



Latrobe Regional Health

MODERN SLAVERY STATEMENT

This Modern Slavery Statement is made pursuant to the Commonwealth *Modern Slavery Act 2018* (the Act) by Latrobe Regional Health and relates to the financial year 1 July 2022 to 30 June 2023.

1. Identify the reporting entity.

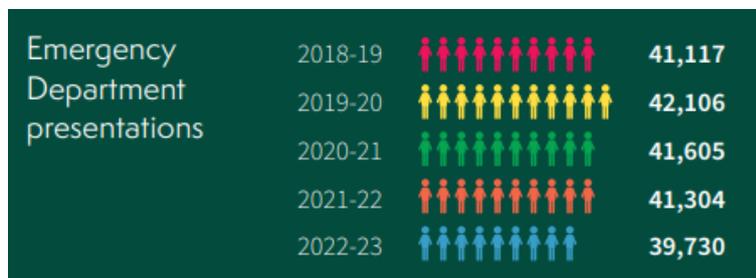
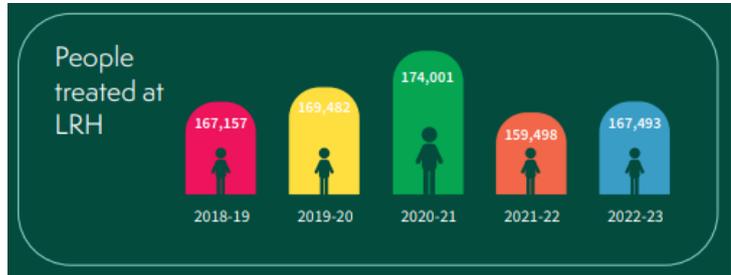
Latrobe Regional Health (LRH), formerly known as Latrobe Regional Hospital, is located 150km east of Melbourne at Traralgon West and is recognised as the regional provider of specialist health services in Gippsland.

We are a public health service established under the Health Services Act 1988 (Vic). This followed the amalgamation of public hospitals in Traralgon and Moe and a nursing home in Morwell in 1991. LRH became the major provider of acute mental health services in the region in 1995, taking over from Hobson Park Hospital, Traralgon.

We provide public hospital services in accordance with the principles of the National Health Care Agreement (Medicare) and the Health Services Act 1988 (Vic).

Latrobe Regional Health's Annual Reports can be found here [Annual Reports](#)

LRH cares for a population of more than 300,000. Our catchment covers about 42,000 square kilometres from Phillip Island to Mallacoota in the far east.



We offer cardiac care, surgery, medical, renal, emergency and critical care, aged care, women's and children's services, pharmacy, allied health and rehabilitation. Medical and radiation oncology are offered by the Gippsland Cancer Care Centre on site. Specialist outpatient services are provided by the Gippsland Private Consulting Suites.

LRH offers inpatient care to people experiencing mental illness and community mental health services extend across the Latrobe Valley, Sale, Bairnsdale, Yarram, Orbost, Warragul and Wonthaggi. Our Macalister Unit has 10 acute beds for older people with complex needs relating to mental illness as well as 10 nursing home beds.



2. Describe the reporting entity's structure, operations and supply chains.

Latrobe Regional Health is located in regional Victoria at 10 Village Avenue, Traralgon West, 3844, ABN: 18 128 843 652, is a public health service established under the Health Services Act 1988 (Vic).

We provide public hospital services in accordance with the principles of the National Health Care Agreement (Medicare) and the Health Services Act 1988 (Vic).

Health Share Victoria (HSV) is a state-wide procurement organisation that partners with Victorian public health services to procure best-value goods and services. HSV works in partnership with public health services to understand their requirements, facilitate large-scale collective tenders and manage common-use contracts on behalf of the state.

Latrobe Regional Health purchases the goods and services it needs from the suppliers who are party to HSV collective agreements. As such, it is recognised that HSV has a significant role in health service supply chains.

HSV contracts cover a broad range of services, equipment and supplies across a number of categories including ventilators, beds, mattresses, patient trolleys, treatment chairs, hypodermic needles and syringes, gloves, pharmaceutical products, IV fluids, agency labour, catering supplies, laundry and linen services and non-emergency patient transport.

As part of our operations LRH purchases include (but not limited to) medical consumable products, medical equipment (including maintenance), pharmaceuticals, food and nutrition, linen services, utilities, agency labour, radiology services, vaccine and pharmaceuticals, PPE, textiles, consultancy services, facility management, IT and marketing.

3. Describe the risk of modern slavery practices in the operations and supply chains of the reporting entities that the reporting entity owns or controls.

Latrobe Regional Health understands that Modern Slavery can occur in any sector or industry, and at any point in a supply chain, including those parts of a supply chain located within Australia.

With growing evidence demonstrating high occurrence of modern slavery in sourcing of raw materials and in production of health care goods, including: gloves; surgical instruments; patient clothing; uniforms and footwear of health care professionals; sheets; towels; and other textiles; and electronic health care equipment, LRH recognises that health services use these goods daily and that we are reliant on these imports from global supply chains.

Due to the extensive nature of our global supply chains and the potential exposure to modern slavery risks, Latrobe Regional Health is working closely with HealthShare Victoria to understand modern slavery risks within our supply chains and to implement actions to minimise the risk of exposure.

We recognise that the risks of modern slavery may be heightened in some of our groups supply chains and operations as a result of the geographical location of some suppliers, our areas of operation, and the source of materials used in products supplied to us.

We also acknowledge, we lack visibility in certain overseas markets and this carries additional risks of modern slavery especially in secondary levels of our chain of suppliers and source materials used in our group's goods and services.

Given HSV's significant role in Latrobe Regional Health's supply chains, HSV has helped identify the general risks of modern slavery by assessing the supply chains of Collective Purchasing Agreements.

HSV Data and Analytics identified 299 suppliers from Supplier Spend Data for the period **FY2022** (July – December) for all health services.

A risk assessment was conducted on all suppliers with HSV collective agreements to oversee any adverse Modern Slavery behaviours or trends in the supply chain. The risk assessment was updated over the previous year to further evaluate and identify areas of concern. This has allowed HSV to further track and tailor support specific to the needs of individual health services.

The risk assessment was split into two sections:

Company details which compiled of 4 sub categories:

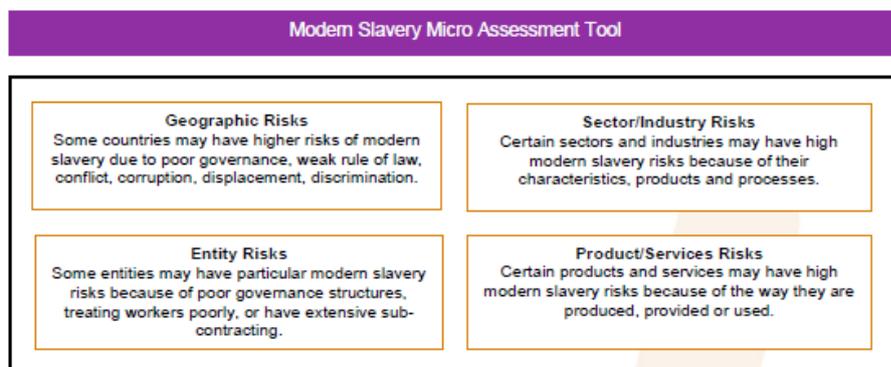
- Geographic risks
- Sector/industry risks
- Entity risks
- Product/services risks

Company details section was to identify: the suppliers operational location/s; industry/ies they work in; and gauge visibility of who they supply to more broadly.

Modern Slavery: compiled of four sub-sections that are covered in the Act, being:

- Policy – subsection requesting information on what policies are in place around Modern Slavery.
- Due Diligence – covered what actions were being taken to mitigate risk and what visibility the supplier had over their operations they oversee.
- Training – revolved around what positions within the supplier were being trained on modern slavery and how they spread awareness of the issue within their organisation.
- Remedy – requested information around processes in place when identified modern slavery acts/incidents occur and if any current allegations are being investigated against that supplier.

These categories allow for greater identification of where weaknesses in mitigation may be occurring/ Therefore allowing broader awareness with what organisations are having difficulty with and this could significantly help lower their Modern Slavery risk.



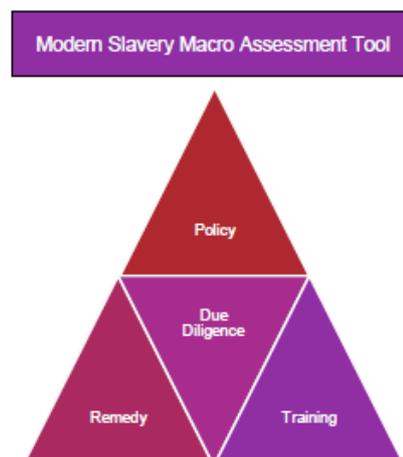
The Micro assessment identified modern slavery risks across four categories

This involved considering whether there is a high prevalence of modern slavery in a particular sector or industry, or associated with a

particular good or service, or in the location that the product or service is sourced or produced from. The micro assessment also considered whether the nature of the supply chain model carried a greater risk of modern slavery. This type of assessment provided a general understanding of the scope of modern slavery risks that suppliers may carry.

The macro assessment facilitated a detailed analysis by identifying and assessing possible modern slavery risk and in determining what risk mitigation strategies suppliers already had in place and what risks would need to be managed.

Macro assessment involved risk identification across the four categories noted above.



Scoring for this year's risk assessment was adjusted from the previous assessments completed. Notably the weightings were adjusted to both sections; that is: **Company details/ Modern Slavery**, to ensure a greater reflection of actions taken and to provide a more accurate picture of the suppliers' approach to modern slavery.

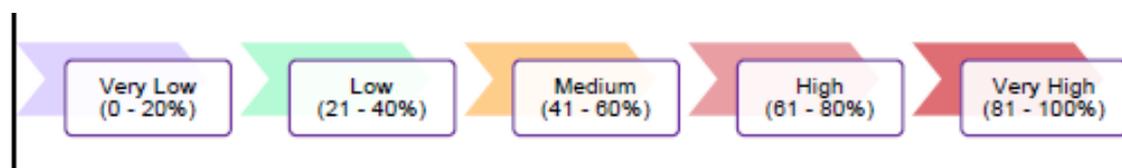
Company details, accounted for 20% of the overall score that could be accumulated. This was seen as a decisive step going forward, as suppliers might operate out of a high-risk area or industry for their operations. Thus, to reduce penalising based on location or industry alone the modern slavery component was reweighted to screen what mitigation actions were being taken to ensure no adverse behaviours were present.

The micro assessment also considered whether the nature of the supply chain model carried a greater risk of modern slavery. This type of assessment provided a general understanding of the scope of modern slavery risks that supplier may carry.

Modern Slavery was weighted at 80% as this section was to allow the supplier to highlight what policy, procedures, due diligence/ visibility, remedy, and training/awareness were in place and to offset the company details section. In these sections scoring was assigned to each question with some yielding higher scores based on the importance of topic. This accumulation of the score would equal their weighting for the various section/s, etc., to score high on a target would result in a high to very high result in modern slavery.

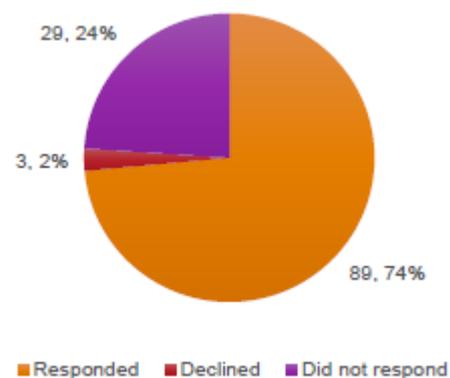
The macro assessment facilitated a detailed analysis of modern slavery risk by identifying and determining what mitigation suppliers took over their supply chain. This is pivotal, as the more awareness about operating in a high-risk industry or area would need to be associated with greater risk management including potential risks.

The totals of both the macro and micro sections would allocate one of the following risk ratings to the suppliers: Very Low, Low, Medium, High or Very High. From the rating, monitoring and support can occur to facilitate less and less opportunity that modern slavery occurs.



Of the 121 invited suppliers that were accessed by Latrobe Regional Health for the period FY2022 (July – December), 89 responded, whilst 3 declined to respond and 29 did not respond.

From the Latrobe Regional Health respondent's suppliers 8 were categorised as High risk, 44 Medium Risk and 37 Low Risk. Whilst the data sets are difficult to compare given HSV has refined its risk rating it appears that actions are tracking in a positive direction.

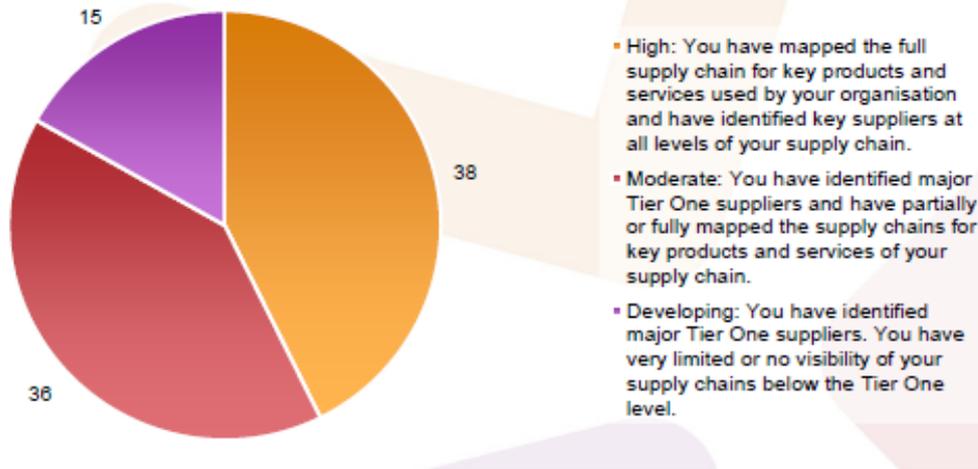


Of the 89 respondents, 75 suppliers have policies in place regarding Modern Slavery with all communicating the policy to staff. Of those with a Modern Slavery policy, 64 have systems in place to monitor compliance of their policy.

From the 89 respondents, 79 advised that they have a team or team members (including third party) to oversee Modern Slavery risks in relation to the goods/services they provide.

The responses from the 89 suppliers showed that 38 have High visibility over their supply chain, with 36 having Moderate visibility and 15 Developing.

Visibility over supply chain



From the full list of respondents HealthShare Victoria engaged with all suppliers.

High and very high-risk suppliers:

- were informed of their risk rating
- were directed to free resources and guides
- informed of free modern slavery risk modules on HSV website
- will likely be risk-assessed yearly

Medium and low risk suppliers:

- were informed of their risk rating
- were directed to free resources and guides
- informed of free modern slavery risk modules on HSV website

4. Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls to assess and address those risks including, due diligence and remediation processes.

As a result of the ongoing COVID-19 pandemic, Latrobe Regional was impacted resulting in reduced capacity to undertake widespread actions to assess and address modern slavery risks in our direct operations and supply chains.

The focus of our reporting period under the Modern Slavery Act 2018 (Cth) was to undertake supplier risk assessments within the HSV Collective Purchasing Agreements Latrobe Regional Health intends to work collaboratively with HSV to identify mitigation efforts to combat modern slavery risks, and foster collaboration between Latrobe Regional Health and suppliers to address these risks.

Despite the impact of COVID-19, Latrobe Regional Health commenced including Modern Slavery clauses in our direct tenders and contracts with 50% of tenders sent out in this reporting period including relevant clauses and 20% of contracts. This practice will now be part of future direct tender and contract documentation.

LRH was able to achieve 41% completion rate of nominated staff of the HealthShare Victoria Modern Slavery training modules during this reporting period, with the aim to achieve a minimum of 85% at the end of the next reporting period.

Relevant staff from Latrobe Regional Health have also attended the Community of Learning sessions held by HealthShare Victoria throughout the year. Subject matter covered in these sessions includes demonstrating progress, HSV supplier risk assessments, modern slavery statement trends, and preparing and writing your modern slavery statement.

In the next reporting period, Latrobe Regional Health will endeavour to undertake a risk assessment of its direct contracts using the risk assessment tool provided by HealthShare Victoria. Risk assessing suppliers under LRH contracts will provide risk score ratings informing the level of engagement we may need to undertake depending on the nature of the supplier and their risk score.

Latrobe Regional Health intends to continue working collaboratively with HSV to identify mitigation efforts to combat modern slavery risks, and foster collaboration between Latrobe Regional Health and suppliers to seek to address these risks.

We are continuing to educate staff across the organisation about Modern Slavery, and because of some of the challenges in the health service didn't achieve all that we had hoped.

5. Describe how the reporting entity assess the effectiveness of such actions.

Latrobe Regional Health has not been able to implement mechanisms to assess the effectiveness of its actions due to the impact of COVID-19 pandemic.

LRH is still maturing in its understanding of the Modern Slavery Act with relevant staff attending monthly HealthShare Victoria Modern Slavery Community of Learning sessions as described above.

The introduction of the HealthShare Victoria Modern Slavery training modules has allowed LRH to expand the awareness and understanding of Modern Slavery across the organisation.

Unfortunately, we were not able to further assess the supplier questionnaire responses from our last report, other than identifying which respondents have a policy in place to deal with modern slavery and those that were currently required to report under the Modern Slavery Act.

The use of HSV's risk assessment tool for the suppliers LRH directly engages with in future will enable us to have a greater understanding of the risks in its supply chain and operations and provide a basis for further engagement with suppliers.

However, through our supplier engagement process we believe it has led to greater understanding of the significance of Modern Slavery and potential risks across our supplier's own supply chains.

6. Describe the process of consultation with any entities that the reporting entity owns or controls.

Latrobe Regional Health does not own or control any other entities.

Closing Statement

Latrobe Regional Health is satisfied with the steps taken this year to improve the understanding of Modern Slavery across our organisation and supply chain. We recognise there is more to do and Latrobe Regional Health is committed to continually improving our approach, partnering with our stakeholders and working to eradicate modern slavery.

MODERN SLAVERY ACT 2018 (CTH) – STATEMENT ANNEXURE

Principal Governing Body Approval

This modern slavery statement was approved by the *principal governing body* of

Latrobe Regional Health's Board

as defined by the *Modern Slavery Act 2018 (Cth)*¹ ("the Act") on

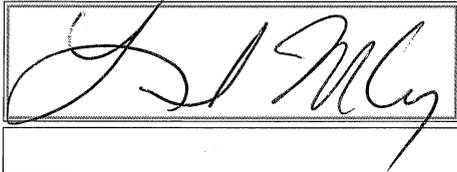
21 DECEMBER 2023

Signature of Responsible Member

This modern slavery statement is signed by a *responsible member* of

Linda McCoy, Board Chair

as defined by the Act²:



Mandatory criteria

Please indicate the page number/s of your statement that addresses each of the mandatory criteria in section 16 of the Act:

Mandatory criteria	Page number/s
a) Identify the reporting entity.	1
b) Describe the reporting entity's structure, operations and supply chains.	2
c) Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls.	2-5
d) Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes.	5-6
e) Describe how the reporting entity assesses the effectiveness of these actions.	6
f) Describe the process of consultation on the development of the statement with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity covered by the statement).*	Do not own
g) Any other information that the reporting entity, or the entity giving the statement, considers relevant.**	6

* If your entity does not own or control any other entities and you are not submitting a joint statement, please include the statement 'Do not own or control any other entities' instead of a page number.

** You are not required to include information for this criterion if you consider your responses to the other six criteria are sufficient.

- Section 4 of the Act defines a principal governing body as: (a) the body, or group of members of the entity, with primary responsibility for the governance of the entity; or (b) if the entity is of a kind prescribed by rules made for the purposes of this paragraph—a prescribed body within the entity, or a prescribed member or members of the entity.
- Section 4 of the Act defines a responsible member as: (a) an individual member of the entity's principal governing body who is authorised to sign modern slavery statements for the purposes of this Act; or (b) if the entity is a trust administered by a sole trustee—that trustee; or (c) if the entity is a corporation sole—the individual constituting the corporation; or (d) if the entity is under administration within the meaning of the *Corporations Act 2001*—the administrator; or (e) if the entity is of a kind prescribed by rules made for the purposes of this paragraph—a prescribed member of the entity.