criterion 4: Describe the actions taken by CCS to address the risks including due diligence and remediation

CCS uses Service Level Agreements and contracts when using an external supplier. For larger contracts these are reviewed by our In-house Counsel.

All CCS staff are remunerated, and we do not currently engage volunteers to assist in the delivery of our activities.

All employees are based in Australia and are covered by the Fair Work Act 2009, with the majority covered by the Social Community, Home Care and Disability Services Industry Award. Other staff are covered under the Health Professional and Support Services Award. Our Supported Employees are covered by the Supported Employment Services Award.

Our employee contracts are as per or above the provisions in the Fair Work Act and relevant Award. CCS staff and employees are Australian residents, Citizens or long-term visa holders. CCS is also registered to hire staff via Temporary Activities Sponsorships and Standard Business Sponsorships with the Department of Home Affairs. At present, we have one staff member who has been employed under one of these sponsorship arrangements.

We do not outsource labour to organisations outside of Australia.

CCS has developed a range of measures that recognise the importance of treating people fairly, ethically and with respect:

- Our Recruitment and Selection Policy guides our hiring practices and is based on the principles of equity, fairness and transparency across our recruitment, selection and appointment processes.
- CCS has worked hard to establish a positive work culture and Code of Conduct that respects staff and employees and is based on a 'safety first' approach.
- We have implemented a range of flexible working initiatives that aim to foster our employees' work / life balance, including work from home arrangements, flexible working times, paid family and domestic violence leave and rostered days off.
- We are committed to standards such as the National Standards for Disability Services, to ensure quality service delivery adherence to Human Rights Principles, promoting freedom, choice, dignity, respect and opportunity.
- CCS is committed to the highest standard of legal, ethical and moral behaviour and adopts a zero-tolerance approach to any form of misconduct or fraud. Our Complaints and Feedback Policy; Grievance process and Whistleblower Policy provide mechanisms for staff, clients and employees to raise concerns in confidence and without fear of repercussion.

Our reviews into the modern slavery risks associated with our direct workforce did not identify any areas of concern.

Mandatory Criterion 5: Describe how CCS assesses the effectiveness of these actions

Our key focus in FY 2022-2023 was to assess and identify if there were any modern slavery risks within our operations and supply chain.

CCS's Executive Team oversees the annual program of work as part of CCS's modern slavery obligations and monitors progress to this, including:

- The approach we have taken for FY2022-2023 in assessing our modern slavery risks; and
- Development of our Modern Slavery Statement.

Our Board is responsible for ensuring that CCS is compliant with legal, statutory and governance obligations and by providing oversight of CCS's modern slavery obligations.

Given our low risk profile, at present CCS is not assessing the effectiveness of the actions we have put in place to ensure our compliance with the Modern Slavery requirements.

Mandatory Criterion 6: Describe the process of consultation with any CCS entities

CCS does not have any subsidiaries or related entities.

Mandatory Criterion 7: Provide any other relevant information

CCS uses the Risk Screening tool to assess any new supplier that is engaged that provides the following products and services:

- Office, sites and vehicle leases;
- Safety/Personal Protection Equipment (PPE);
- Utilities;
- Technology contracts;
- Maintenance contractors;
- Labour Hire organisations; and
- Consulting services.

As our operations are in New South Wales and Queensland, our suppliers are located in Australia. Notably, a key requirement of our government contracts is that the customer data we collect must be stored within Australia and our key technology partners are therefore also Australian based organisations.

The results of these preliminary assessments revealed that overall, the risks of modern slavery across CCS's key suppliers are low at this time.