National Galleries Scotland
Insurance and Indemnity

Principles
NGS ensures the objects in its care are exhibited and interpreted to the widest possible public and is committed to increasing access to the NGS Collection.

Loans to and from NGS form part of this programme, and we ensure that all objects for which we are responsible and/ or have a duty of care are appropriately insured or indemnified to fulfil all legal and statutory obligations.

We ensure that a good record photograph exists for all loans from the NGS for reference in the event of damage to or theft of the object and for condition checking purposes.

Definitions
Insurance and Indemnity: The documentation and management of appropriate insurance or indemnity for objects and object-parts, both in the NGS collection and objects for which NGS is temporarily responsible.

GIS: Government Indemnity Scheme.

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

▪ 1980: National Heritage Act Section 16 (as amended by the Museums and Galleries Act 1992)
▪ 1985: National Heritage (Scotland) Act
▪ 2002: Freedom of Information (Scotland) Act

Due Diligence:

▪ 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
▪ 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.’
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

NGS is recognised as a national institution for the provision of GIS. We meet its conditions as set out in the Green Guidelines of the National Heritage Act, including:

- allocate enough funds to cover our GIS liabilities, including bearing the costs of claims up to a limit of £5,000 per financial year and for any individual object with a valuation of £300 or less.
- ensure that values for GIS are in accordance with the GIS Green Guidelines and that open market values apply
- manage all transport, security and display for the collection and loans to or from it in accordance with GIS guidelines
- carry out a condition report on all objects and object-parts on entry, exit, and re-entry
- provide accurate and timely returns on contingent liabilities to the Scottish Government as and when requested
- provide accurate and timely returns on contingent liabilities to ACE (Arts Council of England) twice annually in April and October

If a borrower has an obligation to have an alternative insurance arrangement, or if there are compelling circumstances to use different insurance cover, this must provide for 'Values Agreed', 'All Risks' and 'Nail to Nail' cover.

We store securely GIS and insurance documentation, including valuations.

Notice periods

For all loans out from NGS, in addition to the minimum notice required for loans (6 months UK, 12 months international), the borrower must submit insurance or indemnity arrangements to NGS for approval at least 4 weeks in advance of the exhibition opening. A copy of the policy must be with NGS at least 2 weeks before the loan leaves NGS.

Assignment of responsibility

NGS takes the default position, subject to the terms and conditions outlined in the Green Guidelines of the National Heritage Act, as follows:

- Objects on loan to NGS: we offer UK Government Indemnity cover; for long-term loans we review this with the lender at least every 3 years
- Objects on loan from NGS to venues outside the UK: subject to negotiation between NGS and the borrower
- Objects received on approval for purchase: owner or vendor bears the risk.
- Objects brought in for opinion: owner bears the risk
- Objects brought to NGS and then offered as a gift: owner bears the risk until NGS formally accepts the offer
▪ Objects bequeathed to NGS: covered by GIS until the executor(s) are able to confirm legal transfer of title to NGS

▪ Objects allocated to NGS by the Acceptance in Lieu Scheme (AIL): not covered by GIS, and are accepted at our own risk

▪ Loan or non-NGS objects: any interventive or restoration processes undertaken are not covered by GIS

▪ GIS is managed by the collections management department and monitored by the Leadership Team. The Accounting Officer is the Director General.

Related policies

The following are related NGS policies:

01 Object Entry
02 Acquisition and Accessioning
03 Location and Movement Control
04 Inventory
05 Cataloguing
06 Object exit
07 Loans in (borrowing objects)
08 Loans out (lending objects)
09 Documentation Planning
10 Condition Checking and Technical Assessment
11 Collections Care and Conservation
12 Valuation
13 Insurance and indemnity
14 Emergency Planning for Collections
15 Damage and Loss
19 Use of Collections
20 Collections Review
21 Audit

Also the following NGS documents:

NGS Business Continuity Plan
NGS Collection Care Framework
NGS Collections Development Framework
NGS Disaster Contingency Plan
NGS Estates Management Strategy
NGS Environmental Management Programme 2018-2022
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