

Modern Slavery Statement

Financial year ended 30 June 2023

1. Introduction

1.1 Modern Slavery Statement

This Modern Slavery Statement (Statement) is made pursuant to the Modern Slavery Act 2018 (Cth) (the Act) by South Eastern Melbourne Primary Health Network Ltd. (SEMPHN) for the financial year ended 1 July 2022 to 30 June 2023. This is SEMPHN's initial year of submission of the Statement.

2. Organisational overview

2.1 About SEMPHN

SEMPHN is a not-for-profit organisation and one of the 31 Primary Health Networks (PHNs) across Australia, with a catchment that covers 10 Local Government Areas of approximately 1.6 million residents in South Eastern Melbourne, Victoria. SEMPHN's catchment area is shown in the map below.



As a PHN primarily funded by the Australian Government, SEMPHN's key goals are to improve:

- the efficiency and effectiveness of health services for communities in our catchment, particularly those at risk of poor health outcomes
- the coordination of health services and increase access and quality of support for communities in our catchment.

SEMPHN's local focus is to positively impact population health and service demand, consumer-focused healthcare, primary health services, innovation and system reform and organisational excellence and sustainability.

SEMPHN's *focus areas* are aligned with the Commonwealth priority areas for improvement and innovation for primary health, which are:

- Mental Health
- Alcohol and Other Drugs (AOD)
- Aboriginal and Torres Strait Islander Health
- Aged Care
- Population health
- Health Workforce development
- Digital health.

SEMPHN's 2023-2028 Strategy '[Path to Impact](#)' articulates our role within the wider healthcare system, and our aim to maximise our value to the communities in our catchment, health service consumers and providers, funders, and policy makers.

2.2 Governance structure

SEMPHN is governed by a Board of Directors (Board) who are supported and advised by a Governance and Nominations Committee, a Finance, Audit and Risk Committee and Strategic Initiatives Committee.

SEMPHN's Board is made up of 9 Directors who individually and collectively have full responsibility for the overall successful operations of the organisation, including financial operations and solvency, risk management, regulatory and legislative compliance, setting the organisational culture and the strategic direction of the organisation.

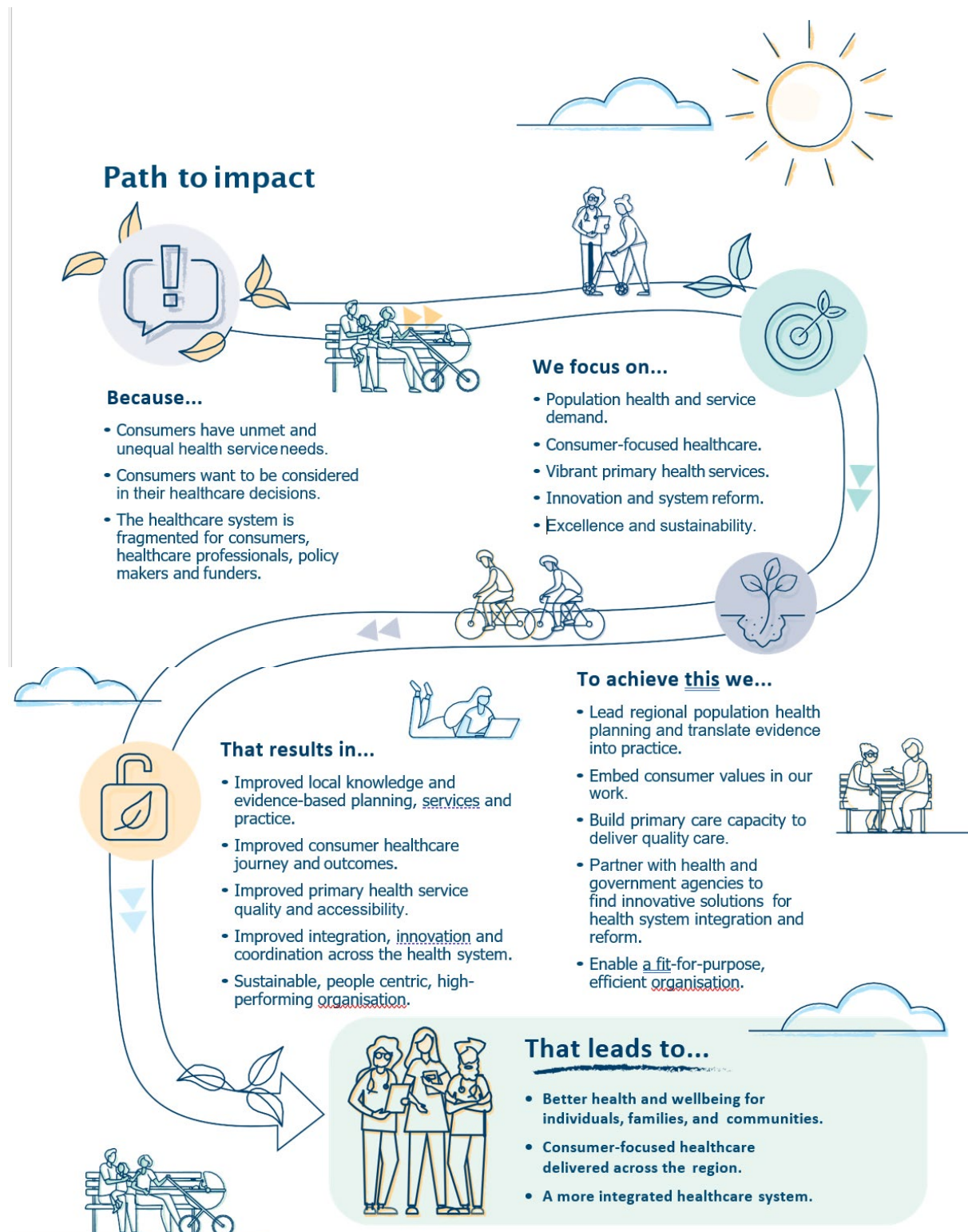
SEMPHN's Clinical and Community Council regularly provides the Board with further insight into areas of need in primary health within the catchment, from both a clinical and community-based perspective.

2.3 Core Services

SEMPHN positively impact health outcomes by providing:

- Evidence, planning and influencing services to meet population health needs.
- Capacity building services to grow primary health and its workforce in our region.
- Commissioning services to translate national and state policy into local services and the regional health system.

SEMPHN's 2023 – 2028 Path to Impact



2.4 SEMPHN's supply chains

Commissioned health services

SEMPHN considers providers of commissioned health services as key players in our supply chain. SEMPHN funds and enters into contracts with these providers to deliver the health services we commission for the communities in our catchment.

Non-commissioned goods and services

To support our operations, SEMPHN's key relationships and supply chains include suppliers from these sectors: Information, Communication and Technology; property services (such as facilities management, cleaning, security, and office maintenance services); legal services; recruitment agencies; financial (banking, audit, and insurance) services; and office supplies.

3. Modern slavery risks

3.1 Overall risk assessment

For the financial year ended 30 June 2023, SEMPHN believes that its exposure to modern slavery risk was low given that:

- commissioned health services and non-commissioned services and suppliers were predominantly procured from and provided in Australia.
- suppliers and service providers (commissioned and non-commissioned) are primarily Australian entities.
- all relationships with service providers are covered by formal contracts which require them to comply with all applicable laws.

Our risk assessment is informed by identifying and considering:

- the key areas in our supply chains that potentially exposes the organisation to modern slavery risks ([3.1.1 Potential risks in our supply chains](#))
- the actions and approach we have in place to manage modern slavery risks ([3.1.2 Actions and approach to managing modern slavery risks](#))
- the planned enhancements in our processes and procedures to ensure continued compliance with the Act ([3.1.3 Enhancements in processes and procedures](#))

3.1.1 Potential risks in our supply chains

SEMPHN is committed to operating ethically and legally and only working with suppliers and service providers that demonstrate the same values and commitment.

It is important to note that SEMPHN's non-commissioned goods and services, and commissioned health services are predominantly procured from and provided in Australia, except for a small proportion of technology services. These technology services are provided by well-established organisations that are based in countries considered low risk in terms of modern slavery incidents.

SEMPHN, however, recognises that there is potential for its suppliers and service providers (both commissioned and non-commissioned) to have global supply chains which may inadvertently expose the organisation to modern slavery risks. There is potential for

SEMPHN's suppliers and service providers to sub-contract or outsource some of its operations outside of Australia.

As SEMPHN's office supplies are predominantly locally sourced, we are of the view that there is limited exposure to modern slavery risks in respect of purchase of office supplies. We will continue to monitor this and will not knowingly engage with suppliers who source supplies from high-risk countries as defined in research published by the United Nations' International Labour Organisation, United Nations' International Organisation for Migration and Walk Free.

3.1.2 Current actions and approach to managing modern slavery risks

Procurement process

SEMPHN is committed to ensuring that its procurement decisions and processes are transparent, commercially defensible and reflect the level of ethical behaviour and accountability appropriate for a publicly funded organisation.

SEMPHN has a centralised procurement process, which is managed by a Procurement Team independent of the business areas. This ensures that procurement of goods and services (including commissioned health services) are undertaken in an honest, fair, transparent, and ethical manner. Competitive tender processes are undertaken for procurement of goods and services that are material in value to ensure that:

- they deliver the best value for money.
- they were procured from legitimate and well-established organisations.

Contracts with service providers and suppliers

SEMPHN's relationships with its commissioned and non-commissioned services providers and suppliers are all covered by formal contracts.

Commissioned services are contracted via a Head Agreement and a Schedule agreement for each contracted service under the Head Agreement. These agreements mandate providers to abide by *all applicable laws* and to ensure that their subcontractors, which must be approved by SEMPHN, also comply with *all applicable laws*. One applicable law, which is a deterrent to modern slavery incidents, is the *Fair Work Act 2009* which requires fair working conditions and enforceable minimum wages for employees.

Relevant policies and procedures

SEMPHN has a range of policies and procedures that are designed to ensure compliance with laws and ethical business operations.

- Code of Conduct
- Contractor Management Policy
- Delegations Policy
- Conflicts of Interest, Related Party Transactions and Private Interests Policy
- External Complaints Policy
- Fraud and Corruption Control Policy
- Procurement Policy
- Risk Management Policy
- Whistleblower Policy

3.1.3 Enhancements in processes and procedures

SEMPHN will continue to ensure its compliance with its legal obligations under the Act by undertaking the following:

Review of policy and related documents

- Review of our Procurement and Modern Slavery policy arrangements and other relevant documentation such as tender documents to ensure inclusion of Modern Slavery Act requirements.
- Review of relevant SEMPHN policies, such as the Whistleblower Policy, to assess the need to potentially include references to Modern Slavery requirements.

Promoting awareness

- Strengthening Board and staff awareness and understanding of Modern Slavery obligations via training and official communications.

Review of supply chains

- Developing and undertaking regular and systematic review of our supply chains, including a risk assessment and rating process for our service providers and suppliers

Review of contract terms and conditions

- Consulting with our legal counsel to determine potential changes to our contract terms and conditions with our suppliers and service providers (non-commissioned and commissioned) in relation to Modern Slavery requirements.

Review of procurement processes

- Review of our procurements processes to ensure that Modern Slavery requirements are considered in key activities in the processes.

4. Liaising with other PHNs

SEMPHN will liaise, as appropriate, with other PHNs regarding their Modern Slavery Statements, policies, processes, and relevant documentation. Insights from these discussions will inform SEMPHN in undertaking further enhancements to our actions and approach.

5. Closing Statement

This Statement was approved by the Board of Directors of South Eastern Melbourne Primary Health Network Ltd., its principal governing body, on 12 December 2023.



Sue Renkin

Chair of the Board of Directors