



National Galleries Scotland

Valuation

Principles

NGS provides current valuations for objects in our care when required, for Collection Management and in line with current ethical practice 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 National Lottery Heritage Fund.

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. The purchase price may have no direct relation to a valuation, for example when a vendor intentionally sells an object to NGS at less than market value.

We might also consider other factors in determining a valuation, for example the original valuation or purchase price adjusted for inflation; the cost of conservation and/or maintenance; or 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:

- Theft Act 1968
- National Heritage Act 1980 Section 16 (as amended by the Museums and Galleries Act 1992)
- National Heritage (Scotland) Act 1985
- Freedom of Information (Scotland) Act 2002
- Code of Practice on Archives for Museums and Galleries, Third Edition, 2002
- European Expert Network on Culture: Report on Valuation of Works of Art for Lending and Borrowing Purposes (2012)

Due Diligence:

- 1970: UNESCO Convention on the Means of Prohibiting and preventing the illicit import, Export and Transfer of Ownership of Cultural Property
- 1998: NMDC Washington Conference: Statement of Principles on Spoliation of works of art during the Holocaust and World War II period
- 2005: DCMS: 'Combating Illicit Trade'. Due diligence guidelines for museums, libraries and archives on collecting and borrowing cultural material.'
- 2003: Dealing in Cultural Objects (Offences) Act
- 2007: Tribunals, Courts and Enforcement Act 2007. Part 6: Immunity from Seizure
- 2009: Holocaust (Stolen Art) Restitution Act
- 2017: UN Security Council Resolution 2347 Article 17 (g) called on governments to engage with the museum sector and art trade on 'differentiated due diligence' and other measures 'to prevent the trade of stolen or illegally traded cultural property.'
- 2019: The Holocaust (Return of Cultural Objects) (Amendment) Act 2019

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.

- Cultural Heritage Agency of the Netherlands, Ministry of Education Culture and Science: Assessing Museum Collections: Collection Valuation in 6 Steps (2014).
- Freda Matassa: Valuing your collection: A practical guide for museums, libraries and archives 2017.

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. In addition to cultural/historical values, valuations may also reflect social, community and use values. 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). Collections Management staff are authorised to elicit valuations from lenders. Curators have the necessary skills and experience to provide valuations for objects in the collection; to justify acquisitions valuations; and to agree valuations provided for loans in. Only authorised persons can maintain valuation details.

We do not provide valuations to commercial organisations or private individuals. We state clearly that museums staff are not authorised to give valuations and also that no valuation indicated verbally or written on a receipt form, for example at an opinion session, will be admitted or accepted by NGS.



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:

02 Acquisition and Accessioning
04 Inventory
05 Cataloguing
07 Loans in (borrowing objects)
08 Loans out (lending objects)
09 Documentation Planning
10 Condition Checking and Technical Assessment
11 Collections Care and Conservation
13 Insurance and indemnity
14 Emergency Planning for Collections
21 Audit

Also the following NGS documents

NGS Collection Care Framework
NGS Collections Development Framework
NGS Partnership Framework
NGS Public Programme Framework
NGS Risk Management Policy
NGS Research Policy and Framework

For NGS Rights and Reproduction Policies: SEE NGS Trading Company Policies