Stage 2 allows agencies and decision-makers to build a rigorous case for investing in a proposal, including proving the proposal has policy merit and is deliverable.

Technical guidelines:
The full business case should be shaped over the entire life of the proposal. Technical research and analysis that is input into the full business case spans a vast array of disciplines and levels of expertise. To help with the trickier bits, DTF have developed the following specialist technical guidelines, including:
- Economic evaluation
- Real options
- ICT
- Governance
- Project costing and budgeting
- Procurement strategy
- Risk management

Revalidate the strategic and policy case for change
Is the policy merit and strategy for change still valid?

CONSIDERATIONS:
Revalidate information and build the evidence base to support the work undertaken at Stage 1: Conceptualise.

KEY TASKS:
- Be very clear about the context for the proposal.
- Revalidate the problem.
- Revalidate the benefits the investment will achieve.
- Further investigate the strategic response.

BUSINESS CASE TEMPLATE:
- Part 1, 2 and 3 of the full business case template.

USE OF THE IMS:
At this stage you should revisit the documents produced during the investment management standard workshops in Stage 1: Conceptualise. Is the information still valid?

Conduct solution options analysis
Have we fairly evaluated a range of feasible options to select the best VfM solution?

CONSIDERATIONS:
Conduct a value-for-money comparison of solution options to select the recommended solution. Information to support analysis should be evidence based and defensible.

KEY TASKS:
- Select and describe solution options.
- Understand impacts and opportunities of solution options (socio-economic, financial, risk).
- Conduct economic evaluation.
- Integrate quantitative and qualitative impacts.
- Evaluate and rank options in an integrated analysis.

BUSINESS CASE TEMPLATE:
- Part 4 of the full business case template.

Prove the recommended solution can be delivered as planned
Can the recommended solution really be delivered?

CONSIDERATIONS:
Demonstrate how this investment will deliver on its intent, during its implementation and throughout its life.

KEY TASKS:
- Describe the recommended solution and implementation plan in detail.
- Outline how the investment will respond to uncertainty where applicable.
- Undertake rigorous project costing and determine project budget.
- What is the plan for implementing and operating the investment from the following perspectives?
  - Commercial and financial (procurement, risk assessment, cost, funding sources)
  - Management (governance, stakeholder engagement and communications, project management strategy)
  - Delivery (change management, timelines and milestones, performance measures and benefits realisation, readiness and next steps, signoff, exit strategy)

BUSINESS CASE TEMPLATE:
- Part 5 of the full business case template.

SCALABILITY
The level of detail in the full business case should be appropriate to the scale and complexity of the investment.

Key issues to consider when preparing for a full business case:
- Has broad and balanced research been conducted to support an evidence based approach?
- Have lessons from other investments been considered?
- Which stakeholders are best placed to assist with the development?
- Has the reason for government intervention been considered?
- Is this investment impacted by significant uncertainty?
- Should a real options approach be considered?
- What market based solutions could be appropriate to this investment?

REVIEW YOUR THINKING
Throughout this process review your thinking using the investment assessment checklist (16+Questions) at each step.

For specific guidance, worked fictional examples and further information requirements, please refer to the Stage 2: Prove guideline:
www.lifecycleguidance.dtf.vic.gov.au
**Prove Process**

**Stage 2: Prove**

**Government agency**
- develops full business case (FBC)
- IMS
- Stage 2: Prove guideline
- Other technical guidelines

**Gate 2 review:**
- FBC

**HVHR?**
- Yes
- No

**Minister decides whether to submit FBC for budget funding**
- Yes
- No

**DOES NOT PROCEED AT THIS TIME**

**Agency addresses issues**
- Yes
- No

**Minister decides whether to submit FBC and RAP to DTF for deliverability assessment**
- Yes
- No

**DTF assess deliverability and RAP for Treasurer’s approval**
- Approved
- Not approved

**TREASURER’S ASSESSMENT**

**FBC submitted for budget funding**
- Funded
- Not funded

**GOVERNMENT BUDGET FUNDING DECISION**
- DOES NOT PROCEED AT THIS TIME