

16th December 2008

Rt Hon Alistair Darling MP
Chancellor of the Exchequer
HM Treasury
1 Horse Guards Road
London SW1A 2HQ

Dear Chancellor

Listen to Business in South London

We represent the business community across the 12 South London Boroughs from Richmond in South West London to Bexley in South East London. The area hosts over 112,000 businesses with 87,000 being VAT registered and over 95% being SME's.

We are writing to raise our concern about the current economic situation and to ask you to expand your efforts to support the business community in South London.

We are aware that this crisis is at the top of your priority list and we welcome the actions that have been taken to respond swiftly to the crisis.

We welcome the reduction in interest rates to 2% announced on Thursday 4th December. We appreciate the package of measures announced by the Mayor of London on 2nd December to support business in London and we recognise that this is an unprecedented global problem. However, businesses in South London are suffering.

At a local level, a number of local authorities have announced packages of support for small businesses. While we appreciate this help we would ask that you encourage all local authorities to focus support on businesses in their area.

The challenges that remain are that real borrowing costs remain high with businesses paying on average about 7% interest. In addition, the ability to raise capital or even continue with existing overdraft arrangements is becoming more not less difficult. Finally all the business support that has been announced is passive and reliant on the business seeking help rather than being active and flexible. They fail to deliver what businesses really need which is flexible, direct support, advice and guidance, delivered to meet their needs.

continued . . .

South London Business

Cygnets House

12-14 Sydenham Road

Croydon CR9 2ET

t +44 (0)20 8666 0221

f +44 (0)20 8681 5330

e info@southlondonbusiness.co.uk

w www.southlondonbusiness.co.uk



INVESTOR IN PEOPLE



putting the
Customer First

In addition the burdens of Employers National Insurance and yet more regulation prevent businesses from maintaining jobs and focusing on trade.

We do not wish to assign blame; this will get us nowhere. What we wish to do is ensure that correct appropriate support is provided for businesses in South London. In short we are seeking:

- Action that will ensure the transfer of the bank base rate cuts to business.
- Action that will ensure that existing borrowing arrangements are protected and that new credit is made more accessible.
- Action to re-align business support so that it is flexible and focused on the needs of the business to get them through this crisis.
- A meaningful reduction in Employers National Insurance which will help employers to maintain jobs.
- A halt, albeit temporary, to further regulatory obligations on businesses to enable them to focus on their survival rather than on government forms.

We look forward to your response.

Yours sincerely

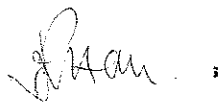


Peter Pledger
Chief Executive
South London Business

south london business
'helping south london prosper'



Sarah Harper Booth
Chair
Croydon Chamber of Commerce



Ray Hall
Crystal Palace and South Norwood
Chamber of Commerce



Lisa Gagliani

Lisa Gagliani
Chief Executive
Kingston Chamber of Commerce



Diana Sterck

Diana Sterck
Chief Executive
Merton Chamber of Commerce



Nick Taimitarha

Nick Taimitarha
Chief Executive
Richmond Chamber of Commerce



Steve Neison

Steve Neison
Principal Director
South East London Chamber of Commerce



Patrick Blunt

Patrick Blunt
Chair
Southwark Chamber of Commerce



Paul Cawthorne
Sutton Chamber of Commerce



Steve Pinto
Wandsworth Chamber of Commerce

