

Dental Health Services Victoria Modern Slavery Statement

Reporting Criterion 1: identify the reporting entity

This Modern Slavery Statement is made pursuant to the Commonwealth Modern Slavery Act 2018 (the Act) by Dental Health Services Victoria (DHSV) and relates to the financial year 1 July 2020 to 30 June 2021.

Reporting Criterion 2: describe the reporting entity's structure, operations, and supply chains

Structure

DHSV is a health service established under section 181 of the Health Services Act 1988 (Vic).

DHSV is the lead oral health agency in Victoria. DHSV provides public oral health services through The Royal Dental Hospital of Melbourne (RDHM), ABN 55 264 981 997, which is located at 720 Swanston Street Carlton, and in partnership with over 50 community dental agencies throughout Victoria.

DHSV does not own or control any other entities.

DHSV's Annual Reports are found at:

<https://www.dhsv.org.au/about-us/our-organisation/reports-and-publications>

Operations

DHSV provides public oral health services through RDHM and in partnership with over 50 community dental agencies throughout Victoria.

DHSV runs state-wide oral health promotion programs, invests in oral health research, advises the government on oral health policy and supports the education of future oral health professionals.

The RDHM is Victoria's leading dental teaching facility, working in partnership with The University of Melbourne, RMIT University and La Trobe University in the education of dental and oral health professionals.

As at 30 June 2021 the combined RDHM and DHSV full-time equivalent employee count is 414. The gender split is approximately 74% female and 26% male.

Supply Chain

DHSV, listed under Schedule 5 (Public Health Services) of the Health Service Act 1998 (the Act), is mandated to use HealthShare Victoria collective agreements where they cover the required goods or service and is also required to comply with Health Services Victoria's (HSV's) Health Purchasing Policies.

Where DHSV is unable to procure goods, services or assets from a HSV or Victorian Government Purchasing Board (VGPB) collective agreement, DHSV will directly approach the supply market. All procurements are conducted in accordance with DHSV's Procurement Framework (PF) which includes the requirement for DHSV to comply with additional Victorian Government procurement instruments, including:

- the Ministerial Directions and Instructions for Public Construction in Victoria
- local Jobs First policy
- uniforms and Personal Protective Equipment (PPE) Policy; and
- standard Motor Vehicle Policy.

DHSV also utilise government pre-qualification registers such as the Construction Register which is approved by the Secretary to the Department of Treasury and Finance and the Uniforms and Personal Protective Equipment Ethical Supplier Register which is administered by the VGPB.

Noting a material percentage of DHSV's procurements are governed by a Victorian Government procurement policy, instruction or instrument. For example, the majority of dental consumables are purchased under the HSV dental consumables collective agreement.

DHSV's procurement's cover a broad range of services, equipment and supplies, below are examples of material procurements where DHSV directly approached the market during the reporting period.

Ten (10) Mobile Dental Treatment trucks to be delivered by July 2022

- cab and chassis are manufactured in Italy
- the dental clinic fit out occurs in New South Wales which includes an array of items sourced from local and international suppliers
- local Jobs First and the Social Procurement Framework requirements were incorporated into the procurement process

Uniforms for RDHM and the School Dental Program

- the preferred supplier is registered on the Uniforms and Personal Protective Equipment Ethical Supplier Register

Reporting Criterion 3: describe risks of modern slavery practices in operations & supply chains

Modern slavery in DHSV's supply chains

DHSV recognises that the extensive nature of its global supply chains may expose DHSV to modern slavery risks. Some of the general risk areas present in DHSV's extended supply chain include:

- labour practices in offshore manufacturing facilities, some of which are located in South-East Asia
- labour practices in the sourcing of raw materials, including cotton and rubber; and
- industry risks associated with textiles, electronics and cleaning services

Furthermore, DHSV's understanding of general health sector modern slavery risks include:

- medical goods, surgical equipment and medical suppliers present the highest risk
- lower tier supply chains in countries with less human rights regulation often involve hazardous working conditions, labour exploitation, child labour and other abuses
- forced labour is high risk in glove manufacturing supply chains across Malaysia, Thailand and Sri Lanka; and
- child labour is prevalent in supply chains of surgical equipment such as scissors, scalpels and forceps which mostly occur in Pakistan

Supply Chains

In our first reporting period Statement, DHSV expressed a commitment to introduce a risk assessment mechanism. In the second reporting period DHSV has completed the following tasks to support the Modern Slavery Act requirements.

- updated the DHSV Procurement Framework including procurement procedures
- updated DHSV's Invitation to Supply suite of documents
- created a Modern Slavery Risk Assessment Tool

DHSV's Risk Assessment Approach

DHSV upholds the Australian Government's position on modern slavery – there is no place for modern slavery in the Australian community or in the global supply chains of Australian goods and services. DHSV recognises that it has not caused or contributed to modern slavery practices, but rather, DHSV is linked to risks which exist offshore and in high-risk geographies.

DHSV’s modern slavery risk assessment approach mirrors the guidance provided by HSV. DHSV’s risk assessment approach incorporates the four (4) modern slavery risk factors which are each scored using a sliding scale represented by a one (1) for low risk to three (3) representing high risk. The total score represents the supplier’s risk rating.

The risk rating scale is represented as Low, Medium or High each signifying a different approach/action. The approach/actions may include incorporating modern slavery clauses in the contract or the supplier completes an annual questionnaire as part of an ongoing performance review.

The risk assessment will be undertaken by the procurement’s Category Manager and Procurement Team member. Contract management is undertaken by the Contract Manager which in DHSV’s context is assumed by the procurement’s Category Manager.

HSV contract suppliers in DHSV’s supply chain

HSV has assessed modern slavery risk in DHSV’s supply chain within Collective Purchasing Agreements, with the following summary of actions and findings.

- HSV Data and Analytics identified 47 suppliers with collective purchasing agreements;
- the tool was operationalised in the form of a HSV Modern Slavery Supplier Questionnaire (Questionnaire) on the Informed365 platform, HSV’s supply chain management platform. The Questionnaire was rolled out to all 47 suppliers on 3 May 2021 with a completion request date of 30 June 2021 to coincide with the conclusion of the second reporting period under the Act
- the modern slavery risk assessment tool comprised of macro assessment and micro assessment components. Both the macro and micro components included assigned weighting, rating, and risk scales, designed to allocate a modern slavery risk rating to suppliers. Suppliers were allocated one of the following risk ratings: very low, low, medium, high, or very high
- there were 43 respondents and 4 non-respondents, providing an overall response rate of 91 percent

The below table summarises the risk category of tier one (1) suppliers within DHSV supply chains, under HSV Collective Purchasing Agreements.

Risk Category	No. Suppliers
Very High	2
High	6
Medium	31
Low	4

Operations

As a health service with a largely skilled workforce, DHSV considers the risk of modern slavery within its direct business operations to be relatively low. In-line with a risk-based approach, The People and Culture portfolio will further examine these risks in subsequent reporting periods. The status of this task has not progressed from the previous statement as DHSV has been significantly impacted by the COVID-19 pandemic, which has resulted in reduced capacity to conduct a detailed risk assessment of our operations.

Reporting Criterion 4: describe the actions taken to assess and address risks of modern slavery

Policy

In the second reporting period DHSV has completed the following tasks to support the Modern Slavery Act requirements.

- updated the DHSV Procurement Framework including procurement procedures
- updated DHSV's Invitation to Supply suite of documents
- created a modern slavery risk assessment tool

Due diligence

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

Remediation

In the second reporting period DHSV did not review applicable policies to include modern slavery grievances as DHSV has been significantly impacted by the COVID-19 pandemic, which has resulted in reduced capacity to conduct the necessary tasks.

Contracts

DHSV applies the Modern Slavery Act requirements to procurements with an estimated value of \$3,000,000 (including GST), and above. In the second reporting period DHSV did not execute contracts where the value-based threshold was reached.

The Modern Slavery Supplier Questionnaire, as provided by HSV, was incorporated into DHSV's Invitation to Supply suite of documents for two (2) material procurements.

The contract negotiations and subsequent executed contracts with each preferred supplier will include actions appropriate for the supplier's risk rating.

Training

In the second report period DHSV informed itself through the following actions:

- a procurement team member attended HSV Modern Slavery Community of Learning sessions
- a procurement team member reviews all guidance material issued by HSV
- a procurement team member provides advice, guidance, and support to DHSV Category Managers
- procurement eLearn modules were developed and recently implemented. The completion of the eLearn modules is mandated for all DHSV Delegation holders

Reporting Criterion 5: describe how the reporting entity assesses effectiveness of actions

During this reporting period, our focus was to gain a better understanding of our modern slavery risks and how such risks may be present in our operations and supply chains and to develop frameworks and processes to ensure we can review the effectiveness of the actions we are taking to assess and address modern slavery risks in our operations and supply chains. At this early stage, we are unable to adequately assess the effectiveness of measures we have undertaken thus far.

Reporting Criterion 6: describe the process of consultation with related entities

Not applicable

Reporting Criterion 7: provide any other relevant information

DHSV is committed to:

- implementing and enforcing effective systems and controls to reduce the risk of modern slavery
- ensuring there is transparency in its operations and approach to addressing modern slavery
- fostering open and transparent supplier relationships which encourages modern slavery reporting and meaningful change through remediation; and
- applying a continuous improvement approach to how it supports health services to report on the risk of modern slavery practices within their operations and supply chains

This statement covers 1 July 2020 to 30 June 2021 and has been approved by the Board of Dental Health Services Victoria at the Board meeting on 25 November 2021.



Date:30/11/2021

Signed on behalf of DHSV Board
by David Stevenson - Chairman