

# **Seizing Opportunities: the UK Art Market 2024 Summary of Calls to Action from a panel at the London Art Business Conference September 2024**

## **Panel**

Martin Wilson – Chair, British Art Market Federation  
Professor Mark Hallett - Director of Courtauld Institute of Art  
Paul Hewitt - Director General, The Society of London Art Dealers

## **Foreword**

That the UK and global art market is undergoing transformation is clear. Since our last members survey there has been much discussion of a market correction, geopolitical instability, and the ongoing impact of global inflation.

From a UK perspective there is much to be optimistic about. The UK ranks third globally in the art market, with 17% share, behind only the US (42%) and China (19%). It is a sector which continues to employ more than 45,000 people and generates an estimated £10billion annually for the economy, before any additional spend by international collectors in other sectors. Challenges facing the sector are surmountable, primarily with relatively simple adjustments to regulatory and tax frameworks. Opportunities to collaborate more effectively across the public and private sectors and to greater support and enjoy the benefits of widening accessibility and inclusivity into our business are beginning to be realised.

With a new government in power and growing calls for support of arts education, it feels like the opportunity to shape change is here. Let's take it!

## **Paul Hewitt**

**Director General, The Society of London Art Dealers**

*"When you get a new government, whoever it is, you do get this new energy."*

**Martin Wilson**

## **Introduction**

In 2023, the UK art market continued to perform strongly on an uncertain global stage. Having once again proved its resilience, we know that members are now calling for greater support to realise growing opportunities around new business models, collaborations, and commitments to broadening accessibility.

In a panel held at this year's London Art Business Conference [10 September 2024], Paul Hewitt of The Society of London Art Dealers was joined by Mark Hallett [Courtauld] and Martin Wilson [The British Art Market Federation], to explore how the sector could best grasp opportunities, whilst also working with government to tackle remaining barriers. The British Art Market Federation],

This report offers an overview of the key recommendations collectively identified and calls for the sector to take the opportunities open to us as we look forward to another year of strengthening business.

## **Step 1. Collaborate**

### **Our cultural ecosystem is diverse**

The range of actors, including artists, galleries, museums, auction houses, collectors, curators, educators, and legal professionals working together to drive the UK's market is unique. However, there is a tendency of the sector operating in silos, which needs to be tackled as we move forward.

### **Public and Private sector collaborations are developing**

Joint programming initiatives between public and private sectors are growing, whilst skills development opportunities across the sectors is an opportunity waiting to be better realised.

### **Collaborations drive value**

As business models continue to shift and digital platforms rise, it is increasingly clear that skill development and greater accessibility across sectors (including the prioritisation of arts in education) is key to best preparing the art market for its future.

*"I took on the job of Director about a year ago and very quickly found that I was having conversations with the art market, who were asking 'why aren't there closer links between us?'"*

**Mark Hallett**

The Institute recently announced its new MA in Art and Business and benefited from the advice and expertise of SLAD Vice Chairs Stuart Lochhead and Alma Luxembourg.

## **Step 2. Sharpen Regulations**

### **Current frameworks need greater focus**

As the art market continues to grow and globalise, regulatory frameworks are becoming increasingly important in ensuring the market's integrity and preventing illegal activities such as money laundering, art theft, and the sale of forgeries. However, clumsy thresholds and disproportionate levels of bureaucracy are challenging their current efficiency.

## Requirements need scaling

Current reporting and regulatory systems are placing a disproportionate pressure on smaller galleries and dealers, who may lack the resources to comply with complex legal requirements.

*"I think it's an extremely good thing that we are a regulated area but, I do think, the way some of [the regulations] have been introduced is a little bit of 'a sledgehammer to crack a nut' situation."*

Martin Wilson

## Step 3: Make competition fair

### Competition develops business

Rather than ongoing narratives around competing art centres (i.e. London versus Paris), priority needs to remain on celebrating the unique offer that the UK provides and supporting its ability to drive business.

### Tax Policies can shape market strength

Tax policies can have a significant impact on the UK's ability to reach its potential. The prohibitive impact of high costs to bringing art works into the UK and having to guarantee the import VAT before knowing where its subsequent destination may be, could be addressed to support a fairer playing field.

*"There's so much to be positive about [in the UK art market], but you cannot get away from the fact that our lives have been made so much more difficult by the impact of Brexit and regulations,"*

India Phillips, Managing Director UK, Bonhams

## Specific recommendations

- Simplify the conditions of Temporary Admission (TA) and revisit the rate of import VAT
- Support and drive public and private collaborations and skill-sharing initiatives
- Review the national risk assessment that determined the art industry as high-risk for money laundering, with the aim of reducing the risk level. Accompanied by a continued request to raise the transaction value threshold for Anti-Money Laundering regulations, from £10,000 to £30,000. Expand art and art history education in schools to build a stronger pipeline of students interested in the arts.