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# Midland Bank, Loughborough

## Two Centuries of Banking, 1790-1990

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In 1790, just over two hundred years ago, the firm of Middleton & Co began banking business in Loughborough. This small country bank was the direct ancestor of today's Midland branch in Loughborough, and for all but seven years the business has remained on the same site in the Market Place.

### *Loughborough in the Industrial Age*

Two hundred years ago the population of Loughborough was little more than 4,000 but there were already signs that the town was sharing in the huge increase in commercial and industrial activity. The Soar and Trent Canal had opened in 1776. John Heathcote established his machine lace factory in the town in 1809 (although the infamous Luddite riots of 1816 led to his departure). Clarke's dyeworks, off Devonshire Square, was opened in 1825, and the Paget hosiery factories were established in the 1830s and 1840s. Taylor's bell foundry was operating as early as 1840 and ten years later William Cotton's factory opened in Pinfold Street. This upsurge in activity was matched by a huge increase in Loughborough's population: from 4,603 people in 1801, the population more than doubled to 10,969 by 1821 and reached 18,196 by 1891.

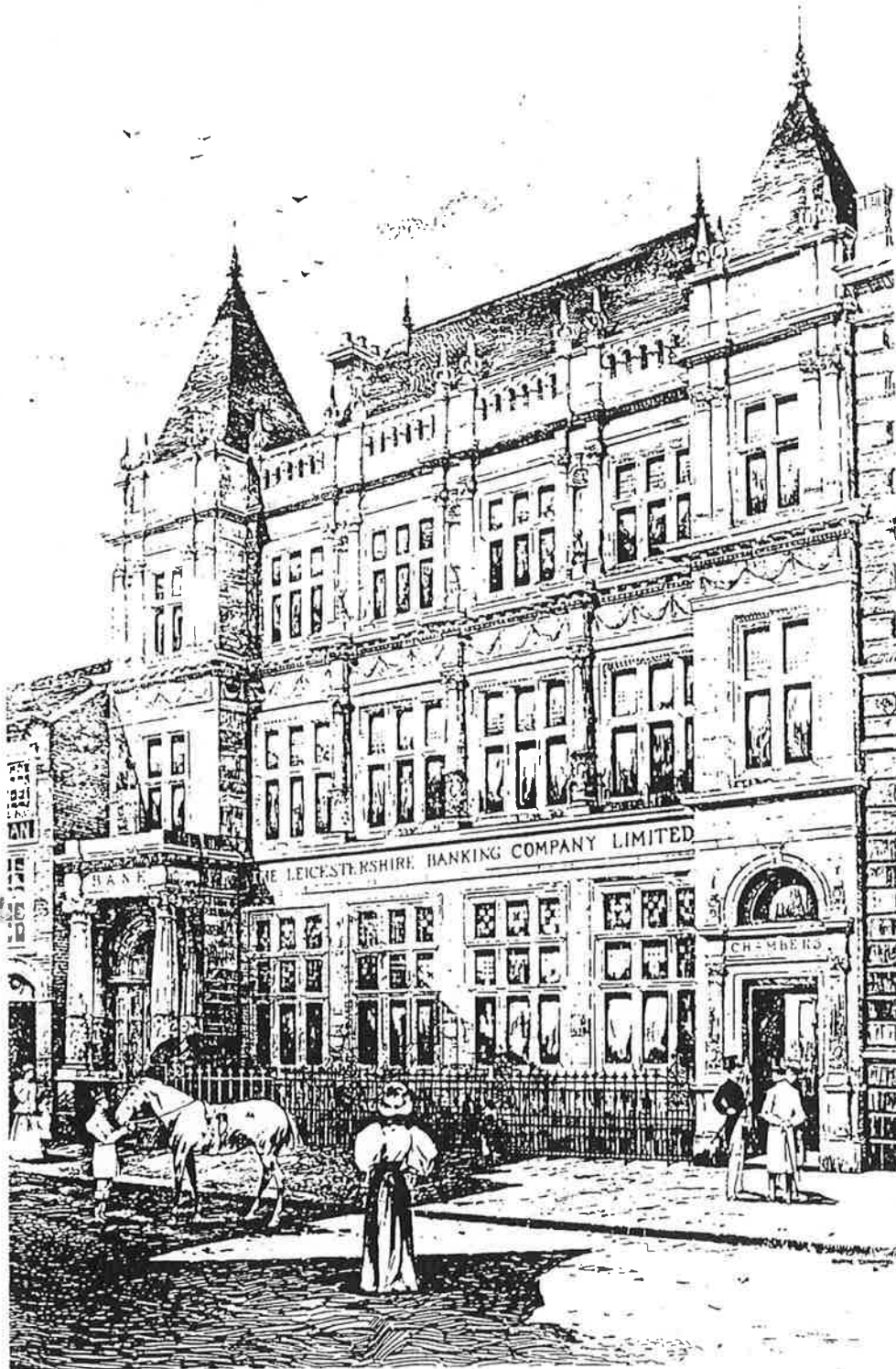
### *Middleton & Co.*

In the late 18th and early 19th centuries, local banking services in England and Wales were provided by many hundreds of small private firms. These banking partnerships accepted deposits, settled payments on behalf of traders and customers, and issued their own local bank notes. Middleton & Co - otherwise known as 'the Loughborough Bank' - was a classic example of this tradition. Founded by William Middleton in 1790, the firm was the town's first bank. Its original address is not known but it is certain, however, that William Middleton acquired part of the present site from the Douglas and Dodgson families as early as 1797. Few English banks can claim to have occupied the same site since the 18th century.

The Middleton family continued their ownership of the bank for over 80 years. William Middleton died in 1843 and was succeeded as senior partner by Edward Chatterton Middleton; his son, Edward William Cradock Middleton, in turn, joined the firm in the 1860s. Other partners included members of the Thorp family, between about 1805 and 1850, and Thomas Cradock, between the 1840s and the 1860s. From 1862 until 1878 the full title of the firm was Middleton, Cradock & Middleton.

### *The Business of the Loughborough Bank*

For many years Middleton & Co remained the only bank in Loughborough. Even when competitors arrived in the 1830s and 1840s, the firm was the pre-eminent bank in the town. Its customers included many of the largest businesses and institutions in the town - amongst them the Loughborough Savings Bank, the County Court, the Loughborough Gas Company, the Overseers of the Poor and 'the Loughborough Steeplechase Fund'. Not least the bank was an important local landmark. Edward Chatterton Middleton was an enthusiastic horticulturalist, and the verandah of the old bank always featured a fine show of flowers and plants. At his death in 1878 a local newspaper described him as 'almost a necessary institution in the town'; he was a JP, Chairman of the Petty Sessions and one-time High Sheriff.



Perspective drawing of the Loughborough branch of the Leicestershire Banking Company, designed by Goddard, Paget and Goddard, from *The Builder Magazine* (1896)

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### *The Fall of Middleton & Co.*

The death of Edward Chatterton Middleton in August 1878 led to a short but dramatic crisis in Leicestershire banking. Middleton's solicitor invited another local bank to take over the Loughborough firm's business. However, when that bank inspected the books, they believed (wrongly, as it turned out) that the firm was insolvent. Middleton's son, who was 'quite in the dark with regard to the affairs of the bank', was persuaded by the family solicitor that the bank should close. So, on Friday, 1 August 1878, news of the closure of Middleton's bank created alarm and consternation amongst hundreds of its local customers.

At first it seemed possible that a new public company, the Loughborough Bank Limited, would be launched to take over the old Middleton business. In the meantime, a third local bank, the Leicestershire Banking Company, had decided to open a branch in the town to fill the gap left by the closure of Middleton & Co. Within a few days the Leicestershire Bank also agreed to acquire the buildings and business of Middleton & Co. Although bankruptcy proceedings had already begun against the younger Middleton, this deal eventually resulted in a full settlement for all the creditors of the old firm. Middleton's customers transferred to the Leicestershire Bank so that there was relatively little interruption to the banking business of the town.

### *The Leicestershire Banking Company*

The Leicestershire Banking Company, which acquired the business of Middleton & Co in 1878, was one of the largest country banks in England and Wales. Founded at Leicester in 1829, it progressively established branches throughout the country. By 1900 there were no less than 28 branches of the bank, making it the largest bank in Leicestershire.

### *New Premises*

At Loughborough the arrival of the Leicestershire Banking Company did not bring radical change to the old-established pattern of banking. For example, the Manager of the branch, TW Marshall, had been Chief Cashier to Middleton & Co for many years. Yet in the 1880s the expansion of business persuaded the Leicestershire Bank that the old bank was no longer adequate. Their architects, Goddard & Paget, reported in 1890 that the building was 'in a very dilapidated condition' with a 'very low and inconvenient' banking room.

In 1892 Goddard & Paget (who had designed the Leicestershire Bank's magnificent Head Office in Granby Street, Leicester) were commissioned to design an entirely new building on the Market Place site. The building, with its fine stone elevation and distinctive tower roofs, was completed in 1894 at a cost of £6,200. The builders were the local firm of W Moss & Son.

### *Joining the Midland*

From the 1880s onwards, the 'amalgamation movement' in English banking had brought many of the old country banks into larger London-based clearing banks. Midland, which had been established in Birmingham in 1836 and had moved to London in 1891, was one of the fastest-growing of these clearing banks. In 1990 its offer for the Leicestershire Banking Company was accepted by the Leicestershire shareholders, and from that date the branches and staff of the Leicestershire Bank became part of Midland's much larger network.

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The Leicestershire Bank branches, including Loughborough, proved to be a valuable addition to the nationwide pattern of Midland branches. The Loughborough staff, numbering only 7 in 1900, had increased to 15 by 1930. Today, matching the enormous expansion of banking business, the branch has a staff of 51. Meanwhile, the branch's traditionally wide range of customers - in industry, commerce and agriculture and in the personal and professional sectors - has continued to develop. The branch also established strong links with Loughborough University of Technology: the Loughborough Institute's accounts with the Market Place branch date back as far as 1913. A sub-branch was established at the then Loughborough College of Technology in 1962 and in 1974 a studentship scheme in banking and finance for Midland entrants was developed by the University and the Bank. In 1985 the University's Banking Centre was opened with Midland support and since 1988 the Bank has also endowed the Midland Group Professorship in Banking and Finance.

### *Midland's Loughborough Branch, 1790-1990*

Midland's Loughborough Branch is proud to have provided banking services to the town and its district for 200 years. It is one of only a handful of Midland branches with such a long history and it is unique in having carried on banking at the same site since the 18th century. Enquiries about the branch and its history are welcome and should be addressed to Midland Bank Group Archives, Head Office, Poultry, London EC3P 2BX.

<b>Loughborough Branch Managers</b>		
1790-1878		(Middleton & Co)
1878-1888	TW Marshall	(Leicestershire Banking Co)
1888-1915	TB Jones	
1915-1930	PN Moss	(Midland Bank)
1930-1947	WR Horsfall	
1947-1958	JTG Barnes	
1958-1962	JS Rider	
1962-1969	KA Nicols	
1969-1975	AG Lloyd	
1975-1978	HR Heaton	
1978-1981	RA Whitburn	
1981-1988	AEM Sanders	
1988	JT Kyte	
1988 to date	AG Burton	

### *Sources*

*Midland Bank Group Archives, Records of Middleton & Co and Leicestershire Banking Company.*

*Loughborough Advertiser, passim.*

*WF Crick and JE Wadsworth, A Hundred Years of Joint Stock Banking (1936), London, Midland Bank.*