Using the AAA framework effectively

Purpose

The AAA (Alert, Advise, Assure) framework was introduced to help board and committee discussions focus on the issues that genuinely require escalation, attention or assurance. It is designed to support timely governance reporting and should complement, rather than replace, routine performance and assurance reporting arrangements.

The purpose of AAA reporting is not to restate known operational challenges at every meeting. Rather, it should highlight what has changed, what requires attention and where assurance can be provided.

Alert

An alert should be raised when the committee wishes to draw attention to a significant new issue, a material deterioration in performance, an emerging risk, or a matter requiring intervention by the receiving committee or board.

An item should be an alert when:

- a significant issue has arisen for the first time
- performance has moved materially outside expected tolerance
- existing arrangements are proving ineffective
- a risk has escalated beyond the committee's authority or capacity to manage
- the board is being asked to take action or make a decision.

An item should not remain an alert simply because it persists.

Once the board has considered an issue, agreed its expectations and received an improvement or recovery plan, ongoing oversight should normally take place through routine performance reporting and assurance mechanisms.

Example

If performance against a KPI falls significantly below target, this may warrant an alert.

However, once the board has agreed how performance will be monitored and improvement actions are in place, subsequent reports should focus on delivery against the recovery plan rather than repeatedly raising the same alert.

The issue should only return to alert status if:

- performance deteriorates further
- recovery milestones are missed
- new risks emerge
- previous assurances are no longer reliable.

Assure

Assurance provides evidence that controls, actions and governance arrangements are operating as intended.

An item should provide assurance when:

- progress is being made against agreed actions
- risks are being actively managed
- internal controls are working effectively
- the committee is satisfied that recovery plans are being implemented and monitored.

Example

The committee may assure the board that an improvement programme is in place, progress is being monitored against agreed milestones and executive oversight arrangements remain effective.

Advise

Advise is used to communicate developments, context or emerging matters that the board should be aware of, but which do not currently require escalation.

An item should be reported as advice when:

- new information may influence future decisions
- policy, regulatory or national developments need to be highlighted

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- emerging risks or trends require observation but not intervention
- committees wish to share learning and insights.

Example

A change to government guidance, an emerging workforce trend or an expected change in performance standards may be reported as advice.

Moving between categories

Issues should move between categories as their status changes.

A typical progression is:

Alert → Board response agreed → Assure

or

Advise → Issue develops → Alert

The purpose of the framework is to ensure that committees report changes in position, not simply repeat information already known to the board.

A chair's test

Before accepting an alert, chairs may wish to ask:

"What is different from the last time we reported this issue?"

If the answer is nothing, the matter is likely to be more appropriately reported through routine assurance and performance monitoring.

If there is a new risk, deterioration, missed milestone or required board action, the matter should remain an alert.

Key principle

Alerts should focus on what is new, worsening or requiring action. Assurance should focus on how known issues are being managed. Advice should focus on helping the board understand emerging developments.

Used in this way, the AAA framework helps ensure the board's attention is focused on the matters that most require strategic oversight and intervention.

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