Exception report

Informing the board about a project in exception

[Date] and [Period]

[Ref filename & version]

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# Exception title

# Cause of the exception

# Consequences of the deviation

# Options

# Recommendations

# Lessons

# Guidance on how to complete

***(Note: following completion of the Exception Report the pages beyond this point can be deleted)***

## Purpose

An exception report is produced when a stage plan or project plan is forecast to exceed tolerance levels set. It is prepared by the project manager in order to inform the project board of the situation, and to offer options and recommendations for the way to proceed.

## Composition

An exception report includes the following:

* **Exception title** An overview of the exception being reported
* **Cause of the exception** A description of the cause of a deviation from the current plan
* **Consequences of the deviation** What the implications are if the deviation is not addressed for:
  + the project
  + corporate, programme management or the customer
* **Options** What options are available to address the deviation and the effect of each option on the business case, risks and tolerances
* **Recommendation** Of the available options, which is recommended, and why?
* **Lessons** What can be learned from the exception, on this project or future projects?

## Derivation

An exception report is derived from the following:

* current plan and actuals
* issue register, risk register and quality register
* highlight reports, issue reports (for management stage/project-level deviations) or checkpoint reports (for team-level deviations)
* project board advice of an external event that affects the project.

## Format and presentation

An exception report can take a number of formats, including:

* an issue raised at a minuted progress review (physical meeting or conference call)
* a document or email issued to the next higher level of management
* an entry in a project management tool.

For urgent exceptions, it is recommended that the exception report is oral in the first instance, and is then followed up in the agreed format.

## Quality criteria

The following quality criteria apply to an exception report:

* The current plan must accurately show the status of time and cost performance.
* The reason(s) for the deviation must be stated, the exception clearly analysed, and any impacts assessed and fully described.
* The implications for the business case have been considered and the impact on the overall project plan has been calculated.
* Options are analysed (including any risks associated with them) and recommendations are made for the most appropriate way to proceed.
* The exception report is given in a timely and appropriate manner.