

A history of banking and other financial institutions in Wokingham.

In thinking about banks of the past many of us would remember the 'Big 5' that have dominated banking in England for most of the 20th century.

The story of banks in Wokingham goes back further than this to the early 1800s. At this time bull baiting was still taking place in Wokingham, William Heelas had recently opened his linen drapery business and it was still several decades before the arrival of the railway.

Before 1826 English banks were permitted to have no more than six partners. Berkshire was one of the last counties near London to develop a banking system. This was because there was no large-scale industry apart from agriculture and the demand for capital investment was relatively modest.

Private banks evolved from successful businesses that had positive cash flow and an opportunity to put spare cash to work. Brewers often fell into this category. The first bank in Berkshire was established in Abingdon in 1777; the second was in Reading in 1791 by 4 partners including 2 brewers and a maltster. William Blackall Simonds contributed £1000 to become one of the partners. As a successful brewer William had large cash balances for certain periods of the year and as Receiver-General for West Berkshire could use his tax receipts for up to 6 months before remitting them to London. In 1814 William Simonds withdrew from this banking partnership and formed a family based partnership J & C Simonds in Reading. The other partners were his son Henry, his cousins John and Charles and a friend. In 1816 they opened their first branch in Wokingham. This initially operated at the Roebuck Inn opening only on Tuesdays which was also market day. The Simonds name would have been well known locally as John Simonds lived nearby at Arborfield and his brother Charles' home was in Sindlesham. The business prospered and in 1855 Simonds opened an impressive new bank building in Wokingham; this building was sadly demolished in 1962. The replacement building was not so impressive or imposing. The bank amalgamated with Barclays in 1913.

Simonds are understood to have been the first bank to open in Wokingham in 1816 although twenty four years earlier (in 1792) there was a proposal to open a 'Wokingham and Reading bank but this never materialised.

The second bank to open in Wokingham, in 1890, was London & County Banking Company. This bank was founded as a joint stock bank in 1836 as the Surrey Kent & Sussex Banking Co. Three years later it was renamed as London & County Banking Co. By 1875 it had 150 branches; more than any other British bank at the time.

Robert McEwan, who joined the bank in Reading in 1875, opened a sub-branch at Wokingham in 1890 operating one day a week in the Market Place. In 1905 a full branch was opened at premises in Broad Street and Robert was appointed manager. He served as manager until his retirement in 1924. During his time at the bank it went through mergers in 1909 and 1918 and in 1923 its name was shortened to Westminster Bank.

Third Bank – Midland. The Birmingham & Midland Bank opened in Birmingham in 1836. It simplified its name to Midland in 1923. In 1924 opened a branch in Wokingham on Broad Street. In 1992 Midland became part of the HSBC group and the branch moved to its current premises in the Market Place in 1996.

Fourth Bank - National Provincial (NP) was originally in Denmark Street. In 1957 NP moved to Cromar House in Broad Street. There was a big opening event for the new bank. The managers of the four other "Big Five" banks' were also present to toast the National Provincial's new Wokingham home.

Fifth Bank – Lloyds. Lloyds Bank began in Birmingham in 1765 under the name Taylors and Lloyds; changing to Lloyds & Company on the death of James Taylor. The bank became a joint stock company in 1865. They were at 18 Broad Street in 1990.

The last bank to open in Wokingham was the TSB, in 1948, in Peach Street. In 1995, TSB merged with Lloyds and in 2013 TSB and Lloyds became separate banks again!

Our speaker then moved on to give those present an understanding of the organisations which were set up as savings movements.

Starr-Bowkett co-operative societies were a form of terminating building society; a co-operative financial organisation that provided loans to members and operated on the principle of mutual self-help and one which was disbanded once all the group members had been housed. These societies are named after Dr Thomas Bowkett who, in 1843, outlined a non-profit scheme to enable the less well-off to become landholders, and Richard Starr who made some changes to Dr Bowkett's scheme in 1862. Dr Bowkett thought that these new societies would avoid the worst aspects of existing building societies, such as lack of control by members, the high levels of subscription required and the charging of interest. Mr Starr proposed changes that included increased subscription fees and shorter subscription times amongst others. He also sought changes that would make the running of a Starr-Bowkett Society more profitable for management. A Starr-Bowkett forms as a registered society with limited memberships.

New members selected the amount of loan they want and then paid a monthly subscription based on a percentage of the amount of the proposed loan for a set time. Once the society has accumulated sufficient funds from subscriptions, ballot meetings started and were held on a regular (circa monthly) basis. Loan recipients are chosen by random lottery. Once a member has received a loan, they then pay back the loan and any amount that is still owing on their original subscription commitment. Once all members have had opportunity to take out a loan, the society was closed, and the original capital returned to its members. Hence that society is terminated. Concerns over the "lottery" system, as well as unscrupulous managers, led governments in the United Kingdom to ban Starr-Bowkett societies.

The Trustee Savings Bank opened a full-time branch in Peach Street in 1948. In 1995 it merged with Lloyds bank and then in 2013 TSB floated off from Lloyds.

The 1836 Building Society's Act was the first legislation to officially recognise building societies.

- Woolwich Equitable BS was founded in Woolwich in 1847. It enjoyed modest regional expansion after WW1 and its expansion accelerated after WW2. Further expansion through acquisitions were made in the 1960s.
- Bradford & Bingley was formed in 1964 out of a merger between a building society from Bradford and one from Bingley; the earlier societies having been formed in 1850s.
- Halifax - The Loyal Georgian Society decided to stop lending money in 1852. In December 1852, a small group of men gathered in the Old Cock Inn, Halifax. Their aim was to set up an investment and loan society, for the mutual benefit of local working people. Those with spare cash could invest it; others could then borrow, using the funds to acquire a house. By 1913 it was the UK's largest building society.
- The Abbey National Building Society was formed in 1944 by the merger of the Abbey Road and the National building societies. The National dates back to 1849 with the formation of the Metropolitan Freehold Land Society. It was the first building society in the United Kingdom to demutualise in July 1989.

- The Newbury BS was established in 1856 under the name 'The Newbury Permanent Benefit Building and Investment Society'. Its name was changed to Newbury BS in 1832. Wokingham was their 5th branch outside Newbury and a cocktail party was held to celebrate! There are ten branches across Berkshire, Hampshire, and Oxfordshire.
- Nationwide. In 1884 The Southern Cooperative Permanent Building Society was formed. It changed its name to Nationwide in 1970 after leaving the British Cooperative Union. Following the merger with the Anglia BS in 1987 it used the name Nationwide Anglia for 4 years.
- Santander - Began in the UK in 1988 with a 15 year alliance with the Royal Bank of Scotland. This alliance was not renewed and in 2004 Santander entered the savings market through the acquisition of building societies including Abbey National and Bradford Bingley.

As time moves on and the influence of technology and the internet move deeper and deeper into our lives, there are fewer and fewer bank and building societies in the town and few opportunities where one can forge a relationship with the 'bank manager' of old.