



Northern Ireland Museums Council

Guidance to Local Museums on the Government Indemnity Scheme

Introduction

In the UK the Government Indemnity Scheme (GIS) exists to enhance public access to our cultural heritage through enabling certain institutions to borrow objects, for exhibition or study, which they might not otherwise be able to afford due to the cost of commercial insurance. The principle of the scheme is that the Government indemnifies the owner against loss, providing them with a notable degree of comfort during the loan period and underwriting the borrower's risk.

Provision for the Scheme is made in the National Heritage Act 1980, and subsequent amendments, and this allows for the 'Secretary of State' to grant indemnity on loans. However, not all institutions and loans are eligible under GIS and there are notable variances in the application process concerning museums in Northern Ireland. The purpose of this guidance document is to provide local museums in Northern Ireland with an overview of the scope and operation of the Scheme and to highlight some of the key requirements of the application process and the operation of the scheme.

Who is eligible to apply to the GIS?

The Scheme operates on the basis that Government does not indemnify itself, with institutions funded by the Exchequer bearing their own risk. Thus the national collections and other such bodies are not indemnified when they lend objects owned by them. The Act stipulates these 'national institutions' and the list includes the Arts Council of Northern Ireland and the National Museums Northern Ireland. In practice this means that a loan request by a local museum to either organisation, or any other 'national institution', must be negotiated and agreed separately, outside the Scheme.

Guidance relating to the Scheme points to the types of bodies that are deemed 'eligible owners', or in other words, organisations that may qualify for government indemnity on loans of objects they own. These include institutions, bodies or persons overseas; persons in the UK (except the Sovereign or a Minister of the Crown in an official capacity); and, institutions or bodies in the UK that are not wholly or mainly Exchequer-funded. In the main, the last category comprises locally run institutions, including: local authority funded museums, galleries, libraries and other similar bodies and institutions; university museums and collections; National Trust properties; and local museums, galleries and other similar bodies that are governed by a local charitable trust or society.

How and where to apply to the GIS?

With the establishment of the Northern Ireland Assembly various powers and responsibilities have and have not been transferred, some of which affect the interpretation of the National Heritage Act 1980 and the local implementation of the Government Indemnity Scheme.

In short, if a local museum in Northern Ireland

- **wishes to borrow an object from a ‘national institution’ in Northern Ireland or elsewhere in the UK**

It may apply directly to that organisation, which will decide whether it is satisfied with the associated arrangements, and if so then the borrower would likely not need to purchase commercial insurance to cover the value of the object.

For loans from National Museums Northern Ireland, initial contact should be made with Anne Orr, Registrar at NMNI 028 90395151. Given Anne’s wide experience, she is able to give advice on loans from other national museums and on the associated security and risk assessments.

- **wishes to borrow an object from an ‘eligible owner’ situated outside Northern Ireland**

It may apply to the scheme through the Arts Council England. It provides the application forms and related documents on its web site at <http://www.artscouncil.org.uk/what-we-do/supporting-museums/cultural-property/protecting-cultural-objects/government-indemnity-scheme/>

For related enquiries and further details on the scheme email government.indemnityscheme@artscouncil.org.uk

As explained in the associated documentation, local museums will need to meet the main requirements for a loan covered by the GIS, and sign and return the associated undertaking required by Arts Council England (ACE). This undertaking comprises twelve elements, covering: public access, safeguarding and care, appropriate environmental control, security, assessing valuation, condition reports, meeting the costs of any claim up to a stipulated threshold, notifying ACE of any loss, confirmation on title of borrowed object(s) and to acknowledging the support of the GIS.

Applicants to the scheme should be aware that particular attention should be given to the ‘due diligence’ requirements, particularly around the capacity to lend, ownership and provenance. In addition special consideration needs to be given to the terms of the loan agreement and to what is included and what may not be covered by the clauses of the undertaking with Arts Council England.

- **wishes to borrow an object from an ‘eligible owner’ who is established or resident in Northern Ireland**

It may apply to the Museum’s Branch within the Department for Communities for indemnity cover for the loan. Tel: 028 90258825

NIMC’s Role

While the Northern Ireland Museums Council does not have any designated responsibility concerning the Government Indemnity Scheme, it does hold information on the experiences of local museums use of the scheme, together with sample loan agreements and material which may be of use to local museums as they move to meet the associated undertakings. If

you are considering making use of the Scheme, and wish to discuss any associated issue, NIMC can be contacted on 02890 550215, or via info@nimc.co.uk

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