

- Optimism Bias template developed by Curry & Brown with HFS
- Mid 40% and 80% pre set and should not be changed
- Contributory Factor to Upper Bound pre set and should not be changed
- % Factor Contributes pre set and should not be changed
- Only input required = selection of category for each criteria
 - % Factor Contribution after mitigation
 - Explanation for rate of mitigation

Optimism Bias - Upper Bound Calculation for Build

Lowest % Upper Bound	13%
Mid %	40%
Upper %	80%
Actual % Upper Bound for this project	22%

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*		2.00%
	2 Site	x	2.00%
	More than 2 site		5.00%
2.00%			
<small>* Single site means new build is on same site as existing facilities</small>			
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		6%
Existing site	15% - 50% refurb	x	10%
Existing site	Over 50% refurb		16%
13.00%			

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%
9.00%			

Upper Bound	22%
Mitigation	42
UB x M =	9.28
(UB x M)/100 =	9.28%

Scheme name:			
Contributory Factor to Upper Bound	% Factor Contributes	% Factor Contributes after mitigation	Explanation for rate of mitigation
Progress with Planning Approval	4	3.8	Limited engagement with Local Authority
Other Regulatory	4	3.8	Limited engagement with regulatory bodies
Depth of surveying of site/ground information	3	1.8	Some survey work undertaken
Detail of design	4	2.4	Limited development (initial 1:200) and user engagement
Innovative project/design (i.e. has this type of project/design been undertaken before)	3	1.5	Peri-operative model
Design complexity	4	1.6	Relatively simple design
Likely variations from Standard Contract	2	0.6	Expected to be limited (use of NEC4)
Design Team capabilities	3	0.6	Experienced Design Team have worked on other NTC projects
Contractors' capabilities (excluding design team covered above)	2	0.4	Experienced contractor with extensive NHS track record
Contractor Involvement	2	0.8	PSCP onn board at commencement of OBC
Client capability and capacity (NB do not double count with design team capabilities)	6	1.8	Experienced client team with capital planning, project management and clinical inputs
Robustness of Output Specification	25	7.5	COS document developed with input from wide range of stakeholders
Involvement of Stakeholders, including Public and Patient Involvement	5	3	Limited involvement to date
Agreement to output specification by stakeholders	5	2.5	Input from range of stakeholders but requires to be expanded
New service or traditional	3	1.5	Existing service but elements of service model are new
Local community consent	3	2.4	No input to date
Stable policy environment	20	6	Clear direction of travel around National Programme
Likely competition in the market for the project	2	0.2	PSCP already appointed
TOTAL	100	42.2	

Note: Across all contributory factors, mitigation would be expected to be greater the greater the extent of risk quantification and risk management.

Optimism Bias - Upper Bound Calculation for Build

Lowest % Upper Bound	13%
Mid %	40%
Upper %	80%
Actual % Upper Bound for this project	17%

Build complexity			
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	Over 4 years		5.00%
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