

Optimism Bias - Upper Bound Calculation for Build

Lowest % Upper Bound	13%
Mid %	40%
Upper %	80%
Actual % Upper Bound for this project	18%

Build complexity			
<i>Choose 1 category</i>		X	
Length of Build	< 2 years	x	0.50%
	2 to 4 years		2.00%
	Over 4 years		5.00%
			0.50%
<i>Choose 1 category</i>			
Number of phases	1 or 2 Phases	x	0.50%
	3 or 4 Phases		2.00%
	More than 4 Phases		5.00%
			0.50%
<i>Choose 1 Category</i>			
Number of sites involved (i.e. before and after change)	Single site*	x	2.00%
	2 Site		2.00%
	More than 2 site		5.00%
			2.00%
* Single site means new build is on same site as existing facilities			
Location			
<i>Choose 1 Category</i>			
New site - Green field	New build		3%
New site - Brown Field	New Build		8%
Existing site	New Build		5%
		<i>or</i>	
Existing site	Less than 15% refurb	x	6%
Existing site	15% - 50% refurb		10%
Existing site	Over 50% refurb		16%
			6.00%
9.00%			

Optimism Bias Calculation

Build Complexity	9.00%
Scope of Sceme	9.00%
Total Upper Bound for this Projecty	18.00%
Risk Mitigation Factor	27.00%
Optimism Bias Applied to Capital	5.00%

Scope of scheme			
<i>Choose 1 category</i>		X	
Facilities Management	Hard FM only or no FM	x	0.00%
	Hard and soft FM		2.00%
			0.00%
<i>Choose 1 category</i>			
Equipment	Group 1 & 2 only		0.50%
	major Medical equipment	x	1.50%
	All equipment included		5.00%
			1.50%
<i>Choose 1 category</i>			
IT	No IT implications		0.00%
	Infrastructure	x	1.50%
	Infrastructure & systems		5.00%
			1.50%
<i>Choose more than 1 category if applicable</i>			
External Stakeholders	1 or 2 local NHS organisations	x	1.00%
	3 or more NHS organisations		4.00%
	Universities/Private/Voluntary sector/Local government		8.00%
			1.00%
Service changes - relates to service delivery e.g NSF's			
<i>Choose 1 category</i>			
Stable environment, i.e. no change to service		x	5%
Identified changes not quantified			10%
Longer time frame service changes			20%
			5.00%
Gateway			
<i>Choose 1 category</i>			
RPA Score	Low	x	0%
	Medium		2%
	High		5%
			0.00%
9.00%			