
Remunerating consumers: a guide for government

Consumer participation ensures the integration of diverse perspectives in driving overall quality and safety improvements for Victoria's health services. Government agencies, and as public entities hospitals, are expected to pay consumer representatives for their time in line with government guidelines.

Remunerating consumers can be done in three ways:

1. Human resources and payroll – as an internal employee
2. Finance – as a DHHS vendor
3. Finance – gift vouchers.

This guide will detail the process of each payment method.

1. HUMAN RESOURCES AND PAYROLL

Ongoing and long-term consumer representatives should be processed into payroll. This process involves onboarding consumers as DHHS employees. The standard HR induction process includes:

1. The establishment of a position number for the consumer representative role. This is in line with the recruitment and establishment change request (RECR form). One position number can be used for all consumer representative roles across a branch.
2. The establishment of an individual employee number. This is created through the standard HR induction process and includes the following steps:

- pre-employment safety screening checks, including the following tasks:
 - proof of identity check
 - police check (national and possibly also international)
 - referee check
- onboarding actions, including:
 - sending a letter of offer to the consumer
 - completion of relevant new start documents, including:
 - authority for deposit into nominated bank account form
 - standard super choice form
 - tax file number declaration form
 - pre-existing injury/illness declaration.

For more information, please contact the *People and Culture* branch.

3. To remunerate consumers through payroll, you will need to complete a *letter of authorisation* and have it signed by the financial delegate. This form requires details such as:
 - consumer name
 - name of council/event/group the consumer is involved in
 - date and name of event
 - position number
 - employee number
 - details of financial delegate
 - charge code (note, there may be more than one as some organisations have different codes for sitting fees and out of pocket expenses).

Once the letter is complete and signed by the financial delegate, it should be scanned and filed in hard and soft copy form.

After each event, the approved *letter of authorisation* and evidence of attendance for each event should be sent to payroll. Evidence of attendance can include meeting minutes or sign in sheets. All documentation should be filed in soft and hard copy.

2. FINANCE – AS A DHHS VENDOR

A consumer representative can be remunerated as vendor through Accounts Payable on Oracle financials. To do this a vendor requires a **vendor number**. Vendor numbers are issued on payment of their first invoice and should be kept for future payments.

There are two ways to establish a consumer as vendor:

- A vendor with an Australian Business Number (ABN)
- A vendor without an Australian Business Number

A vendor with an ABN

This method is best suited for consumers participating in short-term or limited partnerships as there are annual limits on remuneration.

Establishing consumers as vendors with an ABN is reasonably straight forward. You will need to contact Vendor.Management@dhhs.vic.gov.au to request the creation of a vendor number.

Vendors should be created from source documentation, such as an invoice, claim form, requisition, or quotation from the supplier.

Vendor Management will need the following information:

- consumer's name
- an ABN

- name of council/event/body/group the consumer is involved with
- date and name of the event
- an invoice prepared by the consumer.

All requests for out of pocket expenses should be accompanied by tax statements for each expense.

These documents should be forwarded to your finance departments in their original form. Soft copies should also be filed.

A vendor without an ABN

This method is best suited for consumers participating in short-term or limited partnerships as there are annual limits on remuneration. Across each financial year consumers can be paid a maximum of six times \$300 or eleven times \$150.

Instead of quoting an ABN for payment, a consumer can sign a *statement by supplier form*. If a *statement by supplier form* is not provided, 46.5 per cent of the vendor's payment will be withheld as tax.

The consumer will be issued with a vendor number that should be kept for future payments.

To be remunerated, the consumer will need to complete a *general claim form* for each session they attend. This form includes the following information:

- name of consumer
- name date and description of the event
- vendor number (any participants who have previously invoiced the department will have one)
- amount to be paid
- description of payment
- name of financial delegate
- charge code (note, there may be more than one as some organisations have different codes for sitting fees and out of pocket expenses).

Please note, the claim form must be signed - the finance team needs the original signature to process the claim.

In addition to the consumer's expense form, the authorising body must also complete a general claim form which requires the following details:

- consumer name and address
- banking details
- date
- printed name (not signature) in the employee declaration section
- signature and date in the claimant section.

All requests for out of pocket expenses should be accompanied by tax statements for each expense.

These documents should be forwarded to your finance departments in their original form. Soft copies should also be filed.

3. FINANCE – GIFT VOUCHERS

Consumer representatives can be remunerated with gift vouchers.

This option is generally reserved for **ad hoc payments in exceptional circumstances** or as a payment of **last resort**.

When deciding to remunerate with gift vouchers, you must ensure you follow the department's *Gifts, benefits and hospitality* policy. This ensures the remuneration does not raise an actual, potential or perceived conflict of interest, and is:

- provided for business reasons
- in line with the value provided to the organisation
- considered reasonable in terms of community expectations

In addition, the guidelines specify vouchers cannot be used to purchase alcohol and each gift card cannot exceed \$50, although multiple \$50 cards can be given. The cards can be purchased directly from a retailer or online using a corporate credit card and require approval by the financial delegate.