



# National Galleries Scotland

## Valuation Control Policy

### Version/Date

Senior Management Team: Collections approved this policy: 12<sup>th</sup> February 2014

### Principles

NGS provides current valuations for objects in our care when required, including for insurance purposes and for exhibitions and loans out. We may also from time to time comment on values for bodies such as the National Fund for Acquisitions, the Arts Council, the Art Fund and for Heritage Lottery.

The valuation is normally interpreted as its current financial price in the open market. However, valuations may change to reflect changes in market prices, interest rates, inflation, rarity of the object, or new research.

We might also consider other factors in determining a valuation, for example the replacement value. For conservation and repair purposes we also take into consideration the importance of the object as well as its financial valuation.

### Definitions

**Valuation Control:** The creation, recording and management of financial valuations placed on individual objects or groups of objects in our care, normally for insurance and Government Indemnity (GIS) purposes, and the context of those valuations.

**Current valuation:** For long-term loans covered by GIS: a valuation that has been made within the last 3 years. For all other activities: the current market value or the value provided by the owner, vendor or lender.

### Legislation and ethics

NGS complies with the requirements for GIS and for its obligations on due diligence, for audit and accountability, and for accessibility. Relevant statutory requirements and codes of ethics include:

- National Heritage Act 1980 Section 16 (as amended by the Museums and Galleries Act 1992)
- National Heritage (Scotland) Act 1985
- Theft Act 1968
- Tribunals, Courts and Enforcement Act 2007, Part 6, Section 136 (Due Diligence)
- Freedom of Information (Scotland) Act 2002
- Code of Practice on Archives for Museums and Galleries, Third Edition, 2002

### Standards

This policy is part of the Collections Management set of policies that form a requirement of PAS197 and Spectrum as part of the UK Museum Accreditation Scheme.



## **Control measures**

When we make a valuation this must be substantiated, and it includes the date, currency, source, authorisation and reason, in order to reflect the context in which the valuation was made. The valuation details take into account different ways of arriving at a market value, for example the three levels defined by auction houses. We retain all valuation documentation.

NGS treats all valuations as confidential.

We record all valuation details. We hold all information centrally and securely on an industry-standard database (MIMSY). Only authorised persons can maintain valuation details.

We do not provide valuations to commercial organisations or private individuals.

## **Review of valuations**

We review valuations:

- objects covered by GIS: every 3 years
- major objects in the collection, including works on the Emergency Recovery lists, and works by artists commanding new high market prices: at least every 5 years
- other objects: as required, for example when they are to be loaned out or form part of an exhibition

## **Related policies**

The following are related NGS policies:

- Loans In and Loans Out Policy
- Acquisition Policy
- Inventory Control Policy
- Cataloguing Policy
- Conservation and Care Policy
- Risk Management Policy
- Insurance and Indemnity Management Policy
- Physical Audit Policy
- Record Audit Policy
- Retrospective Documentation Policy
- Due Diligence Policy