

Summary guide to Statement of Intent

New Partnerships Addressing Disadvantage

Purpose

This guide provides a summary of the Statement of Intent (SOI) and should be read in conjunction with the SOI. If there are any inconsistencies, SOI takes precedence.

The Statement of Intent:

- seeks to gauge market interest in the new Partnership Addressing Disadvantage (PAD);
- seeks views from the sector on barriers to participation and issues of uncertainty or ambiguity, which will assist in informing the Request for Proposal documentation; and
- provides guidance to potential respondents on how to prepare an application once the Request for Proposal is released.

Participation in the SOI and market sounding process is completely voluntary and will not inform the evaluation of proposals. No payments will be provided or able to be included in any future bid for cost reimbursement from the State.

Defining Partnerships Addressing Disadvantage and how they work

PADs are partnerships between the Victorian Government, service providers and investors to improve social outcomes for disadvantaged cohorts. PADs use a payment by results model – service providers and investors are rewarded for the positive outcomes they deliver for participants, noting that outcomes may reduce acute services usage and costs. See [Chapter 2](#) for more information on PADs and how they work.

Focus of this Partnerships Addressing Disadvantage initiative

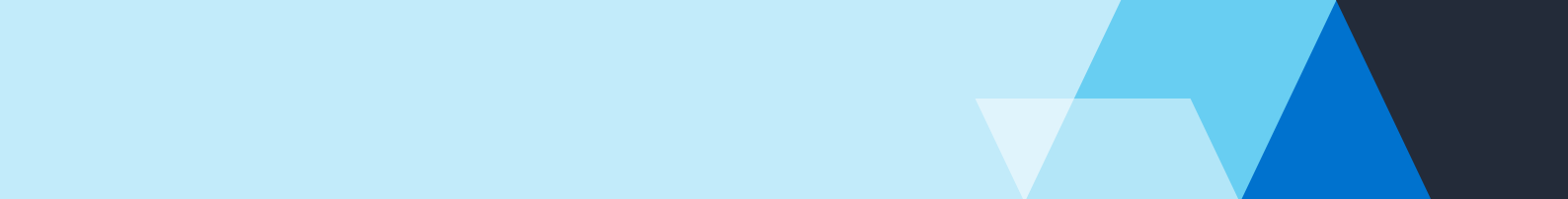
The focus of this new PAD is on *people who are at risk of or are experiencing homelessness and have had interactions with the justice system*. See [Chapter 5](#) for more information.

Target cohort for Partnerships Addressing Disadvantage

The target cohort for this PAD is people exiting an adult correctional facility at risk of homelessness and those who have exited an adult correctional facility in the past two years who have contacted homelessness services or are homeless. This includes those on remand and parole. See [Section 5.4](#) for further information.

Key outcomes sought through Partnerships Addressing Disadvantage

Through the PAD, a range of outcome measures will be required to track and assess the performance of the program. These will include **payable outcome measures** that can be



linked to performance payments and reflect clear avoided costs to government. Ideally, applicants will provide two payable outcomes.

Other outcome measures of interest and avoided cost measures will also be required. See [Section 5.5](#) for further information.

Process and timelines

- The SOI will be open until 5pm Monday 22 November 2021.
- The Request for Proposal phase is expected to be open from December 2021 to February 2022. Proponents may submit proposals during this time.
- The Government will assess applications and progress to the Joint Development Phase (JDP) with successful applicants. The JDP phase is expected to start in April 2022.

See [Chapters 3 and 4](#) for further information.

Key requirements for preparing applications

The Key Selection Criteria (KSC) indicate how proposals will be assessed, including:

- partners, governance, and planning
- the intervention proposed
- outcomes you will achieve, and how you will measure them
- financial and commercial arrangements you propose.

See further KSC details in [Attachment B](#).

The response to the KSC should be supported (as appropriate) by:

- a financial model that supports all proposed financial arrangements, estimates and other relevant information, with assumptions clearly stated
- data, evidence and sources as appropriate (e.g. to justify your intervention design or support your choice of outcome measures).

For general legislative and regulatory requirements see [Section 4.3](#) and [Chapter 8](#).

Preparing a financial model

The financial model should highlight:

- costs to providers to deliver the services
- payments from government
- estimated avoided costs to the State Government
- non-government investor contribution and returns.

In particular, any key cashflows and commercial parameters proposed should be clearly stepped out in the financial model. See [Chapter 5.5](#) and [Appendix B](#) for further information on outcomes and financial modelling.

Data on government service cost escalations and usage rates might not be readily available to the public. Proponents should attempt to source any data and clearly specify any assumptions made in lieu of available data.



See [Appendix B](#) for further information on working with data.

Probity requirements

O'Connor Marsden & Associates have been engaged to provide probity advisor services. More information on probity and enquires can be found in [Chapter 7](#).

Request for Proposal information

Any material distributed during market sounding should not be treated as final documents for the purpose of this PAD and are subject to change. Proposals should be prepared based on information in the Request for Proposal documents only.

An understanding of draft terms and conditions for the Request for Proposal can be found in [Chapter 8](#).

Enquiries and further information

For any feedback and questions related to Partnerships Addressing Disadvantage or more generally, contact: pads@dtf.vic.gov.au.

For information on how to provide feedback and make enquires, see [Chapter 9](#) and the introduction to the SOI.