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INTRODUCTION TO THE COLLECTIONS MOBILITY PROCESS

This chapter provides a practical guide to the Collections Mobility process. It pulls together current good practice in developing loans policy and procedures and sets it out in a clear format for both lenders and borrowers. These are not new procedures; they have been taken from a number of published and online sources, all of which are credited in the bibliography, and most of which are easily accessible on the Web. However, this is the first time that they have been brought together and integrated into a comprehensive guide to the Collections Mobility process.

By necessity, this guide is generic, not prescriptive. The nature of one inter-museum loan will differ enormously from another and this guide needs to cover both short and long loans at the regional, national, and international levels.

To be an efficient lender or borrower you will need:

- a clear policy
- a systematic process of managing loans activity and the accompanying paperwork
- a set of standard conditions, backed up with a flexible approach to applying those conditions.

These three elements comprise the Collections Mobility process.

This guide encourages users to review their current lending and borrowing policy and procedures and to approach the process with transparency and an open attitude to negotiation and to keeping costs to a minimum.

The contents page to the guide is set out as a flow diagram in order to illustrate the process for both lenders and borrowers. You can work through the whole guide, or use the contents page to access a particular section.

OVERVIEW OF THE COLLECTIONS MOBILITY PROCESS FOR INCOMING AND OUTGOING LOANS

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WRITING A LOANS POLICY

Question:

We have been asked to lend an item from our collection to a small museum with poor security. Opinion is divided – some staff feel the risks are too high, others believe we should be more open with our collection – how do we resolve this situation?

Advice:

A clear policy on lending and borrowing will assist staff decision-making and help an institution plan its lending and borrowing activity. It will also make it easier for you to explain your position if you do decide to reject a loan request.

Lending and borrowing museum objects takes staff time and financial resources. A lending institution needs to weigh the risks of lending collections items, and the time taken to administer loans, against the obvious benefits of increased access to collections. In order to meet loan conditions, borrowing institutions often need to make improvements in security or environmental conditions. Therefore, before getting involved in loan activity, it is important to establish a clear loans policy to help staff make the appropriate decisions, and to ensure that decisions are taken in line with your institution's overall mission and strategic objectives. It is helpful to other museums if you make your loan agreements accessible online.¹

Use this section to check your existing incoming and outgoing loans policies against current good practice, or for guidance on how to write a policy.²

Does your 'Loans-in' policy specify...?	✓	Further explanation and examples
... the reasons why objects may be borrowed and set outside the limitations of the policy?		<p>Your reasons for borrowing might include:</p> <ul style="list-style-type: none"> • short loans for exhibition • long loans for research or long-term display • loans to enhance the interpretation of existing collections. <p>You may state that you will only borrow items in line with your current collecting policy.</p>
... the conditions that the organisation will follow in administering the loan?		<p>This might include a statement that your organisation will extend the same level of care and security to loans as it does to its own collections. You should also state that all loans will be subject to a written loan agreement setting out the obligations of each party.</p>
... the minimum and maximum loan terms and state that indefinite loans will not be accepted?		<p>For example: you may have a three-month minimum loan period and five year maximum (with the option for renewal).</p>
... the way in which loans are authorised and that the organisation will consider the likely costs, risks, and benefits associated with any incoming loan before making a final decision?		<p>For example: all in-coming loan proposals may need to be approved by the governing body, or by the museum director, taking advice from conservators, collections managers etc. as appropriate.</p>
... that the organisation will establish, by due diligence, the lender's title to objects?		<p>Your standard loan-in agreement conditions might require the lending institution to state this clearly and your Object Entry system should also include this information.</p>
... the steps for dealing with loaned objects for which the original lender cannot be contacted?		<p>The policy should state clearly that the museum will take reasonable steps to trace the owners of a lapsed loan, how long you will continue to research the whereabouts of the lenders, and the need to maintain full documentation of any subsequent decisions on disposing or accessioning objects for which the original owners cannot be traced.</p>
... its links to your policies on documentation, access, and collections care?		<p>It is important to consider the impact of borrowing on your other activities and to set up a loans policy that is integrated into your wider collections management priorities.</p>

Does your 'Loans-out' policy specify...?	✓	Further explanation and examples
... categories of objects that may not be loaned out?		<p>Categories of objects that may not be loaned out may include:</p> <ul style="list-style-type: none"> • items too fragile to be subject to shipping or display • items of cultural sensitivity • items that are themselves on loan to your museum (unless subject to further written agreement from the original lender).
... categories of borrower that are not normally eligible to receive loans?		<p>Most museums will not lend collections items to private individuals or private companies. However, in some cases, museums may lend to private companies but only subject to strict security, and collections care conditions and with reference to the ICOM code of ethics for museums. Your position should be stated clearly in the policy.</p>
... the reasons for agreeing to a loan?		<p>Reasons for agreeing to lend objects might include:</p> <ul style="list-style-type: none"> • long-term public display • public study • research • temporary exhibitions.
... your standard outgoing loan conditions?		<p>Standard outgoing loan conditions can be listed in the policy or contained in a separate standard loan agreement with a cross-reference from your policy. See the next section – Arranging loans for examples of standard loan conditions.</p>
... the minimum period of notice required for arranging a loan?		<p>For example, you may state that this is one year or six months. When you decide what the minimum notice period is, be realistic about the staff time and resources needed for loans administration.</p>
... the minimum and maximum loan length of loans?		<p>This might be three months minimum and five years maximum with the option to renew.</p>
... the way in which loans-out will be authorised?		<p>The decision to approve outgoing loans may need to be taken by the board of governors or the director of your museum, or by a curatorial committee. You may stipulate the need for the decision to be based on advice from conservators and curators.</p>
... your commitment to keeping loan costs to a minimum to engender good relations.		<p>Consider committing your museum to a policy of:</p> <ul style="list-style-type: none"> • no loan administration fees • only using couriers when absolutely necessary • minimising conservation treatments • agreeing to government indemnity schemes or non-insurance where possible.
... the links to your policies on documentation, access, and collections care.		<p>It is important to consider the impact of borrowing on your other activities and to set up a loans policy that is integrated into your wider collections management priorities.</p>



ARRANGING LOANS

Question:

I want to organise an exhibition using items held in several other museums. Where do I start?

Advice:

The key to organising complex or multiple loans is in careful planning. The best advice is to start the process early...

Efficient systems, clear documentation, and good forward planning will make the process of lending and borrowing collections material manageable. For borrowers, this can mean establishing networks, building relationships, making loan requests, negotiating, planning for improvements to security and environmental conditions, and investigating insurance coverage. For lenders, the process involves establishing procedures for dealing with requests, developing your standard loan conditions, negotiating loan agreements, and building relationships with borrowers.

Use this section as a guide to initiating and negotiating loan agreements as a lender, or as a borrower.

***Efficient systems,
clear documentation,
and good forward planning
will make the process of
lending and borrowing
collection material manageable.***

Arranging Loans-in

The process for the borrower	Further explanation...
<p>Loans administration system</p> 	<p>Set up a system of loans administration</p> <p>You will need a method for keeping systematic records of your loans activity from initial negotiations, through to the return of the objects.</p> <p>This might include:</p> <ul style="list-style-type: none"> • a loan numbering system • object ENTRY forms • loans management information recorded on your computerised collection management system • a loans-in register • a set of written procedures for staff to follow. <p>You may also want to develop:</p> <p>Standard loan-in conditions that you would use as a starting point for negotiation with other museums, or for arranging loans with private individuals.</p>
<p>Research</p> 	<p>Research questions</p> <ul style="list-style-type: none"> • do you know what you want to borrow? • do you know what it is possible to borrow? • do you know where to go, who to ask? • are you clear about the purpose and duration of the intended loan? <p>Research potential subject areas and objects</p> <p>There are many ways to build up knowledge and develop a 'wish list' of objects that you want to borrow.</p> <ul style="list-style-type: none"> • subject specialist networks • conferences • collections online and published catalogues • collecting policies online, or sent on request <p>Research potential lending institutions</p> <ul style="list-style-type: none"> • online loans policies • online staff lists • loan policy and general conditions – online or sent on request <p>Make informal contact and discuss your plans with the relevant staff at the lending institution</p>

Arranging Loans-in

The process for the borrower	Further explanation...
<p>Formal Loan request</p> 	<p>Make a formal loan request once you have:</p> <ul style="list-style-type: none"> • identified the institution(s) that you wish to borrow from • decided on the item(s) you would like to borrow • researched the general loan conditions. <p>How early you do this will depend on the institution that you are borrowing from, but the earlier you make the request the better and many museums will have a minimum request period of between six months and one year. You may have had detailed discussions with curators or registrars about your proposed loan, but all loans requests need to be sent as a formal written request to the appropriate person at the lending institution. The loans policy of the lending institution may state what information should be included in the loan request and should state to whom the letter should be addressed. In many cases, this will be the museum director.</p> <p>A formal loan request letter will include some, or all, of the following information:</p> <ul style="list-style-type: none"> • the title of the planned exhibition or display (if relevant) • scope of the exhibition or display • dates of the requested loan • venue for display or storage • type of the loan – temporary, long-term, or touring exhibition • contact details and person responsible • object numbers of requested items • brief description of requested items • reasons for the inclusion of the objects in the exhibition/display • whether a publication will be produced • statement of insurance or indemnity arrangements. <p>It is helpful to submit a statement about the facilities and levels of care available at the borrowing institution at this stage. Many museums now expect this information to be supplied in a standard format, such as the UK Registrars Group 'Standard Facilities Report' template³. If you do not supply a facilities report at this stage, you will be requested to submit one later by the lender.</p>

Arranging Loans-in

The process for the borrower	Further explanation...
<p>Set up documentation to record the Loan</p> 	<p>Loans documentation should be set up according to your standard procedures and should include:</p> <ul style="list-style-type: none"> • a file for correspondence • an electronic record or file for each object or group of objects requested. <p>Once your loan request has been agreed to 'in principle', you may need to ask for further details about the individual objects. These should be recorded in your documentation system:</p> <ul style="list-style-type: none"> • object numbers and descriptions • valuation • condition • display recommendations • environmental requirements • handling requirements • dimensions • photographs for advance research and exhibition/storage planning • additional catalogue information.
<p>Negotiate Loan conditions</p> 	<p>The Lender will send you a set of Loan Conditions to form the basis of a formal loan agreement.</p> <p>You may need to discuss the loan conditions in some detail to ensure that both sides are happy with the agreement.</p> <p>At this stage, you may also be asked to:</p> <ul style="list-style-type: none"> • provide evidence that you meet the conditions for the display and storage environment • provide evidence of adequate museum security • set up insurance or indemnity for the loan • complete a facilities report if you have not already done so. <p>You will need to request detailed information on the likely costs to your institution. These are likely to include:</p> <ul style="list-style-type: none"> • conservation • photography • condition reporting • packaging and transit materials and crates • transport • courier costs • insurance. <p>Negotiations may take time and should be based on mutual co-operation with reference to the loans policies of both institutions. However, it is normal for the lending institution's loans-out agreement to be used as the basis for the final agreement and it is important that only one agreement is signed. ⁴</p>
<p>Sign the Loan agreement</p>	<p>A final loan agreement document should be signed by both parties when everyone is satisfied with the arrangement. The agreement should refer to all the specified loan conditions and costs to ensure clarity.</p>



Arranging Loans-out

The process for the lender	Further explanation
<p>Loans administration system</p> 	<p>Set up a system of loans administration</p> <p>You will need a method for keeping systematic records of your loans activity from the initial negotiations, through to the return of the objects.</p> <p>This might include:</p> <ul style="list-style-type: none"> • a loans-out numbering system • object EXIT forms • standard loan agreement forms • standard loan conditions to form the basis of negotiation with potential borrowers • loans management information recorded on your computerised collection management system • a loans-out register • a set of written procedures for staff to follow. <p>Loans out approval procedures</p> <p>You may also want to set up a formal written procedure for approving loans with clear guidance for staff on timescales, costs, authority for approval, etc.</p> <p>Standard Loan conditions as part of your published loans policy</p> <p>It is recommended that you establish a set of standard loan conditions and that these be stated clearly in your loans-out policy.</p>
<p>Publish your collections information and loans policy</p> 	<p>Be open and helpful to potential borrowers by providing clear up-to-date information about your collections, staff, and loans policy</p> <p>For example:</p> <ul style="list-style-type: none"> • publish your collecting policy online or provide hard copies on request • publish your collections catalogue online or the highlights from your collection • publish your loans policy online, or provide hard copies on request • make staff information available online with reference to subject specialisms or areas of responsibility.

Arranging Loans-out

The process for the lender	Further explanation
<p>Process for Considering Loan Requests</p> 	<p>Follow your procedure for processing loan requests</p> <p>When you receive a loan request:</p> <ul style="list-style-type: none"> • acknowledge it quickly and give the borrower an indication of how long they will need to wait for a decision • start your decision making with reference to your loan policy and any written loan approval procedures that you have in place. <p>Your procedure for approval may take into account the following issues:</p> <ul style="list-style-type: none"> • the availability of the object – is it on display or loan? • the condition of the object • risk assessment • ethical considerations • the intended purpose of the loan – does this fit with your policy • whether your institution has the right to lend the object. <p>At this stage, you may need to ask for more information from the borrower about the intended loan and for detailed information about the venue. For example, you may ask for a completed facilities report and for further details about insurance provision.</p> <p>Many museums use the UK Registrars' Group, 'Standard Facilities Report' in order to receive information about a borrowing venue in a systematic way.⁵</p>
<p>Set up documentation to record the Loan</p> 	<p>Set up full documentation for the loan request</p> <p>Depending on your loan procedures, this may mean:</p> <ul style="list-style-type: none"> • allocating a loan number to the request • recording the loan request electronically or in your loans register • setting up a file for correspondence and paperwork • cross referencing the loan number to the record for each requested object on your cataloguing system.



Arranging Loans-out

The process for the lender	Further explanation
<p>Make the decision 'in principle'</p> <p style="text-align: center;">↓</p>	<p>Follow your procedure for decision making</p> <p>Once you have all the information that you need from the borrower, follow your internal procedure for decision-making. In some instances, decisions to lend will have to be taken by the governing body of your museum with advice from the relevant staff.</p> <p>In order for the decision to be made by senior staff, or your governing body, you may need to provide information on:</p> <ul style="list-style-type: none"> • timetable for all work associated with the loan • estimate of the costs and liabilities for these costs • specific handling, packing, and courier requirements • environmental and security requirements. <p>! If your museum rejects the loan request, explain the reasons clearly, with reference to your policy and procedures.</p> <p>! If the loan is agreed 'in principle', contact the borrower and continue the process of negotiation and planning.</p>
<p>Negotiate Loan Conditions</p> <p style="text-align: center;">↓</p>	<p>The Loan conditions will need to be discussed and agreed upon by both parties</p> <p>At this stage, you may need to provide the borrower with full details of all the objects making up the loan and of the likely costs of the loan:</p> <ul style="list-style-type: none"> • name and contact address for the lending institution • valuation • condition • display requirements • environmental requirements • handling recommendations • dimensions • copies of photographs of the items for research or publication • additional descriptive information if available • estimated costs to borrower. <p>Send the borrower your standard loan conditions and be prepared to explain, discuss, and negotiate until both parties are satisfied.</p>
<p>Sign the Loan agreement</p>	<p>A final loan agreement document should be signed by both parties when everyone is satisfied with the arrangement – the agreement should refer to all the specified loan conditions and costs to ensure clarity.</p>

Standard loan conditions and loan agreements

There are currently several sets of standard loan conditions, and other loan-related models and templates, which are available online for museums to consult or adapt for their own use.

Models developed as part of the Collections Mobility project include:

A Loans Toolkit containing three documents:

Long-Term Loan Conditions

Loan Fees and Loan Costs – Guidelines

Long-Term Loans – Definition

The Toolkit is available at:

http://www.ne-mo.org/index.php?id=130&STIL=0&C_PID=&C_UID=2

The 'Standard Loan Agreement' was developed in 2005 by The Network of European Museum Organisations (NEMO) to provide a standard loan agreement for European Museums seeking to make short-term loans.

It is available at:

<http://www.ne-mo.org/index.php?id=110>

The bibliography contains details of other models, guidelines, and template documents that were developed to support loans activity.⁶

The next table shown gives an overview of the types of conditions included in a loan agreement. It is not a complete standard loan document and you should refer to the documents listed above for a full set of standard conditions.

Examples of standard loan conditions...	
Pre-loan and transport	<ul style="list-style-type: none"> • the responsibility for the condition of the objects at the start of the loan rests with the lender. Costs of conservation treatment may be met by the borrower, or split between the lender and borrower • the borrower is responsible for the costs of transport – the transportation requirements will be specified by the lender • packing and condition reports are prepared by the lender, and the costs are to be met by the borrower • inspection on arrival by a professional approved by the lender, and the condition reports signed by both parties • the required standards for handling and care will be detailed in the agreement



Examples of standard loan conditions...	
<p>Non-Insurance</p> <p>OR</p> <p>Insurance</p> <p>OR</p> <p>Indemnity</p>	<ul style="list-style-type: none"> • the borrower provides full insurance coverage during transport • insurance values are to be specified by the lender and approved by the borrower – values based on the estimation of fair market value • for non-insurance agreements, high levels of care by the borrower are required and no insurance is provided during the loan, but any repair or conservation needed that is due to damage will be the responsibility of the borrower <ul style="list-style-type: none"> • the borrower is responsible for insurance for the duration of the loan for the value agreed by both parties as described above <ul style="list-style-type: none"> • loan covered by the borrower's state indemnity
Reproduction and Copyright	<ul style="list-style-type: none"> • the lender provides the reproductions that are needed and grants the right to publish the images as part of the normal museum activities • the borrower does not have the right to transfer publishing rights to a third party • published images must credit the owner with the agreed credit line or – the lender grants the right to the borrower to photograph the objects and the rights to publish images for normal museum activities...
Loan Period and possession	<ul style="list-style-type: none"> • the loan period will be specified • no transfer to a third party will be allowed during the loan period without a separate agreement with the borrower • the lender has the right to terminate the agreement and repossess the loan if the safety of the loaned items is jeopardised...
Financial Conditions	<ul style="list-style-type: none"> • the borrower is responsible for all the costs in connection with the loan including but not limited to: <ul style="list-style-type: none"> • transport • when necessary, conservation and handling • crates, packing materials, packing, and preparation time • insurance or state indemnity • where necessary, travel and subsistence for the courier • no loan fee is levied, although the borrower covers all the real costs of the loan • costs will be agreed in advance in writing
Governing Law and jurisdiction	<p>Any disputes or disagreements that may result from the present agreement shall be settled by means of negotiations. Should they fail, they shall be settled in accordance with the rules of arbitration.... The place of the arbitration is... and the language of the proceeding is...</p>
Other Conditions	<ul style="list-style-type: none"> • Anti-seizure protection to be guaranteed by the borrower, if possible under law • The lender will provide evidence of full title and provenance • The borrower has the right to terminate the contract if there is suspicion about the legal or ethical origin of the loaned objects

PRE-LOAN PREPARATION

Question:

I have heard that some lending institutions use the loans process as a way of getting someone else to pay for essential remedial conservation. Can we suggest that the borrower and lender split the conservation costs?

Answer:

Most museums have to prioritise the conservation of their collections in favour of items that they intend to display themselves and it has been standard practice to pass on the conservation costs of a loan to the borrower. However, one of the recommendations of the Lending to Europe report has been for the lender and borrower to split the costs of conservation so that museums may become more open to this approach.⁷ It is worth exploring with the lender before the agreement is signed.

One of the reasons that it is necessary to make loan requests many months in advance of the date of the proposed loan, is that both parties involved may have to carry out work relating to the loan and this work needs to be planned for and, in some cases, money may need to be raised to pay for it.

Actions for Borrower	Actions for Lender
<ul style="list-style-type: none"> • arrange insurance/indemnity as required by the loan agreement and send documentary evidence to the lender • if required by the loan agreement, make changes/improvements to security and submit the details to the lender • if required by the loan agreement, make changes/improvements to the display cases, environmental conditions, etc. and submit details to the lender • prepare stores or a display area for the arrival of the objects 	<ul style="list-style-type: none"> • construct display equipment if required by the loan agreement • check incoming reports on insurance, security, and environmental conditions from the borrower for compliance with the loan agreement • carry out full object condition reports • carry out any required conservation as agreed with the borrower and record • prepare simple <i>Loan Transit Records</i> to accompany the objects and for recording the object's condition on arrival • photograph objects



DESPATCH AND TRANSIT – ACTIONS FOR LENDER

Question:

We have been sent a standard loan agreement by a national museum that we wish to borrow material from. It states that we need pay the cost of their courier. Do they really need a courier?

Advice:

The lender's conditions take precedence over the borrower's and borrowers are normally responsible for many of the extra expenses associated with the loan, including couriers. However, it is always worth negotiating the loan conditions and you may find that you can come to a compromise.

The complexity of despatch and transit arrangements will depend on the number of items being lent, their size, fragility, and the distance travelled. International loans involve the bureaucracy of customs and export law and the tight security of air travel. Many museums will prefer to send their objects under the care of a courier from their own staff and this person will have the responsibility for the safe arrival of the material at the borrowing institution. Whether accompanied by a courier or delivered by a shipping agent, the paperwork must include condition reports for checking on arrival, a receipt to be signed by the borrower, details of the insurance coverage, and all the necessary legal documents for the movement of the objects between countries.

Actions for the lender

- ensure that all the steps during the arrangement of despatch are recorded and documentation is kept up to date
- make shipping and packing arrangements, including constructing or purchasing shipping crates and cases, as stated in the written loan agreement
 - appoint, and brief, the courier or shipping company agent
 - ensure that the courier, or agent, has full documentation for the loan and delivery
 - obtain the relevant customs documents and export licences
 - ensure that the packaging complies with the conditions of carriage – e.g. items taken as hand baggage on aircraft must comply with size restrictions
 - discuss arrangement with the borrower – agree on the date and time for the delivery and give full information on travel arrangements, contact names, and accompanying documentation
 - despatch loan – complete EXIT documentation, update records, and inform the borrower that the objects have been despatched

Guidelines for the use of couriers

Using couriers can add significantly to the borrower's cost. Lenders should consider carefully as to whether a courier is really necessary for the safe delivery of a loan. In some cases, however, the costs of the courier may be offset by savings in the insurance premium as a courier's role includes dealing with any problems that might arise during the delivery of a loan.

A courier may be required for the following reasons:

complex travel arrangements

- a large loan
- complex or delicate handling needs
- fragile objects
- complicated installation
- high value loans
- the first loan to a new borrowing institution⁸

The UK Registrars Group has published *Courier Guidelines* that give a comprehensive overview of the role of a courier. This includes a description of the courier's role, the preparations needed before embarking on a loan delivery, and a guide to each part of the courier process.

The Courier Guidelines are available at: <http://www.ukregistrarsgroup.org/publications>.

***It is helpful
to other museums
if you make
your loan agreements
accessible online.***

RECEIPT/DELIVERY – ACTIONS FOR THE BORROWER

Question:

Who is in charge of the unpacking and examination of the objects on arrival at the borrowing institution?

Answer:

This should be made clear in the loan agreement. When a courier is accompanying the loan, it would normally be the courier working in close liaison with a nominated person from the borrowing institution who is responsible for unpacking. The loan agreement may stipulate that the examination of the objects be carried out by the courier and a conservator provided by the borrower.

Transportation poses the greatest risk to objects during a loan transaction and it is crucial that the objects are handled carefully throughout transit and on arrival, and that full documentation is kept of all movement of the objects. It is particularly important to complete object entry documentation upon receipt of a loan to ensure that the object(s) are included in the borrower's documentation systems. Most importantly, a condition check will be carried out and the report will be approved by the lender's courier or agent, and by a representative of the borrowing institution.

Actions for the Borrower

- complete ENTRY form documentation on the arrival of objects
- unpack object, or the courier unpacks the object
- condition report completed by a courier or by an appointed person (specified in the loan agreement) and agreed on by the borrower
 - this is normally a simpler version of a full condition report and may be known as a 'Loan Transit Record'. In most cases, it will contain a photograph of the item that may be annotated by the person carrying out the condition check
- take any remedial action required – obtaining the lender/owner's agreement in advance as required by the loan agreement
- assign a loan number to the item and attach removable labels to the items or packaging
- update all records – loan records, entry form, catalogue
- record the location of the objects in store
- sign the receipt and send it back to the owner/lender, retaining a copy for yourself

MONITORING LOANS

Question:

The lending museum insists on sending a curator to check on the condition of the loaned object every six months at our expense. Is this reasonable?

Answer:

This may be a considerable expense for your museum and the lender should have been clear about this in the signed loan agreement. If it was not specified in the written agreement, then you could try to negotiate a compromise, but for some national museums, this may be a standard condition of a loan.

If you have items on loan from another museum, or from a private individual, your museum should offer the loaned items the same, or higher, levels of care as your own collections. You should expect to provide regular information to, or to allow regular inspection by, the borrowing institution and to be in contact immediately if anything happens at your museum to affect the condition of the loaned items.

Monitoring action for the Borrower	Monitoring action for the Lender
<ul style="list-style-type: none"> monitor the loaned items regularly according to the loan agreement to ensure that the environmental and security conditions are being met 	<ul style="list-style-type: none"> ask the borrower or carry out a condition check at least annually and to send a report <p>OR</p> <ul style="list-style-type: none"> visit the borrower to carry out your own condition report
<ul style="list-style-type: none"> allow regular access to the loaned items by the lender on request or as laid out in the loan agreement 	<ul style="list-style-type: none"> ask the borrower to carry out a check on the environment and security conditions at least annually and send a report <p>OR</p> <ul style="list-style-type: none"> visit the borrower to carry out a check on the environment and security conditions at least annually
<ul style="list-style-type: none"> provide condition reports as required or report any changes to the conditions in your museum, even if these do not directly affect the loaned material 	<ul style="list-style-type: none"> review the insurance and indemnity policies before their renewal dates and request changes if necessary
<ul style="list-style-type: none"> in the case of damage to an object, report this immediately to the lending institution with a full report 	<ul style="list-style-type: none"> if the ownership of the loaned object changes, close the agreement and arrange for the return of the objects or facilitate a new agreement at the time of the transfer of title



EXTENDING OR RENEWING A LOAN

Question:

We hope to borrow an object from another museum, and would like to borrow it for at least five years in order to use it in a 'permanent' display. However, their standard loan conditions state that their maximum loan period is for one year. Can we negotiate for a longer loan period?

Answer:

You should definitely talk to the potential lender. It is unusual for a museum to limit lending for one year only. This condition probably means that they will lend it to you for longer but that they will review their loans every year. It is possible that they will agree to a longer loan but that they will want to renew it annually on a rolling basis a year at a time.

Extending loans – actions for the Borrower	Extending loans – actions for the Lender
<ul style="list-style-type: none"> • A loan will be for a finite, specified period e.g. six months, one year, five years... but if you would like to extend the loan, then you should make a formal request in writing before the end of the current loan agreement. 	<ul style="list-style-type: none"> • Your decision to renew or extend a loan may depend on the borrower having met the conditions of the original loan, having monitored the loan adequately, and on the ongoing availability of the objects for loan.
<ul style="list-style-type: none"> • The notice period for renewal requests may be set out in the lending institution's loan policy or standard loan conditions. 	<ul style="list-style-type: none"> • You may have to reject a request for the renewal of a loan if you have plans to display the objects yourself, or if the object has been requested for loan by another institution. • It would be helpful to borrowers if you include information about how much notice you would require for considering the renewal of a loan in your loans-out policy.
<ul style="list-style-type: none"> • If an extension to a loan is approved, supply all the necessary insurance/indemnity paperwork, and a signed renewal loan agreement. 	<ul style="list-style-type: none"> • If you approve an extension to the loan, ensure that all the relevant insurance/ indemnity paperwork is supplied by the borrower and sign a new loan agreement.
<ul style="list-style-type: none"> • Update all the relevant records. 	<ul style="list-style-type: none"> • Update all the relevant records.

RETURN OF LOANS AND CLOSURE

Question:

Should we use our EXIT form procedure when we return a loaned item to its owner?

Answer:

The Object EXIT procedure is normally reserved for recording the exit of an item belonging to the permanent collection of your own museum. On the return of a loan to the lender, it is normal to ask the lender to sign the original Object ENTRY form to acknowledge the safe return of the object, or for a separate receipt to be issued.

At the end of the loan period, whether it was six months or an extended long-loan of 10 years, both parties will need to plan carefully for shipping and transit in as much detail as the original delivery. As with the delivery, the paperwork must be meticulously completed and care must be taken with insurance and with condition checking on departure and arrival of the items.

Return of loans and closure – actions for the borrower	Return of loans and closure – actions for the lender
<ul style="list-style-type: none"> • plan the return of the objects to the lender and confirm the arrangements with the lending institution for packing, transport, courier, and receipt 	<ul style="list-style-type: none"> • confirm the shipping and courier arrangements of the borrowing institution and make arrangements for the receipt of the object
<ul style="list-style-type: none"> • complete a final condition report on the object with photographs if required 	<ul style="list-style-type: none"> • on arrival, unpack the items and carry out a recorded condition check
<ul style="list-style-type: none"> • return the objects via a courier or shipping agent 	<ul style="list-style-type: none"> • any problems will be reported to the borrower and remedial action taken, depending on the terms of the insurance coverage
<ul style="list-style-type: none"> • obtain signed receipt documentation from the courier or shipping agent – retain this documentation • receive receipt documentation from the lender on the arrival of objects. This will confirm that the objects have arrived in satisfactory condition • or, receive a report of damage in transit that will need to be followed by action – insurance claim etc. 	<ul style="list-style-type: none"> • invoice the borrower for the costs of the loan as itemised in the original loan agreement • acknowledge the safe arrival of the loaned items by returning the signed receipt to the borrower • send a final confirmation of the closure of the loan once all the conditions of the loan have been met, including the payment of costs
<ul style="list-style-type: none"> • send copies of exhibition catalogues and any additional research material that has not already been given to the lender • keep all documentation in loan files 	<ul style="list-style-type: none"> • retain copies of exhibition information and any additional research material that was produced as part of the loan • keep all records of the loan on file



KEEPING RECORDS

Question:

I want to set up a system of written procedures to ensure that we have a clear record of loans into our museum. Can you recommend a model procedure?

Answer:

The SPECTRUM, UK museum documentation standard loans-in procedure will give you an overview of the procedures and paperwork that you need to put into place in order to manage incoming loans effectively as part of your overall collections management activity.⁹

Whether your museum borrows one item for long-term display in a new gallery, or regularly sets-up blockbuster international exhibitions, it will be essential to have clear written procedures for your staff to follow and a system for permanent retention of key information and records.

The benefit of standard procedures

Loans administration can be very time consuming. The details of each loan agreement that you enter into as a lender or borrower will vary depending on the circumstances. Therefore, the more you can do to simplify and streamline the paperwork and the aspects of the procedure that can be standardised, the more efficient and productive you will be.¹⁰

For example, you may want to develop:

- standard loan conditions
- pre-printed loan agreement forms
- standard forms for condition reports
- standard forms for loan transit records
- pre-printed object Entry and object Exit forms

Keeping records

Many collection management systems will allow for detailed loans information to be recorded in the museums computerised catalogue, and your written procedures and staff training should specify the levels and types of information that you require to be recorded in your catalogue in order to keep track of loans.

The benefits of keeping comprehensive records of loans during and after the loan...	
to the lending museum	to the borrowing museum
<ul style="list-style-type: none">• keeping good records before and during the loan will increase your efficiency and save time	<ul style="list-style-type: none">• keeping good records before and during the loan will increase your efficiency and save time
<ul style="list-style-type: none">• retaining loan records after the closure of a loan helps you to maintain a full 'history' of the objects involved	<ul style="list-style-type: none">• retaining loan records after the closure of the loan helps you to keep a record of your relationships with other museums
<ul style="list-style-type: none">• new information about the object generated during the loan period, either through research or public reaction to an exhibition should also be captured and retained as an addition to your own institution's knowledge and understanding of that object	<ul style="list-style-type: none">• background information and research about objects on loan to you may add to your understanding of your own collections and should be retained in a format that can be accessed for the benefit of your museum

***If you would like to
extend the period of a loan,
then it is always
worth asking!***

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ENDNOTES

- 1 Publishing loans polices online to enable more loans is one of the commitments made by the UK National Museums Directors Conference in the paper NMDC, (2003) *Standards for Loans between National and Non-National Museums*.
- 2 Many of these policy suggestions are taken from Collections Trust, *SPECTRUM, the UK Museum Documentation Standard*.
- 3 UKRG Standard Facilities Report can be downloaded for free from <http://www.ukregistrarsgroup.org/publications/>.
- 4 Recent work on Collections Mobility in Europe and within individual member states has focused on encouraging simpler and cheaper standard loan conditions. If you feel that the loan conditions being presented by the lender are unreasonable or prohibitively expensive for your institution, you may find it useful to refer to published model agreements as examples of good practice. For example: NEMO, Standard Loan Agreement, or Collections Mobility Long Term Loans and Loan Fees Work Group (2009) *Long Term Loan Conditions, and Lending to Europe, Appendix 4, General Principles on the administration of loans and exchange of cultural goods between institutions*'.
- 5 UKRG Standard Facilities Report can be downloaded free from <http://www.ukregistrarsgroup.org/publications/>.
- 6 These include the Collections Trust, *Collections Link Loans Pack*, The UK Registrars Group (UKRG), *Standard Facilities Report*, the UKRG, *Guidelines for Couriers*, the UK Museums Association, *Simple Loans Administration*, and the National Museum Directors Conference, *Standards for Loans between National and Non-National Museum*. Full details of these resources are listed in the bibliography.
- 7 The suggestion that lenders and borrowers should split the costs of pre-loan conservation is contained in *Lending to Europe, Appendix 4 'General Principles on the administration of loans and exchange of cultural goods between institutions'*. These guidelines were originally drawn up by the Bizot Group (a worldwide informal group of art museum directors) and were reviewed by participants at the 'Museums on the Move' Conference in Birmingham who adapted them and published them for general use with the agreement of the Bizot Group.
- 8 This list is adapted from NMDC, (2003) *Standards for Loans between National and Non-National Museums*.
- 9 *SPECTRUM, the UK Museum Documentation Standard* is available to download from <http://www.collectionstrust.org.uk/spectrum>.
- 10 For more information on loan procedures and what sort of records to keep see *SPECTRUM, the UK Museum Documentation Standard* and Harrison, M and McKenna, G (2008) *Documentation, A Practical Guide*.

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