



## Fact Sheet

### 1. Who is involved in running Own Art?

Own Art is an interest free loan scheme established by Arts Council England to support the visual arts economy by encouraging new buyers and collectors of contemporary art and craft. The Scheme is operated by ArtCo Trading Ltd, a subsidiary trading company of Arts Council England, and financed by Hitachi Capital Consumer Finance (Hitachi), our credit provider.

### 2. Who decides whether I am eligible to become an Own Art member?

Galleries who apply to become Own Art members have to meet **both** the minimum criteria set out by Hitachi and the criteria for membership as set out by Arts Council England.

### 3. What are Hitachi's minimum criteria for membership?

- Applicants must have been trading for at least 12 months and be able to provide a copy of their most recent annual accounts
- The balance sheet for the accounts submitted **MUST** show that the company has a positive net worth
- A satisfactory report on the company and its directors is required. This will be obtained by Hitachi from Dunn & Bradstreet on receipt of a completed registration form from the prospective member gallery

### 4. What are Arts Council England's assessment criteria?

- Applicants will need to meet the criteria for membership as set out in the published Scheme Rules and Guidelines and Criteria for Membership (available to download via the Arts Council's website: [http://www.artscouncil.org.uk/ownart/how\\_to\\_apply.html](http://www.artscouncil.org.uk/ownart/how_to_apply.html) )
- An Officer from Arts Council England may make a site visit to the gallery premises in order to complete the assessment
- The Officer will make a recommendation based on their findings



**5. If my application is successful, are there any other requirements that I need to meet in order for me to offer Own Art to my customers?**

**Consumer Credit Licence (CCL).** It is a legal requirement that galleries who operate Own Art obtain a CCL. Successful galleries should apply to the Office of Fair Trading to obtain a CCL. Galleries that are owned and run by a local authority are exempt from this requirement and do not need to apply for a CCL in order to operate Own Art. Further information is available on the Arts Council's website:

[http://www.artscouncil.org.uk/ownart/who\\_can\\_apply.html#p3](http://www.artscouncil.org.uk/ownart/who_can_apply.html#p3)

**Training.** At least one member of staff will be required to attend a half day training session on the Own Art scheme, including how to process loan applications.

**Registration.** Galleries will have to complete the registration process with Hitachi by forwarding a copy of their standard CCL and signing a Supplier Agreement which sets out their terms of business for working with you.

**Gallery Agreement.** Galleries will also need to sign an agreement with ArtCo Trading Ltd which sets out the terms and conditions for membership of the scheme.

**6. How much will it cost me to become an Own Art member?**

Arts Council England does not make any charge to galleries for membership of the Own Art scheme. However, there are costs attached to obtaining membership which are set out below:

**CCL Licence Fee:** With effect from **1 May 2009**, the cost of obtaining a Consumer Credit Licence from the Office of Fair Trading will be £970.00 for companies, partnerships and other types of organisation, and £480.00 for sole traders. Licences are issued with an indefinite lifetime, with a maintenance fee payable every five years if the licensee wishes to retain its license.

**Hitachi Registration Fee:** All galleries who are accepted for membership of the scheme will be required to pay a fee of £50.00 + VAT to Hitachi in order to complete their registration for membership. No charge is made to galleries whose applications are not successful, or to those who are successful but decide not to proceed with their application.



In summary, galleries who are accepted onto the scheme will have to make an **initial outlay** as follows:

PARTNERSHIP, COMPANY OR OTHER ORGANISATION		SOLE TRADER		LOCAL AUTHORITY GALLERIES	
Hitachi registration (inc VAT)	£58.75	Hitachi registration (inc VAT)	£58.75	Hitachi registration (inc VAT)	£58.75
CCL Fee	£820.00	CCL Fee	£330.00	CCL Fee	exempt
CCJ Levy	£150.00	CCJ Levy	£150.00	CCJ Levy	exempt
<b>TOTAL OUTLAY</b>	<b><u>£1,028.75</u></b>	<b>TOTAL OUTLAY</b>	<b><u>£538.75</u></b>	<b>TOTAL OUTLAY</b>	<b><u>£58.75</u></b>

**Own Art Loans:** Own Art galleries pay a fixed service charge of 2.5% of the loan amount on each credit agreement successfully completed and submitted to Hitachi. This charge is deducted by Hitachi at source before remitting the balance by BACS payment to the gallery's bank account. For example, if a loan agreement is submitted for £1,000, the gallery will receive a payment of £975.00 (97.5% of the loan value).

**7. Should my application be successful, how long is it going to take from me submitting an application form, to being fully registered and able to offer Own Art to my customers?**

On average, the application process will take around 30 weeks from start to finish. The timescales are as follows:

STAGES	Process	Timescale
Stage 1	Application submitted to ArtCo Trading and assessed by Hitachi and Arts Council England.	Up to 12 weeks
Stage 2	Application to the OFT for a CCL	Up to 12 weeks
Stage 3	Completion of Registration with Hitachi	Up to 4 weeks
Stage 4	Own Art training for gallery staff	Allow a further 2 weeks.



**8. If I become an Own Art member, what marketing material will I receive?**

Alongside a web listing of your gallery on the Own Art website you will receive the following point of sale materials:

- Own Art window stickers
- Own Art till stickers
- Own Art tent cards
- Own Art leaflets
- Own Art leaflet holders

We produce a monthly Own Art e bulletin to promote the scheme widely and to provide updates on the contemporary art market. To subscribe to the bulletin go to <http://www.artscouncil.org.uk/ownart/bulletin.html>