



## Kinder Quick Reference Guide

> 1 July 2024 - 30 June 2025

A risk management guide  
for early childhood services  
committees of management



EARLY  
LEARNING  
ASSOCIATION  
AUSTRALIA



## Be prepared and recover quickly

### A guide for committees of management of early childhood services

Kindergartens and early learning centres are an important part of the Victorian community, providing valuable education services for children.

They are often supported by committees of management who are volunteers and part of the parent community.

This guide is designed to assist voluntary committee members to understand their role in managing risk, what is covered by VMIA insurance products, how to make a claim and where to get assistance if required.



This guide does not constitute legal or specific insurance advice and will not address every issue or scenario that may arise, so please contact us if you have questions on **03 9270 6900** or at [contact@vmia.vic.gov.au](mailto:contact@vmia.vic.gov.au).

We have used the generic term Person in Charge to refer to the role of the person who reports directly to the committee of management. This may be a manager, teacher, team leader or other title for the person in charge.



# Risks and VMIA





## How can VMIA help?

**The Victorian Managed Insurance Authority (VMIA) is the Victorian Government's insurer and risk adviser, covering the people, places and projects that help Victorians thrive.**

The Department of Education and Training (DET) funds a suite of insurance products called the Community Service Organisations Education Insurance Program (CSOe) for all state funded kindergartens. Your organisation does not pay for this insurance, but you will receive a Certificate of Currency each year confirming the type and level of cover you have.

It is important to note your Community Service Organisations Education Insurance Program does not cover such things as buildings, contents, vehicles and cyber. You may need to seek your own independent insurance advice or purchase insurance from a commercial insurer.



Information about the CSOe Insurance Program can be found on our website:

[VMIA > Insurance > Community Service Organisations \(education\)](#)



VIDEOS

[Insurance Program Overview](#)  
[Certificates of Currency](#)



## Overview of the CSO Education Insurance Program

Insurance policy	Coverage	Example
Directors and Officers Liability	Cover for claims made against your organisation's directors and officers (including employment-related matters) while acting in that capacity.	A formal investigation is undertaken when an allegation of bullying is made against a Person in Charge
Public and Products Liability	Cover for your organisation, employees and volunteers in relation to any liability to pay compensation where a third party becomes injured or their property is damaged as a result of negligence.	Staff or volunteer actions or non-actions lead to an injury of a visitor to the organisation.
Professional Indemnity	Cover for your organisation for an alleged breach of professional duty.	An undue delay in processing a child registration results in a third-party losing money.
Entity Fidelity	Cover for the loss of money or other property arising from any dishonest or fraudulent act committed by an employee or volunteer of your organisation.	The employee or volunteer fraudulently withdraws \$1,000 from organisation's bank accounts.
Personal Accident	Cover for volunteers and board/committee members and other eligible people, while performing their duty, for accidental bodily injury that results in loss of life, permanent, or temporary disablement.	A volunteer loses two teeth while undertaking their duties and makes a claim.

- ▶ For specific policy wording refer to [VMIA > Insurance > Policies & cover > Community Service Organisations \(education\)](#).



## How to make a claim

You can make a claim or check on the progress of a claim online, using our secure portal.

The portal makes it easy to keep on top of your claims from submission to resolution.

Log in or register at [portal.vmia.vic.gov.au](https://portal.vmia.vic.gov.au)



If you have any questions, or need access to the VMIA portal, call us on **03 9270 6900**.





# Risk management

## ‘Risk is the effect of uncertainty on objectives.’

AS/NZS ISO 31000:2018

### What does this mean for the committee?

The committee of management sets the strategic direction of the organisation.

Once objectives have been agreed on, ask “what would stop us achieving these goals?” These are the risks, the things that worry us, that need action.

Work with the Person in Charge to identify and manage risks that could occur in any area of your organisation, such as financial, people and culture, services and partnerships.

Some risks will be day-to-day or operational and don’t need committee oversight. The committee instead should focus on the risks that could impact the strategic direction of the organisation. These should be high-level, important risks.

Most organisations, even large ones, have between five to seven strategic risks.

### Tips to help you manage risk

- ▶ Understand how likely the risk is to occur and what the impact would be if it did occur.
- ▶ Agree on who is accountable for managing the risk and in what timeframe.
- ▶ Document the actions needed to respond to the risks on a risk register.
- ▶ Try not to create a shopping list of everything that could go wrong. Be specific about what’s important for your organisation and what you can manage.
- ▶ Not all risk is bad. Implementing a new program may seem risky but can bring many benefits to your organisation and community.
- ▶ Discuss risks and risk management at your committee meetings and ensure urgent risks are followed up.
- ▶ The committee is responsible for determining the appetite for taking risks. This means weighing up the pros and cons of doing something or not doing it. It means thinking about the potential consequences of action or inaction, including the impact on the financial sustainability and reputation of the organisation.
- ▶ Talk about risk as part of any significant decision. When you want to achieve an objective, think about:
  - > what would stop us from doing this?
  - > what do we need to get right in order to do what we want?





Jolly Roo Kinder



EARLY  
LEARNING  
ASSOCIATION  
AUSTRALIA



## Jolly Roo Kinder

The following pages outline some fictional scenarios of common issues faced by committees of management. We hope to give you greater confidence in knowing what's covered and to help you to make informed decisions if something does go wrong.



### **Your child attends the Jolly Roo Kindergarten, and you have just joined the committee of management.**

You know that you have responsibility for the overall governance of the organisation.

This includes:

- Ensuring the ongoing financial viability
- Managing your legal obligations
- Setting the strategic direction and overseeing significant business decisions
- Hiring and managing the Person in Charge or other relevant people.

But you're not sure about whether your insurance covers activities that the kinder is undertaking.





**vmia**

The Person  
in Charge



EARLY  
LEARNING  
ASSOCIATION  
AUSTRALIA



## Hiring the Person in Charge



The current Person in Charge, Mary, has retired after 20 years of amazing service. The committee of management at Jolly Roo Kinder now has the task of recruiting a new Person in Charge.

They place an advertisement online and receive several good applications. They arrange to interview three people, but the first candidate declares during the interview that she is Mary's daughter. They decide not to interview the other two people and offer her the job on the spot.

The committee phone the other candidates to advise they no longer need to attend the interview. Word quickly gets out that it's Mary's daughter who got the role and not everyone is as pleased as the committee.

### Committee's role

The committee of management at Jolly Roo Kinder are responsible for hiring the Person in Charge.

They should follow transparent practices in selecting the right person for the role. Often a sub-committee will conduct interviews and make a recommendation to the full committee before appointing the person.

### Tips and hints

- ▶ Have a recruitment policy that outlines the process to be followed when hiring a Person in Charge
- ▶ Have clear selection criteria and agree as a committee on the qualities, skills and experience that you are looking for
- ▶ Stick to the process - ensure that every candidate is treated the same, asked the same core questions and given the opportunity to ask questions of the committee
- ▶ Be transparent about real or perceived conflicts of interest and agree on the approach taken if conflicts arise
- ▶ Check qualifications and other credentials
- ▶ Be clear if offers are dependent on things as Police Checks or Working with Children Checks.

### Insurance implications

Unsuccessful candidates may assert that the selection process was unfair and allege nepotism.

Jolly Roo Kinder may lodge a claim under the Directors and Officers Liability Policy to cover the costs associated with defending this legal action.

## Performance managing the Person in Charge



The committee of management at Jolly Roo Kinder has concerns that the Person in Charge isn't managing the budget.

The Person in Charge can't answer questions about the finances with confidence and this makes the committee anxious.

The committee has provided robust feedback to the Person in Charge.

### Committee's role

Usually, the key communication between a Person in Charge and the committee is via the committee's Chair.

It is good practice for the Chair and the Person in Charge to meet separately from the full committee meeting to discuss feedback and performance, well-being and career development, day to day issues such as upcoming leave, and set the agenda for the next committee meeting.

### Tips and hints

- ▶ Have a clear and up-to-date position description that outlines expected tasks and behaviours
- ▶ Ensure processes and procedures regarding performance management are specifically worded and followed
- ▶ Discuss the difference between expectations and observations in a calm and professional manner
- ▶ Keep factual, professional and respectful notes of any discussions about performance
- ▶ Agree on action plans, such as mentoring, training or professional development courses, with defined deliverable dates and measures of success
- ▶ Meet regularly to monitor outcomes against the plan and provide ongoing feedback
- ▶ Refer to ELAA's Performance Management and Development Kit for further guidance.

### Insurance implications

If the way in which feedback is given is seen to be unfair, harassment or bullying, the Person in Charge may make a claim against the organisation. If this happens, Jolly Roo Kinder may lodge a claim under the Directors and Officers Policy.



## Termination



The committee of management at Jolly Roo Kinder has received several formal complaints about the Person in Charge's abrupt and patronising tone when talking to staff and parents.

The committee is troubled and discusses the issue with the Person in Charge. The committee begins a process of formal warnings, which a documented improvement plan.

Unfortunately, despite a comprehensive performance management plan and opportunities to improve there is no improvement and the committee decides to terminate the Person in Charge's contract.

### Committee's role

The committee of management at Jolly Roo Kinder is responsible for the exiting arrangements of the Person in Charge.

They also ensure that policies and practices are in place regarding employment arrangements for all staff.

This extends to setting the values and culture of the organisation.

The decision to terminate employment should follow open and well documented performance management and feedback.

### Tips and hints

- ▶ Consider getting independent legal advice before making this decision
- ▶ When meeting to advise of a separation decision, invite the Person in Charge to have a support person present
- ▶ Prepare for separation meeting by knowing the person's entitlements, determining the finish date, having expected 'acting' arrangements in place and having a communication plan in place for other staff, participants and stakeholders
- ▶ Be very clear about why the separation is taking place and align this decision with previously articulated expectations of the role, including values and behaviours
- ▶ Consider offering an Employee Assistance Program (EAP) or other supports such as outplacement services.

### Insurance implications

The Person in Charge may make a claim for unfair dismissal if the action is seen as harsh, unjust or unreasonable. If this happens, Jolly Roo Kinder may lodge a claim under the Directors and Officers Policy, which includes Employment Practices Liability.

## Compliance and culture



The committee of management at Jolly Roo Kinder decided to commission an independently run staff satisfaction survey that asked how satisfied staff are with their employment conditions, including salary, workplace behaviours, and conflict management.

The aim was to gain an indication of compliance against workplace laws and insight into the culture at Jolly Roo.

The results are in and the committee is shocked – there are allegations of bullying, not being paid on time, and the manager not acting to address these matters.

### Committee's role

The committee of management of the YNH is responsible for ensuring that relevant laws and regulations are followed.

This means having policies and processes in place to ensure the organisation is compliant and mechanisms to validate that they are being followed. This also includes having processes in place to identify and manage any non-compliance.

### Tips and hints

- ▶ Explore ways for the committee to receive feedback, independent from the Person in Charge, to validate the information being reported to the committee. This could include having other staff present to the committee or committee members interacting with staff and participants at events.
- ▶ Consider using independent legal advice or investigations to better understand issues of concern, especially if there are differing opinions of conflict
- ▶ Have people with accountability to monitor compliance with relevant laws, regulations and quality standards
- ▶ The committee should understand the key laws, regulations and standards that must be followed and receive information from management about compliance
- ▶ Ensure that policies and training are in place to ensure that people with accountability understand their role and responsibilities, and have skills to be able to address problems effectively and efficiently.

### Insurance implications

If the way in which feedback is given is seen to be unfair, harassment or bullying, the Person in Charge may make a claim against the organisation. If this happens, the Jolly Roo Kinder may lodge a claim under the Directors and Officers Policy to cover the costs associated with defending possible legal action.





**vmia**

The Open Day



EARLY  
LEARNING  
ASSOCIATION  
AUSTRALIA

## The Open Day



It's the Open Day, Jolly Roo's big fundraising activity of the year.

Preparations started months ago, hiring marquees for the stalls and rides for the kids, and of course Cuddles, the petting zoo which was so popular last year.

Parents have been making and baking, drilling and hammering, and scheduled to man the stalls, run craft activities and face painting.

Finally, the big day has arrived!

### Committee's role

The committee's role is to have oversight of the policies and practices associated with the events. This includes understanding the insurance implications for contractors and accessing alternative venues.





## A fall at the Pop-Up Cafe



It's a gorgeous day for the event. A pop-up café selling Devonshire teas is proving popular.

Millie's grandma has purchased three plates of scones and is trying to carry them back to a table when she trips on a sandbag holding the marquee in place.

It wasn't flagged or signed as a trip hazard and Millie's grandma has hurt her wrist and twisted her knee when she fell.



More information:

<https://www.worksafe.vic.gov.au/resources/community-service-volunteer-boards-and-committees>

### Committee's role

The committee of management is responsible for the understanding their obligations in relation to health and safety of staff and visitors.

### Tips and hints

- ▶ Ensure policies and procedures that comply with Occupational Health and Safety legislation are in place.
- ▶ Conduct a thorough risk assessment of the area to identify hazards prior to the event.
- ▶ Clearly mark/sign any potential hazards or remove hazards altogether.

### Insurance implications

Millie's grandma may claim that Jolly Roo Kinder was negligent by not appropriately signing the hazard or marking a clear path between the marquee and the tables.

If Millie's grandma claims compensation against Jolly Roo Kinder, including medical and related expenses, this would trigger the Public and Products Liability policy.



## Damage to the Puppet Theatre



Charlie and his friends have been watching the puppet show. Afterwards they were running around the theatre and knocked it to the ground, ripping the curtains and damaging a panel.

### Committee's role

The committee of management should ensure that policies and procedures are in place to guide decisions about when third parties should have their own insurance. The committee are responsible for deciding what risks the organisation should take on.

### Tips and hints

- ▶ It's reasonable to ask other businesses/contractors to have and show evidence of their insurance, usually through a Certificate of Currency
- ▶ It's reasonable to refuse the services of contractors if they don't have appropriate insurance
- ▶ Sometimes volunteers or staff, with good intentions want to provide a service, such as bringing in pets or taking people on rides in a tandem motorcycle, that is outside of their usual responsibilities. The organisation needs to assess the risks associated with these activities as the organisation, rather than the volunteer or staff member involved, may be held responsible.

### Insurance implications

If the puppet theatre had its own insurance, a claim could be made through that company for the damage.

Alternatively, if Jolly Roo Kinder is held responsible for the damage, then the Public and Products Liability policy would be triggered.

## Missing money



Tom, a Jolly Roo Kinder employee, offered to look after the Fair's finances, including all the cash handling and counting.

After the event, it was found that Tom stole \$1000 and was later charged by police.

### Committee's role

The committee is responsible for setting strategy, policy and procedures to ensure the sustainability of the organisation. This includes ensuring there are appropriate financial controls in place such as locked cash boxes, documented financial delegations and clear processes for banking cash.

### Tips and hints

- ▶ Ensure that policies and procedures are in place regarding all financial transactions, including cash handling
- ▶ It's good practice to have two people involved in the collection of cash, and to have records of the time and amount collected at each stall, signed by the people running the stall
- ▶ Consider collecting, counting and recording cash at regular intervals throughout the day
- ▶ Don't carry large amounts of cash to or from the bank.

### Insurance implications

As the loss of money was the result of Tom's dishonest actions, a claim can be made against the Entity Fidelity policy. This policy could also be triggered if a volunteer stole the money.



**vmia**

The Working Bee



EARLY  
LEARNING  
ASSOCIATION  
AUSTRALIA



## The Working Bee



Jolly Roo Kinder has organised a working bee for next Saturday morning.

The parents have been asked to come to Jolly Roo to help with minor maintenance, repainting the window frames, and refreshing the edible garden.

### Committee's role

The committee of management is responsible for ensuring that policies and practices are in place for volunteers.



## Falling off a ladder



Jamie has volunteered to make a start on painting the window frames. As he climbs the extension ladder, it collapses and Jamie falls, fracturing his arm. The clasps had not been engaged properly.

### Committee's role

The committee of management is responsible for ensuring that policies and practices are in place in the event of medical emergencies.

It is also important to ensure staff are trained and aware of what needs to occur in a medical emergency.

### Tips and hints

- ▶ Have a policy that requires all volunteers to be recorded/registered with the organisation and/or complete a 'sign-in' noting the names of people volunteering for one-off activities such as a working bee or cake stall.
- ▶ Have clear task descriptions for volunteers
- ▶ Conduct training and induction for volunteers about what they are expected to do and what they shouldn't do
- ▶ Training should extend to the use of equipment that volunteers may be using, briefing them on what to do in an emergency and how to report a hazard.

### Insurance implications

Claims for the volunteers can be made under the Personal Accident policy for benefits and/or Non-Medicare related medical expenses. As Jamie couldn't drive for several weeks, she may also be able to claim travel expenses to and from medical appointments.

## Volunteer lunch



Bree and Dave are volunteers at the working bee. They have set up a sausage sizzle followed by a selection of fancy biscuits to feed all the volunteers. Bree bites into a large piece of rocky road and hears a loud crack as her tooth breaks at the root.

### Committee's role

The committee of management is responsible for ensuring that policies and practices are in place for volunteers.

### Tips and hints

- ▶ Have food safety and preparation policies and procedures in place and ensure volunteers are aware of these food standards.
- ▶ Conduct regular training on food safety and preparation to ensure contemporary knowledge of required standards
- ▶ Ensure there are facilities for hand washing, surface cleaning and rubbish disposal
- ▶ Have a register detailing where food is purchased or who made items at home, as well as the date it was made.
- ▶ If food is prepared at home, keep a record of the list of ingredients so sources can be traced in the event of illness or allergic reaction.

### Insurance implications

Under the Personal Accident policy, there is potential for the injured volunteers to claim Non-Medicare medical expenses and other benefits. The specific injuries and limits covered are listed in the policy.





**vmia**

The Excursion

 EARLY  
LEARNING  
ASSOCIATION  
AUSTRALIA



## The Excursion



The Four-Year-Old Kinder Group are heading off to see an outdoor concert.

They are travelling together on the train and having lunch in the park café beforehand.

### Committee's role

The committee of management is responsible for ensuring that policies and practices are in place related to events and activities that take place on site and off site.



## Personal information



During lunch, the teacher realises they have lost the backpack containing the class allergy list and emergency contact details.

The teacher is sure none of the children have severe food allergies. However, one child appeared to have puffy eyes after eating an egg sandwich.

The teacher gave him an antihistamine, which helped to reduce swelling. His parents were called, and they incurred the cost of a medical check-up afterwards.

### Committee's role

The committee is responsible for ensuring policies and procedures are in place for the collection, use, storage and deletion of personal information for staff, volunteers and clients of your organisation.

This includes details such as address, medical and court order access information.

### Tips and hints

- ▶ Maintain a list of key contacts to call in the event of an incident
- ▶ Keep personal information on an electronic platform that can be accessed off site
- ▶ Back up electronic data regularly and store data off site
- ▶ Regularly review policies to ensure that they meet legislative and regulatory requirements around privacy and information security
- ▶ Good systems and processes help protect data and information. However, the most frequent breaches occur by staff clicking on scam emails/links - consider running training on cyber safety.

### Insurance implications

The parents may make a claim against the organisation for any Non-Medicare related expenses related to the incident under the Public and Products Liability policy.

VMIA does not provide Cyber Insurance for Kindergartens. The committee should assess your organisation's level of cyber risk and make an informed decision about whether to purchase cyber cover.



## Personal information



After the concert, the Four-Year-Old Kinder Group are walking back to the train station. It's really crowded on the footpath and Luci gets separated from the group. After a few minutes of frantic searching, the teacher calls the police.

Luci was found an hour later, one kilometre from the group. She had walked into a café crying. She had no identification or contact details on her.

Her parents claimed that Jolly Roo was negligent as they did not have the appropriate emergency contact details on Luci during the excursion. They also wanted the cost of Luci's counselling to be paid for by the organisation.

### Committee's role

The committee of management is responsible for ensuring policies and procedures are in place for emergency responses. This includes incidents that may occur on site and at other venues.

### Tips and hints

- ▶ Ensure policies and procedures are in place for managing an emergency both on and off site
- ▶ Ensure parental permission is granted for activities that are offsite or not regular/expected
- ▶ Ensure parents can be contacted quickly in the event of an emergency
- ▶ Think about how best to manage child safety and security offsite. For example, ensuring all children wear coloured vests or wrist bands identifying who they are, along with an emergency contact number.

### Insurance implications

Luci's parents may make a claim against Jolly Roo for compensation. This would trigger the Public and Products Liability policy.



**vmia**

More information



EARLY  
LEARNING  
ASSOCIATION  
AUSTRALIA

## More information

### Other considerations

The committee of management should understand when other insurances may be triggered depending on circumstances:

- ▶ TAC – personal injury insurance from a transport accident: [www.tac.vic.gov.au](http://www.tac.vic.gov.au)
- ▶ WorkSafe – personal injury to an employee: [www.worksafe.vic.gov.au](http://www.worksafe.vic.gov.au)
- ▶ Building and Contents policies
- ▶ Motor insurance policies
- ▶ Cyber insurance policies

Some things are not insured or not insurable, so make sure you're aware of what is covered and contact us if you have any questions.

### VMIA

#### Register for free VMIA training

<https://www.vmia.vic.gov.au/training/workshops-and-events>

#### Tools & insights

<https://www.vmia.vic.gov.au/tools-and-insights>

#### VMIA contact

(03) 9270 6900

[contact@vmia.vic.gov.au](mailto:contact@vmia.vic.gov.au)

### ELAA Support

(03) 9489 3500

[elaa@elaa.org.au](mailto:elaa@elaa.org.au)

Level 3, 145 Smith Street, Fitzroy VIC 3065

PO Box 1246, Collingwood VIC 3066