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Tontines, annuities and civic improvements in Georgian Britain

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ABSTRACT: Civic improvement in Georgian Britain required significant amounts of capital. Tontines were an important means of financing projects. This article provides new evidence based largely on local newspapers that demonstrates their local and national importance for mutual assurance and building. Shifts in profitability depended on the price of Consols and this explains why building tontines increased in importance. Tontines were used to fund new leisure spaces, workhouses, prisons, bridges, streets and other improvements. Their popularity waned in the later nineteenth century but until then they were an important means of funding civic improvements.

Introduction

On Tuesday 10 September 1811 at midday, the sound of bells rang out in Plymouth to mark the grand opening of the new tontine hotel, theatre and ballroom. Ships in port were dressed in their colours and the Union Jack was hoisted above the Guildhall. Three men with white staves stood at the head of a procession, followed by 36 constables with maces, and to the sound of the Royal Marine band playing God Save the King, the assembled dignitaries led by the lord mayor marched to the site of the new buildings to lay the foundation stone. Crowds thronged the streets and as the stone was laid a 21 gun salute was fired. Speeches were made, thanks were given and the party then returned to the Guildhall for a sumptuous dinner accompanied by loyal toasts and cheering. Reports note that the evening closed 'with the utmost festivity and harmony'.[1]

For civic leaders in Plymouth, the construction of these new cultural spaces marked the point at which the city joined the ranks of other respectable places across the country in which the pursuit of leisure and the demonstration of taste drove forward urban improvement.[2] Building assembly rooms, ballrooms, theatres, hotels and inns demonstrated

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1 *Globe*, 13 Sep. 1811.
2 For an overview, see D. Eastwood, *Government and Community in the English Provinces, 1700–1870* (Houndmills, 1997), 64–73.

good taste, respectability and a civic commitment to improvement. New churches, prisons and workhouses further enhanced the Georgian town, impressing on visitors and residents alike the capacity of the civic authorities to effect improvements and manage affairs. Municipal corporations erected efficient and modern market places, and took a much greater interest in cleansing, lighting and paving the streets. Brick and tile replaced wood and stone, creating elegant, new frontages on main streets.[3] Turnpike roads, better surfaced and drained than the muddy and rutted lanes that they replaced, were built to link these expanding towns and cities, and new bridges erected to ease movement and encourage inland trade.

Urban improvement and expansion occurred throughout Georgian Britain but how was this financed? New buildings and public spaces required relatively large amounts of capital, usually far in excess of all but the wealthiest landowners or corporations, and in their absence, investment in public infrastructure could lag behind. To enable urban expansion to take place therefore requires institutional mechanisms that allow the accumulation and switching of capital to fund construction.[4] Raising local taxes could have helped but this was always likely to generate significant ratepayer resistance or, in the case of the ale tax in Scotland, opposition by brewers.[5] It was also particularly unpopular during periods when the national government was also attempting to increase taxation and where local democracy was weak, as was the case with many corporations in the late eighteenth and early nineteenth centuries.[6] The banking system was also relatively weak, particularly outside London, and therefore borrowing from this source was circumscribed, particularly from the 1790s when government borrowing to fund the national debt squeezed out private lending.[7] Both private developers and municipal bodies therefore had to look elsewhere for capital to finance building projects or initiate improvements.

[3] See E.L. Jones and M.E. Falkus, 'Urban improvement and the English economy in the seventeenth and eighteenth centuries', in P. Borsay (ed.), *The Eighteenth Century Town: A Reader in English Urban History 1688–1820* (London, 1990), 116–58.

[4] See D. Harvey, *The Urbanization of Capital* (Oxford, 1985), 1–25, for fuller discussion of this issue.

[5] See R. Harris and C. McKean, *The Scottish Town in the Age of Enlightenment, 1740–1820* (Edinburgh, 2014), 122–3.

[6] See P. Langford, *Public Life and the Propertied Englishman 1679–1798* (Oxford, 1994), 218–28, 249–53.

[7] Estimates of the number of country banks suggest that there were around a dozen in 1750, rising to over 300 by 1800. However, most were small with capital of no more than £10,000, and as such were of limited use in helping to finance building projects requiring larger amounts of money. See R. Cameron, *Banking in the Early Stages of Industrialization* (Oxford, 1967), cited in ch. 2, 'The financial revolution', in P. Temin and H.-J. Voth, *Prometheus Shackled: Goldsmith Banks and England's Financial Revolution after 1700* (Oxford, 2013). See also L. Presnell, *Country Banking in the Industrial Revolution* (Oxford, 1956), cited in ch. 2, 'The financial revolution', in Temin and Voth, *Prometheus Shackled*.

One of the primary means of addressing this problem was through the creation of tontines, a form of collective pooling of capital based on the principle of survivorship.[8] All but forgotten by urban historians, this article argues that for a brief period in the late eighteenth and early nineteenth centuries, tontines were particularly important in providing capital investment in public infrastructure and enabling the large-scale rebuilding of provincial towns in Georgian Britain. This article provides new evidence that charts the existence of tontines, identifying key aspects relating to the timing and geography of their formation. It explains how these schemes operated and assesses their significance as a way of providing the investment that underpinned much civic improvement in Georgian Britain. At the same time, by providing investors with annuities over long periods of time, sometimes extending over many decades, they also helped to ensure the social reproduction of the middle classes in Georgian and Victorian Britain.

Despite the ubiquity of tontines as a way of funding improvements, urban historians have paid them little attention. There is no mention of them in the *Cambridge Urban History*, vol. II: *1540–1840*, nor in other standard works on urban growth in the long eighteenth century.[9] This is all the more surprising given the emphasis that historians have placed on the large-scale rebuilding of Georgian provincial towns, the growing indebtedness of many town corporations and the development of a strong associational culture and civic consciousness that underpinned much urban improvement. Historians have recognized the financial pressures on local government towards the end of the eighteenth century and the ways that vestries and corporations addressed the problem, but there has been little explicit recognition of the role that tontines played in financing urban improvements.[10] The work most strongly associated with the process of town building, *The Provincial Towns of Georgian England* by C.W. Chalklin, acknowledges the existence of tontines but relegates them to a residual role, called upon mainly when other means to raise finance had failed.[11] Research that focuses on the important financial contribution

[8] See A. Lange, J. List and M. Price, *Using Tontines to Finance Public Goods: Back to the Future*, NBER Working Paper 10958, 2004, 4.

[9] See, for example, Borsay (ed.), *The Eighteenth-Century Town*; P. Clark (ed.), *Cambridge Urban History of Britain*, vol. II: *1540–1840* (Cambridge, 2000); P. Corfield, *The Impact of English Towns 1700–1800* (Oxford, 1982); J. Ellis, *The Georgian Town 1680–1840* (Houndmills, 2001); R. Sweet, *The English Town, 1680–1840: Government, Society and Culture* (London, 1999).

[10] See Sweet, *The English Town*, 105–9.

[11] See C.W. Chalklin, *The Provincial Towns of Georgian England* (London, 1974); *idem*, 'Capital expenditure on building for cultural purposes in provincial England, 1730–1830', *Business History*, 22 (1980), 51–70; *idem*, 'The financing of church building in the provincial towns of eighteenth-century England', in P. Clark (ed.), *The Transformation of English Provincial Towns 1600–1800* (London, 1984), 284–310. See also E.J. Dawson, 'Finance and the unreformed borough: a critical appraisal of corporate finance 1660–1835 with special reference to the boroughs of Nottingham, York and Boston', unpublished University of Hull Ph.D. thesis, 1978. Scholars interested in life assurance have recognized the significance of tontine schemes in this period but also failed to appreciate how they were

made by private subscribers in the construction of public buildings in late eighteenth- and early nineteenth-century places, such as Kevin Grady's research on Yorkshire towns, is relatively rare. However, according to Grady, two-thirds of the total funding for public buildings came from private individuals investing in shares rather than from local government and many of the schemes he describes were likely to have been tontines.[12] In Scotland, Harris and McKean have noted that from the 1780s until the end of the Napoleonic Wars several town councils enthusiastically promoted tontines as a means of paying for new leisure facilities, often as a way of avoiding having to raise taxation or incur further debt. As well as housing, several large and imposing buildings were financed in this way, including assembly rooms, inns and hotels.[13] This article argues that tontines and civic improvement were intimately linked and were neither residual nor uncommon. Indeed, so common were these types of schemes in Georgian Britain that their absence from a town was a cause for comment and it is striking, therefore, that so little has been written about them.[14]

Identifying tontines

Tontines were used for two main purposes relating to mutual assurance and building. The first aimed to provide short-term annuities, usually by investing in government funds known as Consols. The second operated as a means to provide money for building, with dividends paid to investors out of rental income or tolls, or in the case of schemes set up by local vestries and corporations, from the rates. In both cases, however, tontines depended on survivorship: as subscribers to a scheme or their nominees died, so the number of individuals who shared the dividends and final capital amount diminished with the survivors therefore receiving an ever larger portion. However, for the promoters, the financial commitment remained the same until the last survivor had died, and this could take place many decades after the scheme had begun. Therefore, although the death of the nominee on which the share had been purchased brought an end to a subscriber's interest in a tontine, it did not diminish the promoter's financial liability. In that respect, tontines were fundamentally different to life insurance, which paid out on the death of a policy holder.[15] With a tontine, the longer a subscriber lived, the more valuable the

used to fund urban growth. See G. Clark, *Betting on Lives* (Manchester, 1999); *idem*, 'Life insurance in the society and culture of London, 1700–75', *Journal of Urban History*, 24 (1997), 17–36.

12 K. Grady, *The Georgian Public Buildings of Leeds and the West Riding* (Leeds, 1989), 64.

13 Harris and McKean, *The Scottish Town in the Age of Enlightenment*, 120–7, 168–71.

14 *Sheffield Register, Yorkshire, Derbyshire and Nottinghamshire Universal Advertiser*, 30 Apr., 23 Jul. 1790.

15 For a discussion of the two kinds of schemes, see M. Milevsky, *King William's Tontine* (Cambridge, 2015), 32–6.

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investment became. In other words, investing in a tontine was a means of gambling on longevity.

There is no simple way of identifying the existence of tontines. They operated at a variety of geographical scales with some assurance schemes having very widely dispersed national and regional networks of agents and subscribers, and others operating in highly localized settings. Lying outside any formal registration process, in contrast to friendly societies, identifying tontines therefore relies on different kinds of evidence. For the purposes of this research, the main body of evidence was derived by using a keyword search (=tontine) for the British Library online newspaper collection together with other contemporary sources.[16] Hundreds of newspapers were founded in the eighteenth century and although some failed to survive, by the mid-nineteenth century there were few towns with any pretensions to civility that did not have their own paper. They were crucial to the development of print culture and associational life in Britain, lending coherence to communities less by their reporting than by the listing of local events, advertising of services and decisions by local government and other agents of the state.[17] They were, as Eastwood noted, 'the medium through which the activities that defined the local community were most apparent' and for these reasons they are a particularly useful source with which to identify tontines.[18]

The setting up of a tontine relied on generating subscriptions and for that reason they were normally advertised widely in the local press, often appearing in several editions of newspapers in different parts of the country. However, schemes ranged in size from those that involved many thousands of subscribers investing hundreds of thousands of pounds to the smallest with only a few members and very modest amounts of capital. In some cases, the initial advertisement to alert investors to the creation of the tontine provided evidence of its proposed foundation but in others the existence of a scheme is only evident from a report of a meeting or notification of sale of shares. The Tewkesbury Regency Tontine Society, for example, was tiny, with only 20 members, but its existence can be established by a report of a 'convivial' evening dinner for members at the Swan Inn.[19] In similar fashion, the sale of shares in the Fosdyke Bridge Tontine arising from bankruptcy proceedings provided evidence of the existence of the scheme to build a wooden bridge to improve communication between Boston and King's Lynn.[20] Although the continued existence of most schemes identified in the papers was evident from repeated notices, not all tontines were launched successfully. Some clearly failed such as the British Metropolitan Tontine

[16] See Appendix 1 for a full description of this source.
[17] Eastwood, *Government and Community*, 73–4.
[18] *Ibid.*, 74.
[19] *Cheltenham Chronicle*, 13 Jan. 1814.
[20] *Stamford Mercury*, 21 Apr. 1815.

which commenced in 1821 but which appeared to have been suspended shortly afterwards because of lack of interest.[21] Nor was it always obvious whether a subscription scheme to erect a building operated as a tontine, even though advertisements for investment normally stated the means by which subscribers would be repaid.[22] By contrast, there were many inns, hotels and other meeting places that included the term tontine in their title but unless specifically mentioned as being part of a tontine scheme, these were not included in the database. Nor were other mentions of tontine included, such as the duke of Grafton's racehorse of the same name, stagecoaches or ships called the 'Tontine'. For this analysis, therefore, only those schemes which could be positively identified as either being set up or operating as a tontine were included.

Using these sources, between 1770 and 1829 nearly 200 different local schemes have been identified ranging in size from the Tewkesbury Tontine noted above to the British Universal Tontine, based in Bristol but operating nationally, with many thousands of subscribers.[23] Similarly, the amount of money raised by a tontine varied considerably, depending on its purpose and scope of operations. Building tontines tended to include the amount required to complete the undertaking, ranging from a proposal to raise over £800,000 to build docks in London to £1,200 needed to erect a school for the poor in Northampton. Assurance tontines sought to attract as much investment as they could within the registration period for subscribers, usually several months to a year from the date of the foundation, and therefore the amounts raised also varied from a few hundred to many thousands of pounds depending on whether the scheme was local or national in scope.

In terms of geographical coverage, tontines involving a building project were relatively easy to locate but in other cases, particularly those relating to the larger, national assurance schemes, the secretary's address was used to identify the main place of operation. The British Tontine, established in Bristol in 1791, for example, claimed to be 'The most Numerous, Advantageous, and Respectable TONTINE Ever established in the UNIVERSE', with over 20,000 subscribers and a capital fund of nearly £40,000 invested in government securities.[24] Although its headquarters was in Bristol, it also had offices in London and agents in towns spread throughout southern England from Lincolnshire to the south-west. In the database, almost every county in England, together with the main towns in Scotland, was covered by a local newspaper suggesting that identifying the location of tontines using this kind of evidence was

[21] *Morning Chronicle*, 6 Jan. 1821; *Morning Post*, 16 Jan. 1821; *Manchester Courier and Lancashire General Advertiser*, 30 Jul. 1836.

[22] It is likely, for example, that several of the subscription schemes described in Grady, *Georgian Public Buildings*, were tontines, although not specifically identified as such. I am grateful to Tim Hitchcock for pointing me to this reference.

[23] See Appendix 1 for a full listing.

[24] *Stamford Mercury*, 11 May, 22 Jun. 1792.

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less the outcome of geographical bias in the sources and more to do with their existence in particular places.[25] In similar manner, establishing when tontines were established, and the shift from assurance to building schemes discussed below, was less a reflection of the availability of sources than of other factors associated with economic conditions that influenced investment decisions. While recognizing the limitations of both the sources and the methodology, not least the incomplete online coverage of the many hundreds of newspaper titles in existence, nevertheless this research provides the most comprehensive record of private and public local tontine schemes to date.

Investing practices

Tontines operated on the principle of survivorship and this distinguished them from ordinary life insurance and other kinds of annuities.[26] Subscribers to tontines could nominate themselves or another person, frequently a child or a younger relative, and sometimes even royalty, as the life against which the share was held. To prevent gambling on complete strangers' lives, the Gambling Act of 1774 stipulated that the subscriber had to have a legitimate interest in the life of his or her nominee.[27] Based on the age of their nominee, subscribers were usually divided into categories, sometimes paying different amounts and receiving different rates of return depending on these classes. As long as the person on whose life the subscription had been made survived, dividends were paid. For that reason, subscribers with younger nominees often received lower rates of return than older ones on the grounds that they were more likely to live longer and therefore could expect to receive more in the long run. And if he or she was lucky enough to be the sole survivor of the scheme, or amongst a small group, the number of which had been specified at the outset, a subscriber stood to benefit from the outright ownership or sale of the building or the entire capital stock that remained. Nor did the death of the subscriber necessarily mean an end to the tontine share since, providing the nominee on whose life the policy was held remained alive, it could be passed on to heirs or sold to another person. In addition, the longer a subscriber (or a nominee) lived and the smaller the pool of survivors became, the more the investment increased in value, leading to a secondary market for the sale of tontine shares.

Typically, assurance tontines invested in government bonds or, less frequently, in rentals from freehold estate, and stipulated a period of time,

25 See Appendix 1 for further discussion of these points.

26 For the history of life insurance from 1800 to 1914, see T. Alborn, *Regulated Lives: Life Insurance and British Society, 1800–1914* (Toronto, 2009). For the period 1695–1775, see Clark, *Betting on Lives*. The differences between tontines and life insurance is explained in Milevsky, *King William's Tontine*, 32–6.

27 See Clark, *Betting on Lives*; T. Alborn, 'A license to bet: life insurance and the Gambling Act in the British courts', *Connecticut Insurance Law Journal*, 1 (2007), 2–3.

usually seven years, at the end of which any capital was to be shared out between the survivors.[28] However, the way in which they attracted subscriptions varied, depending on the social class of investors that the organizers wished to encourage. Typically, schemes which required subscribers to invest £50 to £100 in single payments or in instalments were aimed at those higher up the social scale who could afford these relatively large sums whereas those that involved smaller subscriptions, which could be as low as 6*d* a week usually paid in monthly instalments, sought to attract the lower middle class or respectable working class. These regular returns promised a reward for prudence and their praise was sung by the *Hampshire Chronicle* in 1792 which stated that 'Societies of this nature are found beneficial to the country at large; they promote industry, secure a certain provision for old age, and give men an opportunity, by small weekly savings, to provide for families, from the subscriptions being placed at interest and continually accumulating.'[29] The Winchester Tontine, for example, established in 1788, modelled itself on others newly set up in Oxford, Bristol and other towns. Subscribers paid 6*d* a week with the sum total being invested in Consols with the interest and principal remaining for seven years, at the end of which every surviving member was to receive an equal dividend which, it was claimed, would amount to £20 on an investment of just over £9. 'The fairness of this easy mode of increasing property', it was stated, 'must be obvious to everyone, and its advantages very considerable, particularly to persons in middling stations'.[30]

At this lower end, tontines vied with friendly societies for subscribers though without any of the insurance elements that the latter provided.[31] Rather, tontines offered small savers a means of investing capital and for those who were either unable or who did not wish to purchase Consols in their own name, subscribing to a collective scheme such as the Winchester Tontine provided an alternative way of saving for themselves or leaving an inheritance.[32] For this reason, it was argued that investing in a tontine was one of the best ways of providing for the future of one's children, relatives, friends and even servants. As the *Cumberland Pacquet* informed its readers, tontines offered something for everyone: wealthy subscribers could invest on behalf of poor widows; servants could save enough money to marry; and industrious journeymen could earn enough to set themselves up as a master. Investing the smallest of sums in this apparently safe and equitable

[28] For a full discussion of these kinds of life insurance, see Clark, *Betting on Lives.*
[29] *Hampshire Chronicle*, 9 Jan. 1792.
[30] *Hampshire Chronicle*, 29 Dec. 1788.
[31] For a discussion of friendly societies, see P.H. Gosden, *The Friendly Societies in England 1815–1875* (Manchester, 1961).
[32] D.R. Green and A. Owens, 'Gentlewomanly capitalism? Spinsters, widows, and wealth holding in England', *Economic History Review*, 56 (2003), 510–36, for a discussion of Consol holdings.

kind of scheme could, it was argued teach the '*Art of Economy*' and by so doing would 'promote the *Practice of Morality*'.[33]

What attracted subscribers perhaps more than the annual returns, however, was the hope of surviving longest and therefore reaping an ever increasing return on investment. For time-limited assurance tontines, the proportion of subscribers who survived was always likely to be relatively high. However, for longer-term building tontines, the prospect of oneself or one's family becoming the owner of a property or the sole beneficiary of lucrative rents or tolls was an enticing one. Typically, the final surviving subscriber or group of subscribers, the size of which was predetermined at the start of the tontine, stood to gain the freehold of the properties in their own name, or the equivalent value at auction, as well as an ever increasing amount of tolls or rent during their lifetime. In Glasgow, for example, Cecilia Douglas (1772–1862), West India planter, slave owner and art collector, was the last survivor of the Glasgow Tontine and in 1860 she inherited the Tontine Rooms, one of the grandest civic buildings in the city.[34] The last survivor of the first Richmond Bridge Tontine died in 1859 and at the time of her death aged 85 was receiving £800 a year from an initial investment of £100.[35] Promoters of the Regents Canal Tontine in London in 1817 claimed, perhaps somewhat optimistically, that the last survivor would stand to gain up to £15,000 a year for a £100 share.[36] Although this scale of return would have been exceptional, nevertheless, as the examples illustrate, it was indicative of the potential gains over and above any annual return that could be made just by surviving longest.

National and local geographies

The concept of a tontine was not new, stretching back to seventeenth-century France, but during the eighteenth century became popular as a way for governments to address shortfalls in the national finances.[37]

33 *Cumberland Pacquet and Ware's Whitehaven Advertiser*, 6 Oct. 1790.

34 *Glasgow Herald*, 27 Dec. 1860; www.ancestry.co.uk/mediaui-viewer/tree/77249725/person/40370898255/media/cfb38120–96f0–49dc-9945–66b97a93e8e8. Shares in the building were probably purchased in her name by William Douglas, probably her grandfather, when it was opened in 1781 since she was a young child at the time. Information from the *Oxford Dictionary of National Biography*.

35 Parliamentary Papers (PP), *Report from the Select Committee on Metropolitan Bridges; together with the Proceedings of the Committee, Minutes of Evidence, Appendix and Index*, 1854, XIV, 126–7.

36 *Morning Chronicle*, 28 Mar. 1817.

37 During the eighteenth century, tontines were floated in the Netherlands (1670) France (1689), Denmark, Great Britain (1693) the United States (1790) and various German states. The first national public tontine in France was offered in 1689 and the last in Britain in 1789. See Milevsky, *King William's Tontine*, 95–113; D. Weir, 'Tontines, public finance and revolution in France and England, 1688–1789', *Journal of Economic History*, 49 (1989), 95–124; K. McKeever, 'A short history of tontines', *Fordham Journal of Corporate & Financial Law*, 15 (2009), 491–521, lists the many purposes to which they were put. For a comparison of the early state tontines, lotteries and annuities market, see R. Dale, *The First Crash: Lessons from the South Sea Bubble* (Princeton, 2004), 22–39.

However, in Britain these state-sponsored tontines proved less successful than in other countries and although there were seven national tontine schemes during the eighteenth century, only three (1773, 1775 and 1777 – all by the Irish government) were ever fully subscribed.[38] Subscribers to these national tontines found that the initial return was generally below that which could be achieved through a life annuity or other investment in government bonds, although for those who could wait this was offset by the fact that the rate rose as the number of subscribers declined. At the start of 1789, for example, the Great English Tontine yielded a rate of return for the first class of subscribers (nominees below 20 years) of 4.15 per cent but by 1829, by which time the number of shareholders had fallen, it had risen to 6.3 per cent.[39] Even so, this return was far from spectacular and compared relatively badly to other private schemes set up at the same time.

The relative unpopularity of national tontines, noted above, was in stark contrast to local schemes set up by groups of individuals or municipal corporations to provide mutual assurance or to finance various forms of urban improvements and building works. In the late 1780s and early 1790s, just as the national tontines were coming to an end, so other private 'universal' assurance tontines attracting large numbers of subscribers running into many thousands were being established in towns and cities across the country. The overall importance of these private and municipal tontines was reflected in their geographical spread shown in Figure 1. There were very few English counties which did not have at least one tontine in this period. Over 30 schemes were located in London, including several set up by local vestries for civic improvement as well as some very large assurance schemes and bridge building projects. Together with London, Bristol and Bath were the other main centres, particularly in relation to assurance schemes. Building and civic improvement tontines were more numerous and widespread, with many schemes located in expanding provincial towns and cities such as Birmingham, Boston and Northampton, along with Hull and Newcastle. In Scotland, the rivalry between Edinburgh and Glasgow, with five and six schemes respectively, encouraged new projects. Other places with ambitions to attract a wealthy clientele also used tontines to fund building projects. 'Flagelantus', writing in the *Cheltenham Chronicle* in 1819, called on civic leaders there to build a royal residence like that of the 'inconsiderable village(s)' of Lyndhurst and Weymouth, suggesting that 'this would at once reflect the highest credit upon the public spirit of the Town and be eventually a source of considerable profit to themselves'.[40] For whatever reason, tontines could be found across the country from Truro in Cornwall, in the extreme

38 Weir, 'Tontines, public finance and revolution', 107.
39 C. Compton, *A Treatise on Tontine in which the Evils of the Old System are Exhibited…* (London, 1833), 11; Milevsky, *King William's Tontine*, 110.
40 *Cheltenham Chronicle*, 5 Aug. 1819.

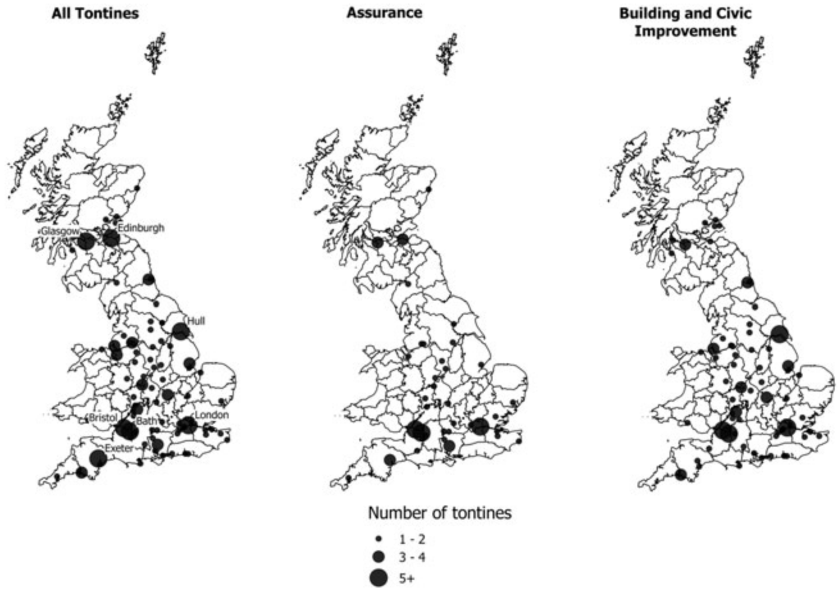

Figure 1: Location of tontines 1770–1829
Source: See Appendix 1.

south-west of England, to Peebles and Ardrossan in Scotland.[41] Many towns had at least one or two schemes and even relatively small places, such as Tewkesbury and Rhyl, each had a local scheme in operation. Noting the popularity of these kinds of tontines, a report in the *Derby Mercury* stated that

> Tontines, or Provident Societies, are now become almost universal. Bristol, Birmingham, Manchester, Gloucester, Stamford, York and many other places have each of them established their Tontine…and in towns where the greater part of the inhabitants are mechanics, who can spare 6d or 1s a week without any inconvenience to their families, these societies must be attended with the best effects – especially if they can be prevailed with to treasure their sixpences in this way instead of spending them imprudently.[42]

Places without tontines, such as Sheffield, appeared to be the exception and it was noted there in 1790, 'it has been a matter of wonder' that no such scheme existed.[43]

[41] See Appendix 1 for a listing of tontines.
[42] *Derby Mercury*, 8 Apr. 1790.
[43] *Sheffield Register, Yorkshire, Derbyshire and Nottinghamshire Universal Advertiser*, 30 Apr., 23 Jul. 1790.

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Tontines: assurance, construction and improvement

Tontine schemes can be classified in three main ways depending on purpose and methods of repayment: those whose purpose was entirely to provide mutual assurance and which invested mainly in government bonds; those which sought to raise funds for specific building projects, repaying subscribers from rents or tolls; and those established by local vestries, town corporations or commissions to provide money for civic improvements with repayments coming from rate income or other municipal sources.[44] Building tontines reflected the emerging associational culture of eighteenth-century provincial towns and often involved the construction of new kinds of leisure spaces in which the middle class could meet, including assembly rooms, ballrooms, chapels, hotels, inns, libraries and theatres. Similarly, civic schemes focused on improving infrastructure and public buildings, such as market places, workhouses and prisons. In both cases, however, they operated in a different way to those that provided mutual assurance. The number of subscribers was usually limited depending on the total to be raised, and the duration of the scheme depended on the longevity of investors or their nominees rather than on a set period of time, usually between five and seven years, more typical of assurance schemes.

The broad chronology of these different kinds of tontines is shown in Figure 2, which indicates a rapid increase in the 1790s, followed by a gradual decline to the 1820s, along with a shift away from assurance schemes towards those concerned with building and civic improvement. It is worth noting that the numbers of tontines identified in each decade was not dependent on the number of newspapers, which rose throughout the period. Of the 197 schemes identified, 115 referred to private building projects with assurance accounting for a further 70 and local government another 11.[45] However, this figure is likely to be an underestimate, particularly in relation to local improvement acts, discussed below, which number in their thousands during this period, many of which related to building and other types of civic improvement.

The popularity of tontines during the 1790s was based on the relatively high rates of return that they promised to investors. Promoters were able to achieve this by accumulating compound interest on investments and by playing the market. Assurance tontines tended to invest in government funds, but they were able to promise higher returns to subscribers because of the principle of survivorship and the hope of making a profit by buying Consols when the price was low but selling in a rising market at the end of the tontine's term. There were also other options that could potentially add to profits. The second Exeter Tontine, which sought to recruit 'respectable'

[44] Tontines were used in rare instances for other purposes. See *Leamington Spa Courier*, 21 Feb. 1829, for an instance where a tontine was used to finance a group portrait painting.
[45] Information was missing for one tontine.

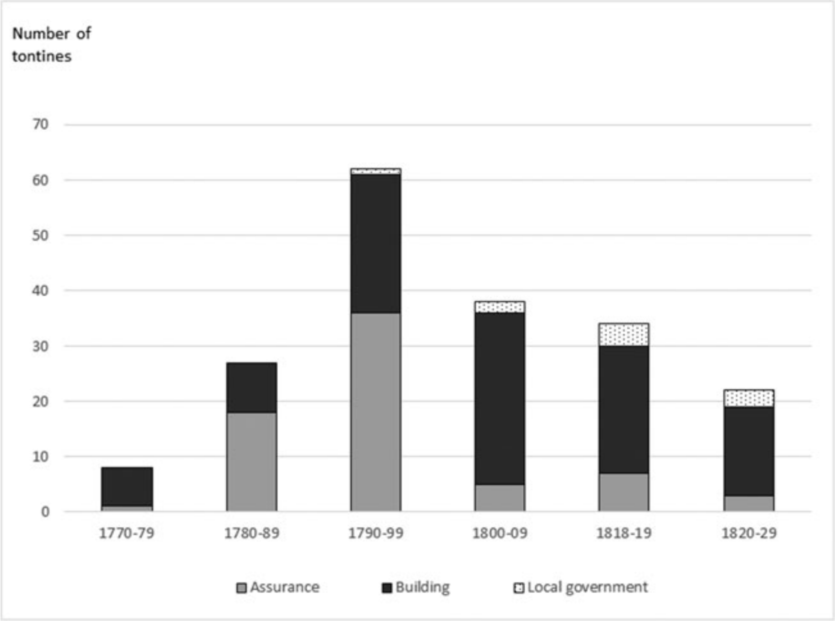

Figure 2: Foundation of tontines 1770–1829
Note: Three tontines could not be allocated to a particular decade but all were founded prior to 1805.
Sources: See text.

subscribers from throughout south-west England, invested both in the funds but also purchased state lottery tickets, paying out directly if winnings exceeded £100, or if below this amount adding it to the overall capital to be shared at the end of the seven-year term.[46] Other tontine schemes also followed this course of action. The interest accruing to subscribers to the Andover Lottery Tontine, for example, was also used to purchase lottery tickets, in this case with all the proceeds being added to the capital.[47]

In a rising market, the prospect of buying cheap and selling dear was attractive for tontines with a limited duration. But it also carried risks. Figure 3 plots the foundation of tontines against the price of Consols, showing how the peak years of foundation in 1789 and 1790 took place during a rapidly rising market, with investors anticipating continued price rises. Since most assurance tontines operated for a limited duration, short-term expectations of making a profit in a rising market drew investors into these kinds of schemes. The instigators of the New British Tontine, based in Bristol and advertised very widely across the country in 1792 and 1793, drew attention to this opportunity: 'Both the moral utility and

[46] *Sherborne Mercury*, 16 Oct. 1797.
[47] *Salisbury and Winchester Journal*, 9 Dec. 1799.

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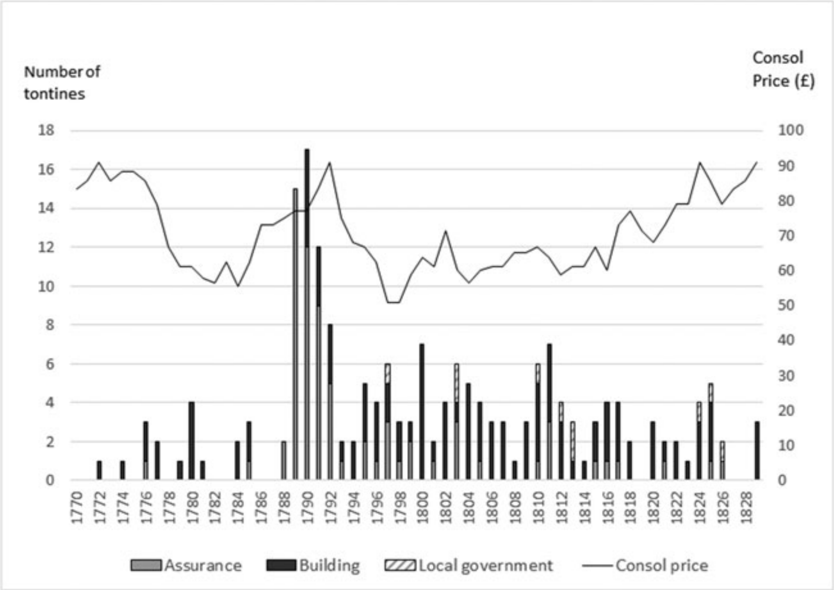

Figure 3: Tontines and Consol prices 1770–1829
Source: Tontines: see text; Consol prices (1770–89): T.S. Ashton, *An Economic History of England: The Eighteenth Century* (London, 1955); (1790–1829) N.J. Silberling, 'British financial experience 1790–1830', *Review of Economics and Statistics*, 1 (1919), 289.

the pecuniary advantages of Tontines are too obvious to need comment; and never was a more beneficial time for them than the present, when the funds are SO VERY LOW.'[48] With the price of Consols low, but with the expectation of a rise, tontines that invested in the funds were an attractive proposition. Trustees of the second City of London, Westminster and Southwark Tontine, for example, dived into the market in April 1793 when the price of Consols fell. The *Stamford Mercury* noted that this would 'give an *immediate* high interest, with the probability of being sold out to a very great profit. This accounts for the rapidness with this Tontine fills, it being some years since there was a prospect of so large a profit from the accumulation of money put in the Bank of England.'[49] Not to be outdone, the organizers of the New British Tontine decided to keep open their books on account of the low price of Consols, claiming that this provided subscribers with an opportunity to make up to 20 per cent

[48] *Gloucester Journal*, 25 Mar. 1793. See also, for example, *Newcastle Courant*, 5 Jan. 1793; *Chester Chronicle*, 11 Jan. 1793; *Northampton Mercury*, 12 Jan. 1793; *Oxford Journal*, 9 Feb. 1793; *Manchester Mercury*, 7 May 1793.
[49] *Stamford Mercury*, 5 Apr. 1793. Silberling's figures show a fall from £90.04 in 1792 to £75.70 in 1793. See N.J. Silberling, 'British financial experience 1790–1830', *Review of Economics and Statistics*, 1 (1919), 289.

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profit.[50] Continued low prices encouraged further schemes. A third City of London, Westminster and Southwark Tontine was started and grew rapidly from its inception in July 1795 with agents in London, Chester, Stockport, Liverpool, Manchester and Swansea. The organizers of the scheme plunged into the bond market frequently, taking advantage of the continued fall in the price of Consols. Although the initial aim was to raise £33,000, within two years the capital had grown to over £65,000 invested in the funds, with regular newspaper advertisements notifying subscribers of the amounts purchased each month and emphasizing its likely future profitability.[51] So confident were the organizers of being able to make a profit by buying Consols cheaply that they started another tontine in November 1798, despite making a loss on an earlier scheme.[52]

While investing in the funds could provide a regular return and a high premium, it carried risks if at the end of the term the price of Consols had fallen below the initial cost of purchase. As the 'rage' for tontines mounted, and as lower-middle-class and even working-class subscribers were drawn into these kinds of schemes, so writers began to express concerns about their profitability.[53] 'When the passion (for tontines) descends to the laborious part of mankind, and this phrensy [*sic*] seizes on those who cannot afford to sport with their losses', an anonymous writer warned in relation to the Yorkshire Tontine, 'the public should then catch alarm, and endeavour to stop the progress of the infatuation'.[54] Other writers urged caution. In 1792, Richard Price warned against investing in tontines, particularly for those whose incomes were uncertain and who were likely to fall behind in their payments, pointing out that even if they continued to invest, the potential for making a profit was limited both because the mortality of fellow subscribers had been over-estimated and the price of Consols was likely to fall.[55] Price's concern was well founded and the steep reduction in Consol prices from 1793, following the declaration of war with France, marked an end to the rising market, undermining profitability for tontines that had invested heavily in the funds and eliciting further warnings as insolvency loomed.[56]

These problems were particularly acute for those seven-year schemes set up between 1789 and 1791, which matured between 1796 and 1798, by

50 *Manchester Mercury*, 1 May 1793; *Stamford Mercury*, 17 May 1793.
51 See *Chester Chronicle*, 11 Dec. 1795; *Ipswich Journal*, 30 Jan. 1796; *Chester Courant*, 18 Oct., 27 Dec. 1796, 14 Feb., 28 Mar., 8, 22 Aug. 1797.
52 *Caledonian Mercury*, 31 Dec. 1798, 13 Jul. 1799.
53 Anon., *Tontines Calculated, and their Principles and Consequences Explained* (London, 1791), 7.
54 *Ibid*., 2.
55 Richard Price, *Observations on Reversionary Payments; on Schemes for Providing Annuities for Widows, and for Persons in Old Age* (London, 1792), xxxv–xxxviii.
56 See, for example, Mathias Koops, *Thoughts on a Sure Method of Annually Reducing the National Debt of Great-Britain, without Imposing Additional Burdens upon the People* (London, 1796), 13–15; Thomas Fry, *A New System of Finance: Proving the Defects of the Present System* (London, 1795), 86–8; William Sabatier, *A Treatise on Poverty, its Consequences, and the Remedy* (London, 1797), 30.

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which time the price of Consols had fallen by between 18 and 40 per cent. Indeed, the sharp fall in the price in November 1798 was itself blamed on the liquidation of investments held by several large tontine societies that had come to maturity. The Bristol Tontine, for example, was said to have sold £500,000 of stocks in a single transaction, thereby affecting the market.[57] Such falls eroded the final profitability of tontines, leading to problems of solvency. The Bath Universal Tontine, set up in 1790 for a duration of five years, found itself in this situation, as did other tontines scheduled to finish after 1795.[58] It was due to pay out its final dividend in 1795 but because of the fall in the price of Consols the surviving subscribers found that their initial investment of 60 guineas yielded only £46 17*s* 6*d*.[59] Reports drawing attention to the loss appeared in newspapers from Bath, Chester, Ipswich, Reading and Leeds, suggesting both a wide geographical spread of investors as well as a potential warning to others who might have invested their money in similar schemes.[60] As prices fell, losses began to mount and in the same year the treasurers of the Chelmsford Universal Tontine reported that they had lost at least £5,000.[61] In 1796, a similar fate befell the Bristol Universal Tontine, set up in 1789, and organizers were forced to delay the payment of dividends and recommend that if subscribers wished to avoid incurring a significant loss, they should leave their investments intact beyond the agreed winding up date until the Consol price had recovered.[62] In January 1799, Manchester subscribers to the Old British Tontine, which had been established in Bristol in 1791 and which by 1794 had amassed capital of over £148,992, complained that the organizers had failed to pay out at the end of the term and called for other subscribers across the country to complain.[63] And the New British Tontine, one of the largest mutual assurance schemes with funds of between £300,000 and £400,000, set up in 1792, found itself unable to repay its subscribers and in 1800 was forced into Chancery.[64] By the time the case was settled in 1807, no more than £90,000 remained.[65] For individuals, therefore, over and above the question of survivorship, investing in a tontine could be risky.

This change in profitability, whilst bringing to an end the popularity of assurance tontines in the early 1790s, also heralded a shift of investment towards building schemes since these promised to deliver a respectable

57 *Ipswich Journal*, 17 Nov. 1798.
58 *Stamford Mercury*, 16 Sep. 1796.
59 In 1790, the price of Consols was £76.89 but in 1795 it had fallen to £66.37. See Silberling, 'British financial experience 1790–1830', 289.
60 *Bath Chronicle and Weekly Gazette*, 24 Sep. 1795; *Ipswich Journal*, 12 Sep. 1795; *Reading Mercury*, 14 Sep. 1795; *Leeds Intelligencer*, 14 Sep. 1795; *Chester Courant*, 15 Sep. 1795.
61 *Ipswich Journal*, 21 Nov. 1795.
62 *Hereford Journal*, 14 Sep. 1796.
63 *Manchester Mercury*, 15 Jan. 1799; *Salisbury and Winchester Journal*, 21 Oct. 1799.
64 See *Gloucester Journal*, 4 Feb. 1799; *Sherborne Mercury*, 6 Jan. 1800; *Manchester Mercury*, 4 Feb. 1800; *Caledonian Mercury*, 29 Mar. 1800.
65 *Public Ledger and Daily Advertiser*, 6 Apr. 1807.

and secure rate of return based on rents or tolls, with the prospect of future capital growth as trade increased and towns expanded. The promoters of the Cambray Street Tontine in Cheltenham, set up to build 12 'handsome' houses in what was described as a 'pleasant and fashionable street' in a desirable part of town, spelled out the benefits this kind of arrangement provided:

The scheme holds out great advantages to persons having money at command or placed out at low interest and also to such as cannot immediately command their property, the payments being to be [*sic*] made in small sums at different times, and only when absolutely necessary to pay the builders. It affords an excellent opportunity to those who are disposed to leave something to their relations or dependants to be paid at a future time. The dividends in this concern will far exceed those of any of the public funds now to be purchased. The security will be equal to any that is to be procured, and the increase of the principal by the falling in of lives, as well as the probable increasing value of the houses in such a superior and commanding situation, will certainly be most advantageous to the subscribers. Shares transferable."[66]

These claims chimed well with the widespread demand for urban improvement in provincial towns arising from economic and demographic growth, rising expectations and strong civic consciousness.[67] In the five years prior to the fall in Consol prices (1788–92), there were 43 assurance and 11 building tontines floated but in the next five years (1793–97), only seven assurance schemes were started compared to 12 concerned with buildings or civic improvement. This shift became even more marked in the early 1800s with 33 building or municipal tontines floated between 1800 and 1809 compared to just five related to assurance. Apart from a brief spike in 1803 following the declaration of peace with France, Consol prices remained low and did not reach a similar level to their peak until the very end of our period, by which time other kinds of opportunities had emerged to attract investors.

Compared to assurance tontines, those linked to building projects were usually, though not always, profitable and for the final survivor, the eventual returns could be considerable. The Richmond Bridge Tontine of 1776 paid out at 4 per cent per annum and the Middlesex House of Correction Tontine, discussed below, paid out at 4.5 per cent, the former coming from bridge tolls and the latter from the county rates, and for survivors there was always the promise of higher returns as the nominees of fellow subscribers died.[68] Even more could be made from other schemes: the Kew Bridge Tontine of 1785 paid out a rate of

66 *Cheltenham Chronicle*, 6 Apr. 1815.
67 See Jones and Falkus, 'Urban improvement and the English economy'.
68 London Borough of Richmond Archives, Richmond Bridge Tontine 1776, List of Subscribers and their Nominees to the Richmond Bridge Tontine; London Metropolitan Archives, Middlesex House of Correction, tontine registers 1790, 1792 and 1795 (MF/T/01/001; MF/T/01/002; MF/T/01/003).

6 per cent for subscribers (or nominees) aged below 20, at 6.5 per cent for those aged between 20 and 40 and at 7.5 per cent for those aged above 40.[69] Between 1795 and 1830, investors in Sheffield's theatre and assembly rooms received annual dividends of 6 per cent or more in 29 of the 36 years.[70] These annual rates of return were tempting. Traditionally, no interest was paid on bank deposits, and government Consols from 1751 generally paid out 3.5 to 4 per cent. Nor was private lending more profitable since interest on loans was capped at 5 per cent by the usury laws.[71] Therefore, a healthy annual return together with the promise of compound interest and a growing share of the profits for survivors were sufficient in most cases to entice investors to part with their money.

Tontines and civic improvement

The most common type of tontine, particularly after the fall in the price of Consols from 1793, was to raise money for building projects and this took two forms: one was associated with schemes to erect buildings, such as bridges, theatres, assembly rooms, hotels and inns, and the other was linked to improvement acts that allowed vestries, town corporations and improvement commissions to raise money for projects such as market places, workhouses and prisons, or for paving, lighting and cleansing, financed by the sale of bonds and paid for from the rates.

The earliest known building tontine outside London was the Bristol assembly rooms built in 1754–55 and this was followed by a host of other similar schemes across the country.[72] In the West Riding of Yorkshire between 1761 and 1840, Grady has identified at least 34 projects financed in this way or through subscriptions, including some of the costliest public buildings in the region.[73] The Glasgow Tontine of 1781 raised over £5,000 in £50 shares to build a hotel and coffee rooms, with the annuities paid through annual subscriptions from 107 members, and in 1796 another set of assembly rooms was also erected at a similar cost.[74] In Bath, tontine schemes were fuelled by the rivalry between the upper and lower assembly rooms that encouraged expansion on a grand scale. The *Hampshire Chronicle* commented in December 1774 that Mr Gyde's plan to extend his ballroom, financed by a tontine involving 100 persons at £50 each, headed by the duke and duchess of Northumberland, also involved building a new card room 160 feet long and 26 feet wide, divided by screens of Corinthian columns. '[T]he elegance will exceed any of the rooms yet built', and it was thought that when completed,

69 London Metropolitan Archives, LMA/ACC/38/1. Plan of a tontine on Kew Bridge.
70 Grady, *Georgian Public Buildings*, 75.
71 See Temin and Voth, *Prometheus Shackled*, 30, 83–7.
72 Chalklin, 'Capital expenditure', 62.
73 Grady, *Georgian Public Buildings*, 68–9.
74 J. Cleland, *Annals of Glasgow*, vol. I (Glasgow, 1816), 74–5, 80–1.

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the suite of rooms would be the most complete in Europe.[75] Five years later, a rival scheme to embellish the lower town with a new theatre, hotel and assembly rooms was proposed in direct competition and at an even grander scale, based on a tontine to raise 30,000 guineas.[76]

Tontine schemes were also used to purchase land and build houses, with the rental income used to pay regular dividends and the final payout arising from the sale of the properties. In the 1790s, this system was used to construct housing or build entire streets in several places – Hanover Street in Manchester, Parliament Street in Hull, and George Street, Brunswick Street and Hutchesons Street in Glasgow.[77] In Salford in 1797, for example, a seven-year tontine called the New Windsor was set up to erect buildings based on subscriptions that amounted to about one guinea a year calculated at a rate of 6*d* per week. The promoters of the scheme made a point of noting that 'The plan of securing small savings of money on the tontine scheme, begins now to be generally understood and approved of; as by it the industrious and careful man may make the little he has to spare perfectly safe and at the same time increase in the greatest manner possible.'[78] The money was to be used to construct houses and the rent was to be added to the general fund. At the end of the seven years, the buildings were to be auctioned and the proceeds divided equally between the surviving members. An added advantage was that subscribers could sell their shares though they could not change their nominees, giving them an option to raise cash without the need to wait until the tontine had come to an end.

Growing trade and volume of traffic also generated the demand to widen streets and build new bridges, and in several cases these were financed through tontines. One of the largest street building schemes to use a tontine was the plan by the Southwark Bridge Company in London to drive a new route from the Mansion House to Southwark Bridge in order to improve the flow of traffic and in doing so to increase tolls. The company sought to raise £600,000 by way of a tontine, arguing that the increase in tolls and the sale of property along the street would repay subscribers over an 80 year period.[79] Commercial expansion encouraged the construction of bridges and canals, and these too were often funded wholly or partly by tontines. Bridges were a popular choice for tontines, promising a steady source of income from tolls against which to offset annual payments. The first and second Richmond Bridge Tontines of 1773 and 1776, which sought to raise £20,000 and £5,000 respectively, needed to pay out £1,000 per annum based on toll income of around £1,200 to £1,300, and neither scheme

[75] *Hampshire Chronicle*, 12 Dec. 1774.
[76] *Bath Chronicle and Weekly Gazette*, 4 Feb. 1779.
[77] *Hull Advertiser and Exchange*, 13, 27 Sep. 1794; *Caledonian Mercury*, 9 Jul. 1796; *Manchester Mercury*, 1 Nov. 1796.
[78] *Manchester Mercury*, 17 Oct. 1797.
[79] *Morning Chronicle*, 18 Mar. 1825.

had any problems in raising the amount required.[80] The growth of London helped ensure the profitability of these kinds of improvements, and further tontines were either used or proposed to build other bridges across the Thames at Kew (1785) and Southwark (1820). Plans to build a bridge at Rotherhithe, which failed to attract sufficient numbers of investors, and an iron bridge at Hammersmith also rested on tontines, as did a scheme to build one across the river Wear near Sunderland which, when it opened in 1796, was the second largest metal bridge in Britain.[81] Canals, too, were built with funding from tontines and here the scale could be considerable. The Regents Canal in London, for example, sought to raise a tontine of up to £300,000 using a mixture of tolls and investments in Consols to create a sinking fund from which to repay subscribers.[82]

Private tontines were not the only ones that underpinned civic improvement. The quickening pace of urban and economic growth from the mid-eighteenth century was also accomplished by an expansion of local government involvement in the built environment. The extent of this involvement can be gauged by the number of local acts passed and improvement commissions that were created in the second half of the century: between 1760 and 1799, over 400 improvement commissions were set up and, after a lull during the Napoleonic Wars, the number of local improvement acts increased substantially, reaching a peak in the 1820s.[83] Such a flurry of improvement acts reflected not just the pace of urban restructuring but, more significantly, widespread ratepayer complaints about lack of representation and corruption in existing corporations. In the context of this opposition, new and more representative bodies charged with effecting urban improvements and provided with new powers to borrow and tax were less likely to generate opposition than if the old, unreformed corporations had taken on these responsibilities.[84] Hemmed in by debt and faced with significant ratepayer suspicion of municipal

80 See London Borough of Richmond, Richmond Archives, Richmond Bridge Commissioners, minute book, 1773–1886.

81 *House of Commons Journal*, vol. 72 (1817), 75; *ibid*., vol. 73 (1818), 57, 62. See also J. Bainbridge, *A Plan for the Disposal of Thirty Thousand Pounds, Secured by Way of Mortgage…upon the Tolls Arising from the Cast Iron Bridge and Ferry Boats, across the River Wear, near Sunderland ... by Way of Tontine, etc.* (Newcastle, 1809); *York Herald*, 20 May 1809; W. Brockie, 'Wearmouth bridge lottery', *Monthly Chronicle of North-Country Lore and Legend*, 3 (1889), 254–5. Retrieved from https://search.proquest.com/docview/3717006?accountid=11862.

82 *Morning Chronicle* 28 Mar. 1817. The appeal for government support by the canal promoters suggests that their efforts at raising private funding were unsuccessful. See I. Webster, 'The Public Works Loan Board and the growth of the state in nineteenth-century England', *Economic History Review*, 71 (2018), 890.

83 Eastwood, *Government and Community*, 66; J. Innes, 'The local acts of a national parliament: parliament's role in sanctioning local action in eighteenth-century Britain', *Parliamentary History*, 17 (1998), 23–47; J. Innes and N. Rogers, 'Politics and government 1700–1840', in Clark (ed.), *Cambridge Urban History of Britain*, vol. II, 529–74. The subcategory 'local' was invented only in the 1790s: up to that point 'local' acts were mainly private bills passed as public acts. Not all local acts related to improvement schemes.

84 See Langford, *Public Life*, 218–20.

extravagance and maladministration, these new bodies often turned to tontines or bonds as a way of raising finance for urban improvements.

Typically, local improvement acts included standard wording that permitted the authorities to raise money in these ways, stipulating the amount that could be raised, offset against the rates or other revenue source, and the purposes for which it could be used. Such schemes usually paid annuities of between 4 and 10 per cent per annum on the initial investment, often depending on the age of the subscriber. The construction of a new workhouse in St Mary Abbots, Kensington, for example, was funded in this way under local acts that allowed the parish to borrow £4,000 payable by issuing annuities for the sum of £100, with a falling rate of interest depending on the age of the subscriber.[85] Those aged 60 or above were to be repaid at a generous 10 per cent per annum, those between 48 and 60 at 9 per cent and those between 40 and 48 at 8 per cent. To limit future liabilities, no one under the age of 40 was allowed to purchase bonds. Some schemes allowed for the creation of a sinking fund used from time to time to repay the initial capital investment to subscribers and thereby reduce the overall financial liability. In St Marylebone, for example, each year bondholders' names were put into a tombola and a specified number were drawn out to be repaid, depending on the relative health of the parish finances.[86]

These kinds of arrangements were often used to pay for paving and lighting or to construct workhouses, prisons and churches – all of which required large amounts of capital. In Durham, the right to raise up to £10,000 by means of a tontine for improving streets and highways was included in the improvement act of 1790 and in Cambridge an act of 1794 allowed the corporation a similar right to raise £6,000 through the sale of tontine annuities repayable at a maximum interest of 10 per cent.[87] Other examples, many of which came from London, include the building of workhouses in St Martin in the Fields (1772), St John Hampstead (1800), Coventry (1801), and Forehoe (1814); churches and burial grounds in St Anne Soho (1802), St Marylebone (1811), Strood (1812), St George the Martyr, Holborn (1816), St Pancras (1816 and 1821) and Poplar (1817); paving, lighting and cleansing in King's Lynn (1802) and St George Hanover Square (1813). The geographical spread of these kinds of arrangements, and the fact that local acts contained a standard set of wording, suggests that tontines and annuities were common means of raising finance for a wide range of building projects that helped refashion Georgian towns and places throughout Britain.

The question arises, however, as to why parish vestries and other public bodies sought to use tontines and annuities as opposed to raising the rates or borrowing the capital. Growing populations and rising expectations

85 15 Geo III c. 54; 17 Geo III c. 64
86 Westminster City Archives, T/IV/40 St Marylebone Vestry Bonds.
87 Geo III c. 67 and Geo III c. 64.

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increased financial demands on vestries and corporations, often outpacing their ability to raise revenue for capital projects, but not all places resorted to a tontine. They were relatively expensive and committed corporations to lengthy periods of repayment. Part of the answer lies in the level of indebtedness that local corporations found themselves in. In Boston, for example, between 1801 and 1837 improvements cost over £48,000 compared to an annual rental income for the corporation of around £2,000, and tontines there were used to fund major projects.[88] Local government debt began to increase significantly in the later eighteenth century, exacerbated by inflationary pressures during the Napoleonic Wars, and vestries and corporations looked to other means to make ends meet.[89] In terms of geography, where corporations and vestries were able to raise additional funding, they did not have to rely on selling annuities to finance improvements. Some municipal corporations were relatively wealthy, including the City of London, with considerable access to property or tolls and duties that allowed them either to raise money or use it as security to fund projects. Whereas the City of London financed the construction of Newgate Gaol in the 1780s from coal duties, in the 1790s justices of the peace in Middlesex were forced to resort to a tontine to build their house of correction. Port towns, in particular, were able to generate income through harbour tolls, whereas inland places had fewer options for increasing revenue.[90] Liverpool Corporation had an income of £45,000 in the 1820s from tolls and rents, and was able to use this to improve the port.[91] Other towns were able to raise large capital sums through the sale of freedoms or borrowing against market tolls and other duties.[92] However, where these kinds of revenues were not available or were inadequate – which was true of the majority of places – or where the ratepayer base was too poor, or where local opposition to higher rates was strong, it was easier to resort to borrowing through the sale of annuities and tontines than to impose rate increases. The pattern of local government borrowing, therefore, was the outcome of a balance between economic capacity and political expediency dependent on national and local circumstances.[93]

Tontines and annuities were relatively expensive ways of raising money, committing the parish to potentially lengthy periods of repayment at comparatively high interest rates. However, over and above their political expediency they were attractive because, unlike loans, no capital ever needed to be repaid. The decision whether to use annuities or a tontine arrangement depended on local circumstances, and each offered different repayment terms. Payments to annuitants ended with the death of the

88 Dawson, 'Finance and the unreformed borough, 251–2.
89 For a fuller discussion of local government debt, see *ibid*., 250–347.
90 Langford, *Public Life*, 218–19.
91 Sweet, *The English Town*, 105–8.
92 See Dawson, 'Finance and the unreformed borough', 51–81.
93 For broader histories of taxation, see M.J. Daunton, *Trusting Leviathan: The Politics of Taxation in Britain 1799–1914* (Cambridge, 2001).

bond holder, thereby reducing the council's commitments, whereas the overall repayments on a tontine continued until the death of the final subscriber or nominee. To balance out these different kinds of borrowing, interest rates differed, tending to be higher for annuities, usually between 7 and 14 per cent, compared to tontines which normally varied from between 5 to 10 per cent.[94] In the short term, at least, tontines might have appeared relatively attractive, though in the long term they tended to be extremely costly because of the longevity of nominees. In Boston, for example, the last survivor of the 1814 tontine died in 1904, by which time the corporation had paid out £62,300 on an initial sum of £10,000.[95] Decisions to use one or other type of scheme, or indeed both, varied depending on the needs of the corporation. However, both annuities and tontines had the virtue of allowing local councils to avoid expensive loans or imposing steep rate increases. They also had the virtue of drawing on wealthy subscribers from the locality, who benefited from the high rates of interest earned from their investments, and this in turn helped to reduce ratepayer hostility against what was perceived as extravagant expenditure by unreformed and corrupt corporations and vestries.[96]

Investing in growth

Investing in annuities and tontines was one of several ways in which the middling sort could both encourage growth in the local economy and also provide long-term security for families and children. Unless the family possessed property that could generate a rentier income, upon the death of the main wage earner remaining relatives could face serious financial hardship.[97] There were enough examples of hard-up relatives in Jane Austen's writing, for example, not least her own experience of straightened circumstances arising from the sudden death of her father, to suggest that this was a common concern for middle-class families. For these professional and commercial groups, tontine subscriptions and annuities were a crucial way of saving for the future. At a time when the banking system was poorly developed, where other opportunities for life insurance and annuities were relatively limited, and where personal credit networks were insufficient, subscribing to local schemes that invested

94 Dawson, 'Finance and the unreformed borough', 336–40.

95 *Ibid.*, 346; *Boston Guardian*, 10 Dec. 1904.

96 Opposition to the payment of market tolls and other charges was common in the early 1800s. See Dawson, 'Finance and the unreformed borough', 383–99. Paying for the parish church through the rates was also a common source of complaint from dissenting ratepayers. Long-term parochial debt in the 1820s was linked to inefficiency and corruption by select vestries. See *Morning Post*, 11 Apr. 1828; Chalklin, 'The financing of church building'; D.R. Green, *Pauper Capital: London and the Poor Law, 1790–1870* (Farnham, 2010), 89–91.

97 For the ownership of real estate, see D.R. Green and A. Owens, 'Geographies of wealth: real estate and personal property ownership in England and Wales, 1870–1902', *Economic History Review*, 66 (2013), 848–72.

either in profitable projects or in the safety of the public funds promised to provide financial security and accordingly were popular, as the many schemes outlined above indicate.

As part of the wider life insurance market, tontines were popular amongst those who Clark notes comprised 'the stratum of the population which possessed affluence but lacked real wealth' – the class of professionals and commercial men, lower gentry and owners of modest amounts of property.[98] For spinsters, too, investing in an annuity or a tontine was also an important source of income in the absence of the ability to earn an adequate living through work. In the later nineteenth century, as the ownership of shares became more widespread, other more lucrative options opened up but in the eighteenth century these opportunities were far more limited and also far more local.

Compared to many assurance tontines, those involved in financing construction projects often relied on relatively large denomination subscriptions usually between £25 to £100, either paid in a few instalments or in one go, and therefore attracted relatively wealthy subscribers similar to the occupational and social groups that invested in life insurance.[99] In some of the eighteenth-century life insurance societies, 'Gentlemen and esquires' were often the largest group of policy holders – 31 per cent of Amicable Society holders, 53 per cent of London Assurance holders and 54 per cent of the Mercers Company.[100] The evidence from tontines show a similar pattern, though with some important variations depending on the kinds of enterprise and its locality. Figure 4 shows subscribers to four different tontine schemes: the Freemason's Hall in London built in 1775; the Middlesex House of Correction Tontines of 1790, 1792 and 1795; Birmingham Library, established in 1799 and the Glasgow Tontine Society of 1816. Subscribers to the Freemason's Hall included a handful of the aristocracy together with members of the lower gentry (gentleman/esquire) and those involved in trade or the professions (Mr), reflecting the likely pattern of masonic membership. Over half of those who invested in the Middlesex House of Correction were primarily from the lower gentry – gentlemen and esquires – who would traditionally have been the group from which magistrates had been drawn, together with some high-status individuals, such as Sir William Chambers, the architect of Somerset House, Sir Richard Pepper Arden, who was a Whig MP and master of the rolls and at least two admirals. The main subscribers to the Birmingham Library were drawn largely from the commercial and manufacturing elite, with only a relatively small number of professional men, gentlemen and esquires, whilst in Glasgow, the

[98] Clark, *Betting on Lives*, 156.
[99] Grady, *Georgian Public Buildings*, 69. In the West Riding of Yorkshire, a back to back house at this time would have cost around £50 and therefore subscribing this amount represented a very significant investment.
[100] *Ibid*., 159, 161–3.

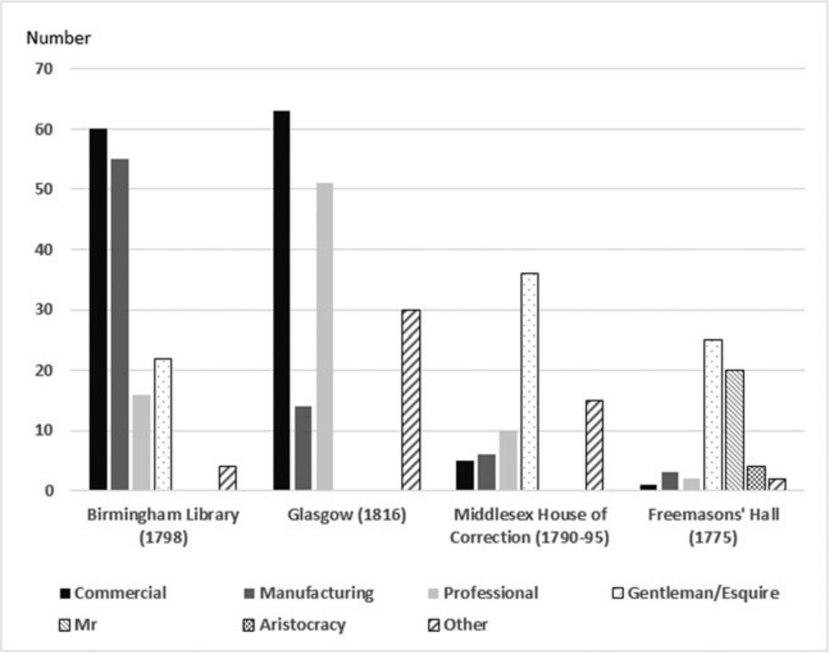

Figure 4: Social status of subscribers: Birmingham Library, Glasgow Tontine, Freemason's Hall, Middlesex House of Correction

Commercial: Apothecary, Auctioneer, Banker, Bookseller, Chemist, Coal merchant, Druggist, Factor, Flour merchant, Grocer, Gun merchant, Inn holder, Mercer, Merchant, Seedsman, Tea dealer, Timber merchant, Victualler, Wine merchant.

Gentleman: Esq., Gentleman.

Manufacturing: Brass founder, Brewer, Brush maker, Buckle maker, Builder, Button maker, Cabinet maker, Clock maker, Coachmaker, Cockfounder, Coffin furniture maker, Cooper, Cutler, Engraver, Fancy miniature maker, Fender maker, File maker, Glover, Goldsmith, Gun maker, Gunsmith, Iron Founder, Ironmonger, Japanner, Machine maker, Manufacturer, Nail founder, Patent brass cock maker, Picture frame maker, Plater, Printer, Refiner of metals, Roller of metals, Skinner, Spoon maker, Stone mason, Sugar refiner, Sword cutler, Toy maker, Type founder, Upholsterer, Wire drawer.

Other: Farmer, Spinster, Widow.

Professional: Accountant, Advocate, Banker, Chamberlain, Clerk, Doctor in Physic, Doctor of laws, Minister, Judge, Painter/drawing master, Physician, Professor, Sherriff, Surgeon, Writer (Scotland).

Source: London Metropolitan Archives, Middlesex House of Correction Tontine (1790–95); Freemason's Hall Tontine (1775); Birmingham Library Tontine (1798); *The Regulations of the Glasgow Tontine Society, Established in 1816: With Lists of the Proprietors and Nominees* (1817).

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mercantile and professional groups dominated.[101] Elsewhere, investors in building tontines were drawn from similar social groups: the largest set of investors in schemes launched in Leeds between 1819 and 1825, for example, were merchants and manufacturers followed by professional men such as doctors, lawyers and solicitors.[102]

As well as shared social status, geography also tied subscribers together. Investors in building tontines, in particular, often came from the immediate region, partly because of the local nature of much civic improvement and partly because of the way in which tontines operated. Geography was important in several ways. First, knowledge of the scheme was often passed by word of mouth or advertisement in local newspapers, particularly for some of the smaller building projects. Secondly, dividends were usually paid in person, partly to confirm the continued survival of subscribers or their nominees. Thirdly, trustees were usually elected at a meeting of subscribers and this helped to ensure that personal knowledge remained important in verifying claims for dividends. In turn, sharing locality with fellow subscribers, trustees and promoters helped to develop the bonds of trust that underpinned these kinds of schemes.[103] We can see the importance of proximity for different kinds of schemes by identifying the locations of subscribers. In the West Riding of Yorkshire, the concentration of local investors varied depending on the kind of building: all the subscribers to the new public baths in Leeds, for example, were from the town whereas only around 30 per cent of shareholders in the West Riding Proprietary School in Wakefield came from the immediate locality.[104] In the Richmond Bridge Tontines of 1777 and 1778, over 84 per cent of subscribers came from London, Middlesex or Surrey. Shares in the tontine could be purchased in Richmond as well in London (both the City of London and the West End), and for that reason attracted subscribers largely from these two areas (see Figure 5). London subscribers also accounted for over 84 per cent of those who invested in the Middlesex House of Correction Tontines of 1790, 1792 and 1795 (see Figure 6).

Local patriotism and civic pride might have motivated many to participate, but so too did economic opportunity. There were relatively few options to purchase annuities in provincial towns, especially further away from London, and these kinds of investments allowed the middle class both to promote and to take advantage of urban growth in their area – to turn bricks and mortar into a safe income for them and their families and, for a few, to make a small fortune by living longest. Even in London, with a wider range of potential sources of investments from

101 In Glasgow, the father's occupation was used where information for sons and daughters was missing.
102 Grady, *Georgian Public Buildings*, 69.
103 The question of trust is dealt with in R. Pearson, 'Moral hazard and the assessment of insurance risk in eighteenth- and early-nineteenth century Britain', *Business History Review*, 76 (2002), 1–35.
104 Grady, *Georgian Public Buildings*, 70.

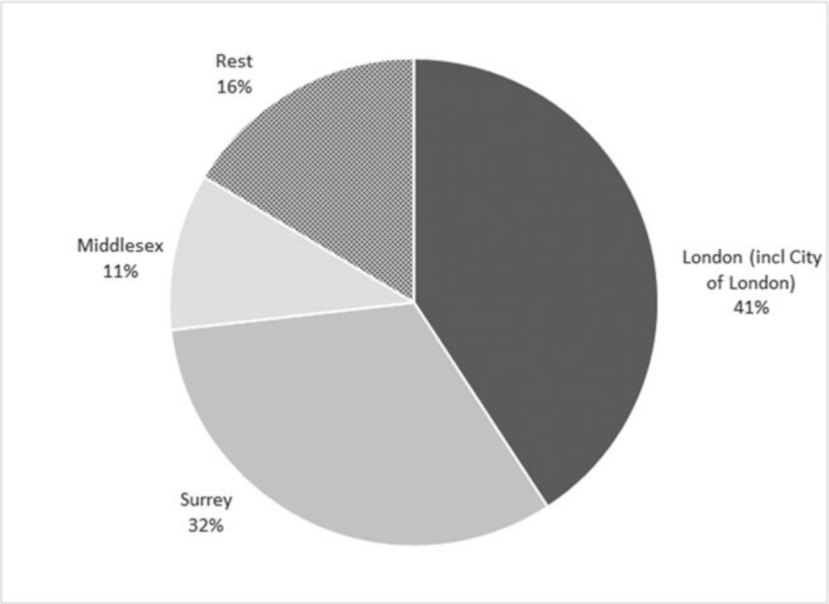

Figure 5: Subscribers to the Richmond Bridge Tontines (1777 and 1778)
Source: London Borough of Richmond Archives, Richmond Bridge Tontine 1776 and 1778, List of Subscribers and their Nominees to the Richmond Bridge Tontine.

which to choose, investing in parochial bonds and in private tontine schemes proved attractive as ways of providing incomes for middle-class households. For those living elsewhere, rapidly growing places areas, such as London, could themselves provide opportunities for investment. In this way, although the majority (15) of the 23 subscribers that put up around £7,000 to help build St Martin in the Fields workhouse in 1770 came from London, other investors had addresses in Cheshire, Hampshire, Kent, Sussex, Jersey and Scotland.[105]

Tontines in the nineteenth century

Tontines were important in the late eighteenth and early nineteenth centuries both for the dividends paid out to subscribers, and for the pooling of capital which allowed the large-scale improvement of many towns and cities in Georgian Britain. During the early decades of the nineteenth century, however, other opportunities became more widely available for corporations and vestries to borrow money at favourable interest rates and for the middle classes to invest in annuities and insure

105 Westminster City Archives, St Martin in the Fields, vestry records, annuitants 1785–1815, F4524.

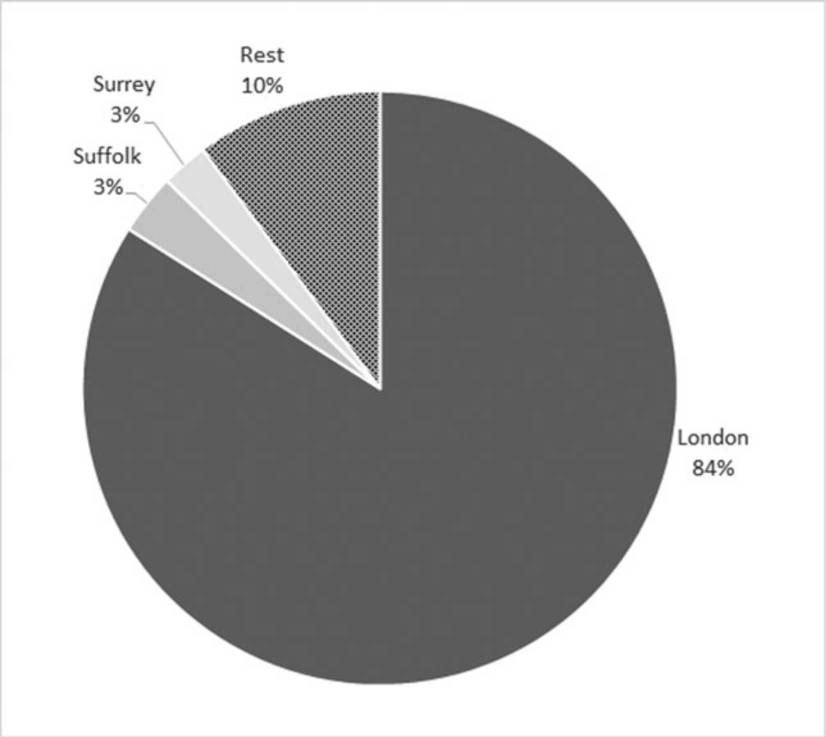

Figure 6: Subscribers to the Middlesex House of Correction Tontines 1790, 1792 and 1795
Source: London Metropolitan Archives, Middlesex House of Correction, tontine registers 1790, 1792 and 1795 (MF/T/01/001; MF/T/01/002; MF/T/01/003).

their lives. As a result the attraction of tontines waned for borrowers and lenders alike.

For the middle class, new opportunities to invest in government securities, including the possibility of swopping Consols for a government life annuity under the 1808 Life Annuity Act, and the rapid growth of life insurance offices, provided alternative ways of generating income or providing for dependants.[106] The growth of the life insurance market was particularly important in this respect. Life insurance policies, which paid out at death, provided a certainty of return and as such could be used both to provide for the future but also as collateral against

[106] For the 1808 Life Annuity Act, see C. Rothschild, 'Adverse selection in annuity markets: evidence from the British Life Annuity Act of 1808', *Journal of Public Economics*, 93 (2009), 776–84. Under this act, annuities were repaid under very similar terms to tontines. For the decline of tontines as a form of mutual life assurance, see T. Alborn, 'The first fund managers: life insurance bonuses in Victorian Britain', *Victorian Studies*, 45 (2002), 65–92.

borrowing, and in that respect they had an advantage over tontine shares, the returns of which were anything but certain.[107] The rising value of insurance policies was an important attraction, particularly as companies shared bonuses arising from surplus profits with their policy holders, a practice that had first been introduced by the Equitable but which soon spread to other institutions.[108] As Alborn notes, as a result of bonuses, an insurance policy taken out with the Equitable in 1770 for £1,000 had increased in value to £3,900 by 1807 – a handsome rate of return compared to many tontines. Alborn also notes that by 1840, at least 50 of the 64 proprietary life offices were returning around a third of their surpluses to policy holders and by 1860 this proportion has risen to four-fifths.[109] Such increases had two effects: first, it led to a substantial growth in the number of policy holders, drawing custom away from tontines in the process, and, secondly, it encouraged the formation of new life insurance offices, including several outside London.[110] From the early 1800s, life insurance companies grew at an extremely rapid rate, drawing their subscriber base from the same pool of middle- and lower-middle-class individuals as had tontines, particularly in the provinces where farmers, retailers and professional groups often formed the bulk of policy holders.[111] The number of life offices grew from 6 in 1800 to around 150 by 1850, with the total sum insured also rising from about £10 million in 1800 to £150 million by 1852, and although London still garnered the lion's share of the market, nevertheless there were some important provincial offices, such as the Norwich Union or the Manchester Fire and Life Assurance Company, with a strong regional presence.[112] In this highly competitive market for middle-class investors, tontines found themselves squeezed out and although they did not disappear, they declined in importance.

Tontines also had their own problems. They were inherently difficult, and therefore costly, to administer. Although many schemes drew on local subscribers who were known to each other, it was not always easy to prove the continued survivorship of the life on which the share was held and forgery was a constant concern.[113] Trustees sought to guard against this by requiring the subscriber to appear in person to collect their dividend or to produce a certificate to vouch for the survival of the nominated life signed by a churchwarden or minister, or a justice of the peace. Even so, it was by no means easy to keep track of subscribers, particularly where shares had been sold on or subscribers had moved. Dividends were payable on a

107 R. Pearson, 'Thrift or dissipation? The business of life assurance in the early nineteenth century', *Economic History Review*, 43 (1990), 242.
108 Alborn, 'The first fund managers', 67.
109 *Ibid*., 72.
110 *Ibid*., 70–1.
111 Pearson, 'Thrift or dissipation', 250.
112 R. Ryan, 'The early history of the Norwich Union Life Insurance Society, 1808–37', *Business History*, 28 (1985), 166–96.
113 McKeever, 'A short history of tontines', 495.

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regular basis but where subscribers failed to appear, trustees were forced to advertise for their whereabouts. The rules of the Forehoe Workhouse Tontine, for example, stipulated that if a dividend remained unclaimed for two years, a notice had to be sent to the last known abode of the nominee, and if they had moved abroad, as was the case with Elizabeth Gooch who had married and moved to Jamaica, or John Day and William Bowen, who had disappeared presumed perished in a shipwreck, a notice had to be inserted in the newspapers. After a further year, if the dividend still remained unclaimed, it was then assumed that the nominee had died and the shareholder was no longer entitled to receive further payments.[114] In 1878, the Swansea Theatre Tontine Society still had 128 shareholders but the whereabouts of 99 were not known and advertisements had to be placed in national and local newspapers informing subscribers of a dividend payment at a cost of £350.[115] This process was both cumbersome and costly but the many notifications in the press relating to tontine payments bear witness that these were not isolated cases and as personal mobility increased, so the scale of the problem grew.

Tontines also fell out of favour on grounds of prudence and morality. Compared to life insurance, the rewards for owning tontine shares were uncertain and carried less moral authority, depending entirely on the ability to survive rather than on prudent investment. Benefiting fully meant outliving fellow subscribers, whose premature death would benefit the remaining investors, many of whom would have been neighbours and kin. Compared to other kinds of mutual insurance schemes, in which each and every member reaped the rewards of their investment, the main beneficiaries of tontines were those with extreme longevity. According to one critic, they were based on 'no higher motive than a speculative avarice, looking for gain by the premature death of a neighbour, or the chance of possessing the whole annuity by becoming the survivor of the class'.[116] Such moral concerns, however, did not stop the Sion College fund for clergymen's widows from being restructured in 1795 as a tontine.[117] Critics also claimed that tontines transferred money from the weak and infirm to the rich and healthy, that the benefits arrived too late in life to be enjoyed and that elderly subscribers would be preyed upon by greedy family members. They were, according to Compton, comparable to a lottery in

114 *Norfolk Chronicle*, 25 Jan. 1794, 16 Jan. 1796.
115 G. Bridges and S. Thomas, 'A tontine, a theatre and its thespians: the Swansea Theatre, 1805–1899', *Gower*, 45 (1994), 45.
116 Compton, *Treatise on Tontine*, 10.
117 Commission of Inquiry into Charities in England and Wales: Thirty-Second Report, Part VI (City of London; General Charities, Essex); 32 – Part VI. Report of the Commissioners Appointed in Pursuance of an Act of Parliament Made and Passed in the 5th and 6th Years of King William the 4th, c. 71, Intituled, 'An Act for Appointing Commissioners to Continue the Inquiries concerning Charities in England and Wales, until the First Day of March One Thousand Eight Hundred and Thirty-Seven', 1840, Command Papers 219, 827. See F. Hendriks, 'Contributions to the history of insurance and the theory of life contingencies', *The Assurance Magazine and the Journal of the Institute of Actuaries*, 3 (1853), 116.

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which there were many small prizes but only one very large one that fell, eventually, to the final longest living survivor or their nominee.

From the promoter's point of view, tontines could also be problematic. They created an uncertain and potentially lengthy future liability that remained intact until the last survivor died. Actuarial tables consistently underestimated the longevity of subscribers, meaning that profits arising from survivorship were less than promised and the financial liability more prolonged.[118] It was not until 1789, for example, that the last nominee in the King William's tontine of 1693 died, and of the 3,518 nominees in the Great English tontine of 1789, over two-thirds were still alive in 1826.[119] By overstating death rates, prospectuses tended to exaggerate the likely benefits for survivors and over time this became increasingly clear, reducing the attractiveness of investing.[120]

For local government, alternative sources of lending emerged, notably the Public Works Loan Board (PWLB) from 1817 that could provide loans for public works at prevailing market rates of 5 per cent, comparable to the nominal rates that many tontines paid out to their subscribers. Between 1817 and 1834, the PWLB lent £4.8 million, over a third of which was for civic improvements, representing a 5 per cent increase in civil government expenditure.[121] In subsequent decades, however, the PWLB increased the scale of its lending and lowered its interest rate to 4 per cent, a figure that tontines and other lenders could not match.[122] At the same time, the extension of more democratic franchises for local government in the 1820s and early 1830s led to improved representation, resulting in the spread of what Prest has termed 'ratepayer democracies', and this in turn removed some of the opposition to borrowing against the rates that had existed when the franchise was more restricted and corporations more corrupt. An important outcome of these changes occurred in 1833 with the new Lighting and Watching Act for England and Wales which allowed parishes to levy a rate with the consent of ratepayers, avoiding the need for costly local acts and having to resort to the issuing of bonds or the setting up of a tontine to fund civic improvements.[123]

Nevertheless, although their popularity waned it did not disappear and tontines continued to be established in the second half of the nineteenth century both for mutual assurance and also for financing a variety of

118 For a discussion of this, see C. Turnbull, *A History of British Actuarial Thought* (London, 2017), 37–80.

119 A. Scratchley, *Industrial Investment and Emigration: Being a Treatise on Benefit Building Societies, and on the General Principles of Associations for Land Investment and Colonization* (London, 1851), 177.

120 An even more extreme criticism was that tontine schemes created an incitement to murder, thereby providing the plot for several nineteenth-century thrillers – including *The Wrong Box*, a second-rate novel co-written by Robert Louis Stevenson – though there was no evidence that this situation ever arose.

121 Webster, 'The Public Works Loan Board', 892, 896.

122 *Ibid*., 897–9.

123 See J. Prest, *Liberty and Locality: Parliament, Permissive Legislation and Ratepayer Democracies in the Nineteenth Century* (Oxford, 1990), 9–11.

other projects, including new buildings. In Ireland, the tontine set up in 1834 to develop six buildings in Pery Square, Limerick, included 89 subscribers, the last six of which would take ownership of one of the six houses.[124] In Folkstone in 1849 the Tontine Building Company raised £50,000 from 500 members to build a street and in Margate in 1860 the Royal Crescent Tontine was set up to build 18 first class houses complete with private grounds and baths.[125] Building tontines were also used to help finance some significant projects in London, including Alexandra Palace and the new Tontine Chambers in Westminster, a building that contained over 500 offices for lawyers and parliamentary agents and which was erected in 1863 at a cost of around £200,000.[126] Mutual assurance schemes similarly continued to be established. Witnesses at the Royal Commission on Friendly Societies ruefully remarked that working-class areas of Liverpool in the 1870s were 'terribly infested with tontine or dividing societies, which are one of the greatest evils in connexion with friendly societies'.[127] And in Dublin, there could have been as many as 200 of these societies functioning as late as 1911.[128]

Conclusion

Civic improvement and urban growth came at a cost and were predicated on the ability to raise finance from local sources. This involved a variety of private and public forms of borrowing but as the scale of construction increased, so it became more common to resort to tontines and the sale of bonds to finance improvements. The evidence presented here shows that in terms of numbers, geographical spread and scale, these schemes were neither as rare nor as residual as historians have suggested. For several decades from the 1770s through to the 1820s, investing in tontines was seen as a potentially lucrative investment for those with some money to spare, particularly in provincial towns where access to alternative means of securing the future was more limited than in the capital. Taking advantage of the growing market for investing in government debt in the 1780s and early 1790s, assurance tontines spread rapidly but when they failed to deliver the promised returns, promoters and investors turned to alternative ways of generating income from urban expansion.

124 See McKeever, 'A short history of tontines'.

125 E. Chancellor, *Spectator*, 24 Mar. 2001, 14; Margate Royal Crescent Tontine Company, Ltd (1860).

126 *The London Journal, and Weekly Record of Literature, Science, and Art*, 28 Nov. 1863; *The Observer*, 1 Oct. 1871.

127 PP, *Second Report of the Commissioners Appointed to Inquire into Friendly and Benefit Building Societies. Part I. Report of the Commissioners on Benefit Building Societies. With Reports of Assistant Commissioners*, 1872, XXVI, q. 2409.

128 A.D. Buckley, '"On the club": friendly societies in Ireland', *Irish Economic and Social History*, 14 (1987), 49. See also R. Dudley, 'The rise of the annuity company in Dublin 1700–1800', *Irish Economic and Social History*, 29 (2002), 1–22.

Both assurance and building tontines were based on the same principle of survivorship but they had distinctive and contrasting chronologies. The crowding out of private bank lending and the falling profitability of assurance tontines helped to elevate the attractions of building schemes which could promise a more secure revenue stream with the likelihood of capital growth, especially where places were expanding and trade was increasing. This was particularly true in the provinces where, in comparison to London, other forms of purchasing annuities or investing in life insurance were limited. From the 1790s, therefore, as the price of Consols declined, building tontines became one of the prime ways of financing large civic building projects and as such underpinned much of the improvement that took place in late eighteenth- and early nineteenth-century Britain.

Although tontines provided numerous opportunities to finance urban improvements, their popularity was relatively short lived. The expansion of the life insurance market and other opportunities to invest in shares drew middle-class investors away from these kinds of schemes which depended on little more than the luck of longevity. For developers, the growth of a more secure banking sector from the 1830s able to lend at competitive rates of interest provided alternative sources of borrowing. For local government, new sources of borrowing also emerged and with the growth of more democratic forms of local government franchise, opposition to using the rates to fund civic improvements waned, and so, too, did the need to resort to tontines or the sale of parish bonds to fund improvements. But, for a brief time, tontines offered a potentially profitable opportunity to generate an income from urban growth and an attractive means by which private developers and civic leaders alike could embellish their towns with the facilities that could improve trade and enhance the public realm.

Appendix 1: Tontines 1770–1829

Note on sources and methodology

The list of tontines was compiled using a keyword search (=tontine) for the British Library Newspaper Archive, digitized and available from www.findmypast.co.uk. The archive itself covers a large number of national and provincial newspapers and is continually expanding its coverage. The work undertaken for this research took place between January and June 2018. Other sources were also used including the Gale Eighteenth Century Collection online; Gale Newsvault (www.gale.com/uk/primary-sources/historical-newspapers) which includes the Burney Collection of Seventeenth and Eighteenth Century Newspapers and *The Times* from 1785; British History Online (www.british-history.ac.uk/); Journal of the House of Commons; and various British Parliamentary

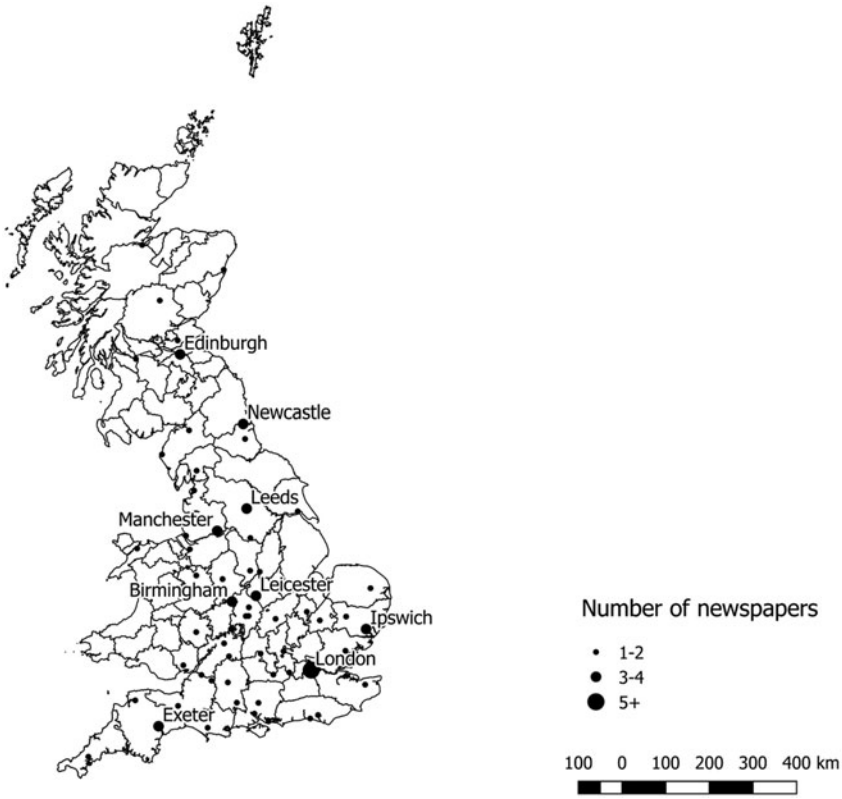

Figure 7: Newspaper place of publication, 1770–1829
Source: www.findmypast.co.uk/.

Papers. The number of newspapers included in this research is shown by decade in the following table:

	1770–79	1780–89	1790–99	1800–09	1810–19	1820–29
England and Wales	23	26	36	55	71	102
Scotland	3	3	3	4	6	9
Total	26	29	39	59	77	111

Most English counties had at least one newspaper in the database although gaps in coverage existed. Figure 7 shows the geographical spread of newspapers included in the database. The home counties within a day's ride from the capital were served by metropolitan newspapers and therefore tended not to have their own. Newspapers were also absent from

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much of Wales, with Bristol papers serving that region. Where tontines were smaller, however, the existence of a local paper was important for determining their existence and therefore it is likely that the number of these kinds of schemes is an underestimate. However, because some of the larger regional and national assurance tontines depended on generating a large subscriber base, they were often advertised widely in newspapers that were published at a distance from their actual location and therefore we are not necessarily dependent on the publication of a local newspaper to identify their existence. Adverts for the Doncaster Universal Tontine, for example, established in 1788, appeared in newspapers published in Derby, Leeds, Manchester, Newcastle, Norwich and Whitehaven while larger tontines, such as the London, Westminster and Southwark Tontine of 1799, appeared in papers published in places as far apart as Aberdeen and London. The practice for newspapers to fill column space by copying news from elsewhere also helped to advertise the existence of tontines well beyond their actual place of operation.

The full list of tontines is provided below.

Place = Place of foundation of tontine or location of secretary

Name = Name of tontine

Year = Likely year of foundation

Type = Mutual assurance, building or local government

Details = Details of the tontine's main purpose if not assurance, where known

Value (£) = Actual or proposed amount to be raised as specified in tontine publicity; where the sum is known to have varied over time, a range is given

Place	Name	Year	Type	Details	Value (£)
Aberdeen	Lochlands Tontine	1817	Assurance		
Andover		1799	Assurance		
Ardrossan		1800?	Building	Public baths	
Banbury	Banbury Tontine Society	1788	Assurance		
Bath		1774	Building	Assembly room	5,000
Bath		1779	Building		31,500
Bath		1789	Assurance		12,000
Bath	Bath Universal Tontine Society	1789	Assurance		6,015
Bath	Bath Tontine for the Benefit of Families and Friends of Deceased Members and Likewise for Survivor-ship	1789	Assurance		31,500
Bath		1790	Building	Laura Street Chapel	
Bath	Bath Five Year Tontine	1790	Assurance		10,000

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Place	Name	Year	Type	Details	Value (£)
Bath	Royal Universal Tontine founded 16 Dec. 1791	1791	Assurance		
Bath		1797	Assurance		
Bath		1803	Assurance		30,000
Bath		1804	Building	Theatre	
Bath		1805	Building	Theatre Royal	
Bath		1809	Building	Norfolk Crescent	15,750
Bath		1810	Building	Lancastrian Free School	
Bath		1822	Building	Freemason's Hall	
Birmingham		1772	Building	Hotel	
Birmingham		1793	Assurance	Mortuary	
Birmingham		1798	Building	Courthouse	
Birmingham		1799	Building	Library	
Boston	Boston Tontine Society	1791	Assurance		
Boston		1803	Local government finance	Improvement	3,000
Boston		1807?	Building	Bridge	
Boston		1813	Local government finance	Improvement	10,000
Bristol	Bristol Universal Tontine founded 17 Aug. 1789	1789	Assurance		
Bristol	St James Tontine Association	1789	Assurance		
Bristol	Royal Universal Tontine	1791	Assurance		

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Place	Name	Year	Type	Details	Value (£)
Bristol	British Tontine Society	1791	Assurance		
Bristol	Lewins Mead Tontine	1792	Building	Warehouse	
Bristol	Equitable and Universal Tontine	1792	Assurance		
Bristol	New British Tontine	1792	Assurance		
Bristol		1795		Letting of land for building	
Bristol		1825	Building	Sale of brewery	
Bristol		pre1800	Building	Merchant Tailor's hall	
Cambridge	Cambridge Corporation	1794	Building		
Canterbury		1824	Building	Market	
Carlisle	Cumberland Tontine	1790	Assurance		
Chelmsford	Chelmsford Universal Tontine Society	1790	Assurance		
Chelmsford		1805	Building	Hotel	5,000
Cheltenham		1805	Building	Theatre	
Cheltenham		1809	Building	6 detached villas	15,000
Cheltenham		1810	Building	12 houses Cambray Street	30,000
Cheltenham		1815	Building	4 houses Cambray Street	11,000
Chester		1789	Assurance		6,679
Chester	Mentor Tontine	1811	Assurance		
Chichester		1791	Building	Chichester Theatre	

Place	Name	Year	Type	Details	Value (£)
Chorley	Chorley Tontine Society	1791	Building		
Cirencester		1802	Building	23 houses	
Coventry		1801	Building	Workhouse	
Cupar		1813	Building	Inn and hotel	
Dawlish		1812	Building	Hotel	
Derby		1790	Assurance		
Doncaster	Doncaster Universal Tontine	1788	Assurance		
Dover	Dover Tontine Society	1790	Assurance		
Dublin		1776	Assurance	Life annuities	
Dublin		1791	Assurance		
Dublin	City of Dublin Tontine	1815	Assurance		
Dundee		1792	Building	Inn and tavern	4,000
Eccles	Eccles Tontine	1790	Assurance		
Edinburgh	Caledonian Tontine	1790	Assurance		
Edinburgh	Goerge Street Tontine	1792	Building	George Street Hotel	6,030
Edinburgh	Fortune's Tontine Inn and Hotel	1796	Assurance		
Edinburgh		1823	Building	Union Club House	
Edinburgh	Medical Provident Institution of Scotland	1826	Assurance		
Exeter		1789	Assurance		
Exeter		1797	Assurance		
Exeter	Grand West of England Society (formerly General Tontine Society)	1811	Assurance		

Place	Name	Year	Type	Details	Value (£)
Exeter	Exeter Corporation	1820	Building	Market	
Exeter		1829	Building	Exeter Canal	
Forehoe		1776	Building	Workhouse	11,000
Fosdyke		1815	Building	Fosdyke Bridge	
Frome		1789	Assurance		
Gainsborough		1795	Building	School room	
Glasgow		1781	?		
Glasgow		1796	Building	Assembly room	
Glasgow		1796	Building		
Glasgow		1802	Building	Theatre	
Glasgow		1816	Assurance		20,000
Glasgow	Equitable Tontine Society	1825	Assurance		
Gloucester		1785	Building	Market	
Gosport		1802	Building	Market	
Greenock		1800?	Building	Hotel	
Greenock		1802	Building	Theatre	
Hammersmith		1818	Building	Proposed bridge	
Hampstead		1800	Building	Assembly room	
Hampstead		1800	Building	Workhouse	
Hanley		1796	Building	Inn	
Harrogate		1820	Building	Lodging houses	7,000
Hartmere		1780	Building		
Holborn		1816	Building	Church (Holborn)	
Hull		1794	Building	Parliament Street	2,000
Hull		1800	Building	Lease of theatre	
Hull		1806	Building	Lease of Humber Bank baths	3,000
Hungerford	Hungerford Universal Provident Society	1789	Assurance		

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Place	Name	Year	Type	Details	Value (£)
Ingleby Arncliffe	Cleveland Tontine Inn	1804	Building	Inn	
Ipswich	Ipswich Universal Tontine	1790	Assurance		
Ironbridge		1784	Building	Hotel	
Isle of Sheppey		1825	Building	Bridge across Swale	
Kew		1785	Building	Kew Bridge	16,000
King's Lynn		1803	Local government finance	Improvement	
Kingston on Hull		1806	Building	Market	
Kingston on Hull		1810	Local government finance	Improvement	1,000
Leeds		1824	Building	Central market	
Lichfield	Lichfield and Stafford-shire Tontine	1790	Assurance		
Liverpool		1780?	Building	Housing	
Liverpool		1795	Building	Theatre	5,000
Liverpool		1798	Building	Library	
Liverpool		1800?	Building	Colquitt Street	
London		1776	Building	Freemason's Hall	5,000
London		1777	Building	Workhouse	
London	London and Middlesex Universal Tontine	1790	Assurance		
London	City of London, Westminster and Southwark (second)	1791	Assurance		

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Place	Name	Year	Type	Details	Value (£)
London	City of London, Westminster and Southwark (third founded 14 July 1795)	1795	Assurance		33,000–65,124
London		1797	Building	Docks	816,000
London	City of London, Westminster and Southwark New Universal Tontine	1798	Assurance		
London	New Tontine with mortgage security	1799	Assurance		25,000
London		1801	Assurance		48,000
London	City of London, Westminster and Southwark Fifth Universal Tontine founded 3 Feb. 1803	1803	Assurance		
London		1803	Assurance		30,000
London	Third Universal British Tontine	1805	Assurance		
London		1808	Building	Covent Garden Theatre	
London		1811	Building	Italian opera house	200,000

Place	Name	Year	Type	Details	Value (£)
London		1811	Building	Church	
London		1812	Local government finance	Paving, lighting, cleansing	
London		1813	Local government finance	Paving, lighting, cleansing	
London		1816	Building	Rectory	
London		1817	Building	Regent's Canal	
London		1820	Building	Southwark Bridge	
London		1821	Building	Burial ground	
London		1825	Building	New street to Southwark Bridge	
London		1826	Local government finance	Paving, lighting, cleansing	
London		pre 1805	Building	Theatre	
London (Middlesex)		1790	Building	Prison	30,000
London, Birmingham, Bristol, Bath	Universal Tontine Society	1789	Assurance		
London, Birmingham, Bristol, Bath	British Metropolitan Tontine	1821	Assurance		500,000
Macclesfield		1795	Building	Inn	
Maidstone		1792	Assurance		
Maidstone		1824	Building	Market place	
Manchester		1791	Building	Hanover Street	
Melksham		1814	Building	Hotel	
New Shoreham		1784	Building	Bridge	5,000
Newbury	Newbury and Speenham-land Universal Tontine Society	1789	Assurance		

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Place	Name	Year	Type	Details	Value (£)
Newcastle		1793	Building	Inn, tavern and hotel	
Newcastle		1797	Local government finance	Improvement	14,000
Newcastle		1809	Building	Wearmouth Bridge mortgage	30,000
Northampton		1800	Building	George Inn	4,000
Northampton		1804	Building	Theatre	1,500
Northampton		1812	Building	Northampton Society for the Education of the Poor (school)	1,200
Nottingham		1829	Building	Hotel	20,000
Paddington		1824	Local government finance	Paving, lighting, cleansing	
Perth		1806	Building	Coffee house, hotel, tavern	
Plymouth		1804	Building	Market place	10,000
Plymouth		1810	Building	Public library	
Plymouth		1810	Building	Ballroom, theatre, hotel	30,000
Poplar		1817	Building	Church	
Rhyll		1829	Building	Hotel	
Richmond		1777	Building	Bridge	25,000
Rochester		1791	Assurance		
Rotherhithe		1816	Building	Bridge	
Rotherhithe		1817	Building	Proposed bridge	
St Andrews		1811	Building	Hotel	
Salford	New Windsor Tontine Society	1790	Building		
Salford		1797	Assurance		
Salford	Islington Tontine	1797	Building		
Salisbury		1811	Building	School room	
Sheffield		1780?	Building	Inn	

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Place	Name	Year	Type	Details	Value (£)
Sherborne		1789	Assurance		
Shoreham		1781	Building	Bridge	5,000
Southampton		1803	Building	Southampton and Salisbury Canal	
Strood		1812	Building	Workhouse	
Stroud	Philanthropic, Universal, Perpetual Tontine Woollen Manufactory	1807	Building		
Swansea		1804	Building	Public rooms and theatre	
Taunton		1818	Building	Taunton Crescent	8,000
Taunton		1822	Building	Hestercombe estate sale	
Tewkesbury	Regency Tontine Society	1811	Assurance		2,000
Trowbridge	Trowbridge Provident Society	1789	Assurance		
Trowbridge	General Western Tontine	1792	Assurance		
Truro		1810	Assurance?		
Uxbridge		1785	Assurance		30,000
Uxbridge	Uxbridge Universal Tontine	1791	Assurance		
Wallingford	Wallingford General Tontine Society	1789	Assurance		
Wallsend		1807	Building	Church	
Wanstead		1790	Building	Church	
Westminster		1825	Local government finance	Paving, lighting, cleansing	
Wiltshire turnpike		1790	Building	Turnpike tontine to build an inn	

Place	Name	Year	Type	Details	Value (£)
Winchester	Winchester and Hampshire Tontine or Provident Society	1789	Assurance		
Winchester	General Tontine Society for South and Western Counties	1792	Assurance		
Winchester		1795	Assurance		
Wirksworth	Wirksworth General Provident Society	1791	Assurance		
Worcester		1780	Building	Theatre	
Worcester		1790	Assurance		
York	Yorkshire Tontine	1790	Assurance		

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