Better Borrowing: Results and Recommendations from the TEG Lending and Borrowing Experiences Survey

Preparing to Borrow Programme

Get what you give? Conference, British Museum, 31st August 2017

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Touring Exhibitions Group (TEG)

TEG is the national network for touring exhibitions. An independent, not-for-profit membership group, for organisations and individuals involved in touring exhibitions.

Membership is open to everyone involved in originating, presenting and facilitating exhibitions and loans. Benefits include:

- TEG’s online database of exhibitions for hire; 250+ available
- Access to the TEG Manual of Touring Exhibitions
- Networking opportunities; 300+ members
- Training opportunities; repertoire of 4 seminars
- Low-cost consultancy

We support organisations of all scales and types to tour exhibitions as widely as possible, to extend public awareness, knowledge and enjoyment of historical and contemporary culture.
Economics of Touring Exhibitions Toolkit
Preparing to Borrow Programme, April ’17- March ‘18

Objectives:

1. Compliment the ACE Ready to Borrow capital scheme.
2. Create opportunities for any organisation interested to start borrowing.
3. Provide non-discipline specific resources and training to support borrowing.
4. Stimulate discussion and reflective practice regarding the processes to facilitate borrowing from national and other large organisations.
5. Promote an increased understanding of the borrowing experience from the perspective of a small to mid-scale organisations.
6. Increase confidence and up-skill small to mid-scale organisations, to make them better able to make application to borrow.
7. Collate and make available examples of good lending/borrowing practice.
Preparing to Borrow Programme, April ’17- March ‘18

Deliverables:

1. Preparing to Borrow workshops for regional museums.
   Delivered with the National Security Advisor; see http://tegevents.eventbrite.com for upcoming workshops.

2. Preparing to Borrow mentoring programme.
   18 places across England - two in each of the nine ACE regions - commencing Sept ’17 for seven months.

   First contact details and basic loan procedure information for national and other large organisations, to be published winter 17/18.
Preparing to Borrow Programme, April ’17- March ‘18

Deliverables:


Two round-table events for staff involved in partnership work, loans and touring exhibitions in national and other large organisations, co-delivered with NMDC to:

• Share information about programmes and procedures.
• Review and address feedback from regional organisations concerning borrowing experiences.

5. Two networking events, open to the whole sector, to promote lending and borrowing partnerships.

To be delivered winter 17/18.
Lending and Borrowing Experiences Survey

Open from May-July 2017 - 200+ respondents.

**Aim:** to gain a snapshot of loans practice, to propose and inform approaches to better borrowing.
Lending and Borrowing Experiences Survey

Initial findings: Why lend?

Top 3 reasons for lending:

1. Increase access to collections – very important to 80% of lenders.
2. Increase organisational profile – very important to 61% of lenders.
3. Diversify or develop audiences accessing collections – very important to 60% of lenders.

Least important:

• To fulfil a funding requirement – very important to 7% of lenders.
• To fulfil a statutory requirement – very important to 7% of lenders.
Lending and Borrowing Experiences Survey

Initial findings: Why borrow?

Top 3 reasons for borrowing:

1. To introduce objects of interest to the venues audience, not represented in collections – very important to 74% of borrowers.
2. Increase visitor numbers – very important to 70% of borrowers.
3. Enhance or compliment the existing displays; see objects in a new light – very important to 64% of borrowers.

Least important:

- Leverage funding – very important to 13% of borrowers.
- Develop staff confidence and skills – very important to 13% of borrowers.
Lending and Borrowing Experiences Survey

Initial findings: Identifying suitable objects to borrow

Do you find it easy to find information about suitable objects?
Lending and Borrowing Experiences Survey

Initial findings: Identifying suitable objects to borrow

Where do you make information about your loans application process available?

Other:
‘Word on mouth.’
‘We don’t.’
‘Nowhere.’
‘On request.’
‘Through direct enquiries.’
Lending and Borrowing Experiences Survey

Initial findings: Loan sources

What types of organisation have you borrowed from?

<table>
<thead>
<tr>
<th>Organisation</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Independent museum or gallery</td>
<td>73.27%</td>
</tr>
<tr>
<td>Local authority museum or gallery</td>
<td>76.24%</td>
</tr>
<tr>
<td>National museum or gallery</td>
<td>84.16%</td>
</tr>
<tr>
<td>A museum or gallery trust</td>
<td>57.43%</td>
</tr>
<tr>
<td>Individual owner or collector</td>
<td>87.13%</td>
</tr>
<tr>
<td>Commercial Gallery</td>
<td>52.48%</td>
</tr>
<tr>
<td>Artist</td>
<td>74.26%</td>
</tr>
<tr>
<td>Other (please specify)</td>
<td>14.85%</td>
</tr>
</tbody>
</table>
Initial findings: Applying for a loan

Lead-in times:
Lending and Borrowing Experiences Survey

Initial findings: Borrowing charges / Cost recovery
Lending and Borrowing Experiences Survey

Initial findings: Applying for a loan

Why are loan requests turned down?

<table>
<thead>
<tr>
<th>Reason</th>
<th>VERY COMMON</th>
<th>COMMON</th>
<th>UNCOMMON</th>
<th>NOT ENCOUNTERED</th>
</tr>
</thead>
<tbody>
<tr>
<td>The application is submitted too late</td>
<td>12.26%</td>
<td>24.53%</td>
<td>40.57%</td>
<td>22.64%</td>
</tr>
<tr>
<td>Borrower does not meet environmental</td>
<td>7.62%</td>
<td>22.86%</td>
<td>59.05%</td>
<td>10.48%</td>
</tr>
<tr>
<td>requirements</td>
<td>8</td>
<td>24</td>
<td>62</td>
<td>11</td>
</tr>
<tr>
<td>Borrower does not meet security requirements</td>
<td>7.69%</td>
<td>24.04%</td>
<td>55.77%</td>
<td>12.50%</td>
</tr>
<tr>
<td></td>
<td>8</td>
<td>25</td>
<td>58</td>
<td>13</td>
</tr>
<tr>
<td>Borrower can not afford loan costs</td>
<td>6.80%</td>
<td>18.45%</td>
<td>43.69%</td>
<td>31.07%</td>
</tr>
<tr>
<td></td>
<td>7</td>
<td>19</td>
<td>45</td>
<td>32</td>
</tr>
<tr>
<td>Object requested cannot be lent</td>
<td>13.33%</td>
<td>40.95%</td>
<td>39.05%</td>
<td>6.67%</td>
</tr>
<tr>
<td></td>
<td>14</td>
<td>43</td>
<td>41</td>
<td>7</td>
</tr>
<tr>
<td>Staff capacity to administer the loan</td>
<td>10.48%</td>
<td>22.86%</td>
<td>45.71%</td>
<td>20.95%</td>
</tr>
<tr>
<td></td>
<td>11</td>
<td>24</td>
<td>48</td>
<td>22</td>
</tr>
</tbody>
</table>
Lending and Borrowing Experiences Survey

Initial findings: Most common challenge when borrowing

| Difficulty in identifying the appropriate contact | 2.04% |
| Difficulty in accessing information about the loan application process | 0.00% |
| Difficulty in completing the loan application | 0.00% |
| Difficulty in meeting the loan conditions | 7.14% |
| Variable or unexpected fees or costs | 18.37% |
| Costs beyond your organisational means | 27.55% |
| A lack of clarity concerning the decision making process | 1.02% |
| A lack of clarity concerning the timeline | 3.06% |
| Poor communication | 8.16% |
| Mistakes resulting from inexperience within your organisation | 2.04% |
| Mistakes resulting from inexperience within the lending organisations | 5.10% |
| Difficulty in obtaining insurance cover | 2.04% |
| Difficulty in applying for or gaining Government Indemnity (GIS) | 2.04% |
| I have not experienced any challenges | 7.14% |
| Other (please specify any other challenges you have faced) | 14.29% |
Lending and Borrowing Experiences Survey

Initial findings: If you have borrowed from more than one type of lender, how has your experience differed?

“Commercial galleries are definitely really easy to deal with – it’s a very mutually beneficial arrangement, and they tend to cover lots of costs.”

“Smaller organisations tend to be much more flexible about their conditions and are understanding about how costs mount up.”

“Generally we can’t afford the fees from national museums so don’t proceed with the loan.”

“National museums take the longest to reply and the point of contact often changes.”
Lending and Borrowing Experiences Survey

Initial findings: If you have borrowed from more than one type of lender, how has your experience differed?

“Each lender type can be very different in their approach and expectations.”

“It depends on the experience of the organisation or individual handling the loan request.”

“Everyone I speak to seems to be different!”

“It is easier to work with like-minded institutions, so in our case accredited museums or galleries.”

“Nationals are much more difficult and expensive to work with.”
Lending and Borrowing Experiences Survey

Interim results: What do you think could be done to better facilitate borrowing across the sector?

“More partnership working i.e. sharing transport.”

“Standardise loan agreements.” “Easier/less daunting process.”

“Easier documents online that set out the application process for each venue – that they differ makes it harder to find key info.”

“A magic wand that would give people more time and patience to see it through!”
Launch of full research report:

The full TEG Lending and Borrow Experiences Survey research report will be published in November 2017.

It will be launched at the MA Conference, Manchester, on 16th November, 1-2.15pm, at a lunchtime reception, introduced by Liz Johnson, Senior Project Manager, ACE.

Attendance is free, and open to MA Exhibition visitors as well as delegates. Book a place:
http://tegevents.eventbrite.com
Opportunities reminder:

Attend a workshop:

- National Museum of Scotland, Edinburgh, 14th September
- Islington Museum, London, 9th October

http://tegevents.eventbrite.com

Contact SHARE Museums East regarding a bespoke session for the region on the 31st October.

Become a mentee:

3 Preparing to Borrow mentoring places remain available, contact charlotte@teg.org.uk for more details
Thank you

charlotte@teg.org.uk

#TEGnetwork