



Northeast Health Wangaratta
Every patient, Every time

MODERN SLAVERY STATEMENT FINANCIAL YEAR 2019/20

PREPARED BY THE FINANCE DEPARTMENT



Northeast Health Wangaratta acknowledges the Traditional Custodians of the land upon which we stand and pay our respect to the Elders both past & present.



Northeast Health Wangaratta is working towards Rainbow Tick Accreditation and inclusive practice for LGBTQIA+ patients, carers, visitors and staff.

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Introduction

This Modern Slavery Statement is made pursuant to the Commonwealth *Modern Slavery Act 2018* (the Act) by Northeast Health Wangaratta and relates to the financial year 1 July 2019 to 30 June 2020.

Mandatory Criteria One and Two: Northeast Health Wangaratta's structure, operations and supply chains.

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

Northeast Health Wangaratta is the specialist referral hospital for the Central Hume area of North East Victoria. Our organisation meets the healthcare needs of 28,000+ people in the Rural City of Wangaratta, our primary catchment, with an additional 62,000+ people in our secondary catchment – a total of approximately 90,000 people. Acute inpatient and community services are located in Green Street, Wangaratta, and our Residential Aged Care Facility, Illoura, is located off site in College Street, Wangaratta. Clinical Services provided on the Green Street campus include Accident & Emergency, Critical & Intensive Care, General Surgery, Orthopaedics, Urology, Obstetrics, Gynaecology, Paediatrics, General Medicine, Oncology, Renal Dialysis, Rehabilitation, Dental, Medical Imaging, Community Nursing, Allied Health and Outpatient services. Our staff also provide a range of preventative health programs. The 72 bed facility in College Street provides 66 high care residential aged care and 6 transition care beds.

Health Purchasing Victoria (HPV) is a state-wide procurement organisation that partners with Victorian public health services to procure best-value goods and services. HPV 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. Northeast Health Wangaratta purchases the goods and services it needs from the suppliers who are party to HPV collective agreements. As such, it is recognised that HPV has a significant role in health service supply chains.

HPV works with approximately 449 tier-one suppliers and is responsible for more than 65 contracts with a spend value of over \$1.16 billion.

HPV 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. A full list of HPV's sourcing categories can be found at <https://www.hpv.org.au/contracts-and-documents/contracts>.

HPV acknowledges the impact that COVID-19 has had on global supply chains, particularly in light of the significant increase in demand for personal protective equipment. HPV will undertake activities to investigate whether supply chains were restructured as a result of the significant procurement challenges faced during the pandemic.

Mandatory Criterion Three: The risks of modern slavery practices in the operations and supply chains of Northeast Health Wangaratta.

Northeast Health Wangaratta has been significantly impacted by the COVID-19 pandemic, which has resulted in reduced capacity to conduct a detailed risk assessment of our operations and supply chains. Northeast Health Wangaratta recognises the importance of this activity and will endeavour to conduct a risk assessment in the FY2020-21 reporting period. In the interim, Northeast Health Wangaratta has engaged with HPV to understand the general modern slavery risks within our supply chains.

Northeast Health Wangaratta recognises that the extensive nature of our global supply chains may expose us to modern slavery risks. Given HPV's significant role in Northeast Health Wangaratta's supply chains, HPV has helped identify the general risks of modern slavery that may be present.

HPV has scoped the general modern slavery risks in health service supply chains by drawing on academic research and international and domestic reports and analysis. Northeast Health Wangaratta may be exposed to a number of modern slavery risks due to the diversity of products and services sourced by HPV and the associated geographic locations, industries and regulatory systems further down those supply chains.

Some of the general risk areas present in Northeast Health Wangaratta's 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.

In addition to general risks, HPV has identified the following high risk areas specific to the healthcare sector:

- Surgical and examination gloves;
- Surgical instruments; and
- Linens and gowns.

Given the level of complexity in such extensive supply chains, HPV will continue to refine its risk assessment methodology to further improve the visibility of high-risk areas within health supply chains in Victoria.

HPV also recognises that COVID-19 may have increased modern slavery risks in some supply chains. These risks include:

- Increased global demand due to supply chain shortages, particularly in the category of personal protective equipment;
- Shorter production windows;
- Increased unemployment and a fear of loss of income;
- Factory closures; and
- Inability of vulnerable migrant workers to return to home countries.

HPV will continue to assess and address additional risks within healthcare supply chains caused by the COVID-19 pandemic.

Mandatory Criterion Four: The actions taken by Northeast Health Wangaratta including due diligence and remediation processes.

Northeast Health Wangaratta has been significantly impacted by the COVID-19 pandemic, which has resulted in reduced capacity to undertake actions to assess and address modern slavery risks in our operations and supply chains. Northeast Health Wangaratta recognises the importance of this activity and will endeavour to undertake these actions in the FY2020-21 reporting period. In the interim, Northeast Health Wangaratta has engaged with HPV to understand the actions that HPV has undertaken to assess and address the modern slavery risks in Northeast Health Wangaratta's supply chains.

In recognition of the significant role that HPV has in health service supply chains and the substantial resourcing constraints placed on Northeast Health Wangaratta as a result of the COVID-19 pandemic, HPV undertook numerous activities between 1 July 2019 and 30 June 2020 to address modern slavery risks in Northeast Health Wangaratta's supply chains.

HPV has established a modern slavery program of work and appointed a Supply Chain Risk Manager to implement the program and support Victorian health services to address modern slavery risks in their operations and supply chains. The program encompasses health service education and support, supplier engagement, due diligence and remediation, amongst other activities.

HPV upholds the Australian Government's position on modern slavery. HPV has updated its Procurement Policy to include a statement on combatting modern slavery in health supply chains and capturing allegations of modern slavery practice(s) in its remit of complaints management, enabling the development of remediation processes. The Procurement Policy is an important internal document that outlines HPV's position on procurement governance and activities, including its response to Government policy.

The amendment to the Procurement Policy consolidates HPV's position on modern slavery, which will in turn inform other internal governance amendments and educational resources for the health sector. The modern slavery section of HPV's website contains information and resources to assist reporting entities required to submit a Modern Slavery Statement

As part of its due diligence, HPV has included a modern slavery clause in some Invitation to Supply (ITS) documentation to ensure prospective suppliers acknowledge their responsibility to health services that are reporting entities pursuant to the Act. In addition to its inclusion in the ITS, this clause has been incorporated into select executed contracts.

As well as specific modern slavery provisions, suppliers wishing to conduct business with HPV, public hospitals or any other branch of the Victorian Government must aspire and commit to meet the Supplier Code of Conduct. Under the Supplier Code of Conduct, suppliers are expected to proactively identify, address and – where required by legislation – report on risks of modern slavery practices in their business operations and supply chains.

To further enhance its approach to due diligence, HPV is developing a Supply Chain Management dashboard. The dashboard will synthesise and analyse HPV supply chain data, providing additional capability to detect and prevent modern slavery risk in health supply chains. This platform will enable HPV to:

- Conduct in-depth supply chain mapping (tier one +);
- Develop detailed modern slavery risk analysis and dashboard reporting;
- Screen prospective suppliers for modern slavery risk as part of ITS due diligence activities;
- Assess incumbent suppliers on modern slavery risk through tailored supplier questionnaires; and
- Manage remediation actions arising from due diligence or supplier questionnaires.

In addition to these activities, HPV has facilitated training workshops for HPV staff and key health service stakeholders on modern slavery practices and the requirements of the Act.

The significant impact that COVID-19 has had on health procurement and supply chains has meant that HPV has had to postpone planned supplier engagement activities, however these remain an important part of the modern slavery program of work. While the priority for the first reporting period was to implement actions to address identified high-risk areas, HPV will continue to investigate what actions it can take in response to the modern slavery risks caused by the COVID-19 pandemic.

Mandatory Criterion Five: Northeast Health Wangaratta's methodology of assessing the effectiveness of actions being taken to assess and address modern slavery risks.

Northeast Health Wangaratta has been significantly impacted by the COVID-19 pandemic, which has resulted in reduced capacity to implement mechanisms to assess the effectiveness of actions taken to address our modern slavery risks. Northeast Health Wangaratta recognises the importance of this activity and will endeavour to introduce assessment mechanisms in the FY2020-21 reporting period. In the interim, Northeast Health Wangaratta has engaged with HPV to understand the effectiveness of the assessments they have conducted.

HPV has introduced several mechanisms for monitoring the effectiveness of the actions it has taken to date. Representatives from mandated health services who attend training sessions on the requirements of the Act periodically complete surveys to self-assess their progress against several criteria. The results are used to measure the success of engagement programs, inform future workshop content and identify potential gaps in training.

In addition to this, HPV's senior leadership has taken ownership of the modern slavery program and progress is regularly discussed at senior committees. Feedback from committee members is used to inform decision making and future activities within the program.

The impact of the COVID-19 pandemic has delayed the implementation of further monitoring activities, however HPV aims to define modern slavery key performance indicators within the FY2020-21 reporting period.

Mandatory Criterion Six: Process of consultation with any entities Northeast Health Wangaratta owns or controls.

Northeast Health Wangaratta does not own or control any other entities.

Mandatory Criterion Seven: Other relevant information

In order to support the implementation of the Act within health services, HPV has developed a toolkit to assist with meeting the requirements under the Act. The toolkit will contain:

- A modern slavery plan to support the implementation of the governance structures, policies, processes and risk registers needed to underpin a successful modern slavery framework;
- Advice on implementing a modern slavery policy;
- A modern slavery risk register to capture and address the key modern slavery risks that a health service might cause, contribute or be directly linked to;
- A modern slavery risk assessment tool, including advice on modern slavery risk assessments, supplier questionnaires for ITS due diligence and incumbent suppliers and advice on how to interpret questionnaire results;
- A modern slavery fact sheet to facilitate staff training; and
- Supplier contract considerations, including the addition of modern slavery clauses in contracts.

The rollout and implementation of the toolkit will support health services to conduct their own risk assessment, due diligence and remediation activities.

Northeast Health Wangaratta intends to implement the toolkit once it becomes available.

Closing statement

Northeast Health Wangaratta is confident that the steps taken this year have built a strong foundation for a robust modern slavery framework. We recognise there is more to do and Northeast Health Wangaratta is committed to continually improving our approach, partnering with our stakeholders and working to eradicate modern slavery.

This statement was approved by the Board of Northeast Health Wangaratta on 24th March 2021.



Jonathan Green
Board Chair