

# North East Derbyshire Industrial Archaeology Society



## NEDIAS Supplementary Newsletter – September 2020

Price: £2.00 (Free to Members)



Whilst the Committee have taken the difficult decision to cancel all remaining meetings for the foreseeable future we thought that our membership may appreciate an occasional supplementary Newsletter based on previously published articles that you may have missed.

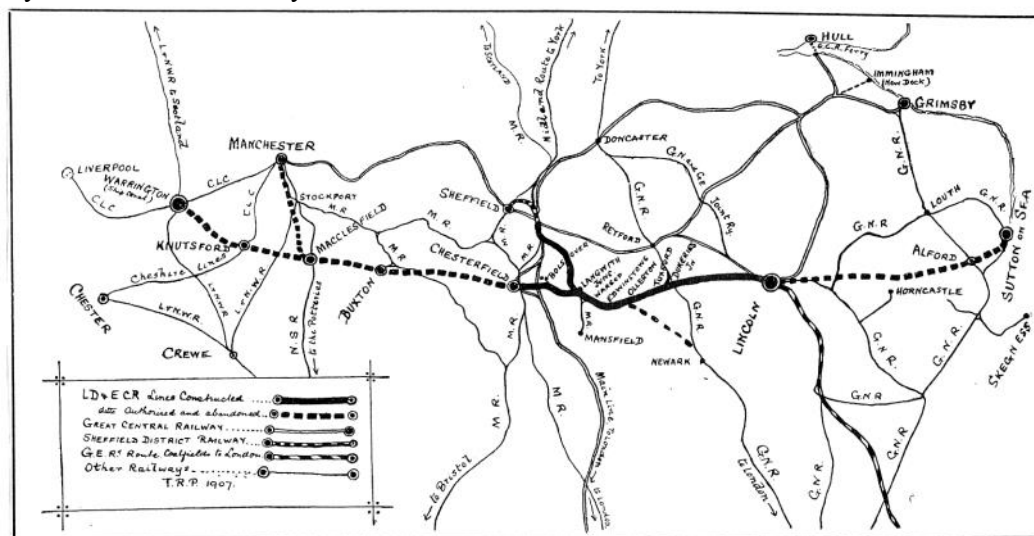
### The Lancashire, Derbyshire & East Coast Railway; an independent railway developed in the latter part of the 19th century.

*The late David Wilmot*

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#### The Case for the Railway

Railways developed in the first half of the nineteenth century have been well scrutinised by railway and economic historians. We have become familiar with the meritorious achievements or notorious failures of Britain's early railway pioneers. Yet the late Victorian age, from around 1870, also saw significant works completed by new, independent railways. Although generally regarded as the period by which the final fabric of the railway system in terms of network, organisation and traffic patterns had been laid down, changes were constantly taking place in its structure.<sup>1</sup> New schemes were still promoted, still fraught with financial risk. One such venture was the Lancashire, Derbyshire and East Coast Railway. Enacted in 1891 and opened for traffic in 1896, it was taken over by the Great Central Railway in January 1907 after just ten years of operation.<sup>2</sup> The LD&EC had a short but memorable life which deserves examination for its contribution to the historiography of Britain's railways.



MAP OF THE LANCASHIRE, DERBYSHIRE AND EAST COAST RAILWAY.

1. Gourvish T R, *Railways and the British Economy, 1830-1914*, (London, 1986), p.41.
2. Lancashire, Derbyshire & East Coast Railway Act, 5 August 1891, 54 & 55 V, Ch.189; also Great Central & Lancashire, Derbyshire & East Coast Railways Act, 20 July 1906.

By the time of the LD&EC, the capital market was dominated by a large number of long-established, heavily capitalised railway companies against whom it had to compete not only for funds but also for its aim of independent operation. Freight rates were already well established and fiercely negotiated in a highly competitive environment, increasingly regulated by the state.

As originally planned, the LD&EC was to be an east-west line, linking the Derbyshire coalfields to the Manchester Ship Canal at Warrington as well as to a planned but as yet unbuilt port on the Lincolnshire coast at Sutton-on-Sea. In the west there was to be branch towards Manchester, while in the east the company was empowered to take over the Great Northern operated Sutton & Willoughby Railway along with its Sutton dock scheme. An earlier connection, enacted to connect the north Nottinghamshire coalfield to the Great Northern, the Newark & Ollerton Railway, was also conjoined to the LD&EC. Although Parliament approved the construction of more than 170 miles of railway, only 58 miles of the main line and branches between Chesterfield and the western outskirts of Lincoln would be opened.<sup>3</sup>

The LD&EC was to be notoriously impecunious, avoiding bankruptcy but being dubbed by Simmons as “a pretentious and feeble failure”.<sup>4</sup> It is very likely that ordinary shareholders held similar views when they failed to obtain any dividends during the life of the LD&EC. Preference shareholders hardly fared better, receiving dividends only in its last years.<sup>5</sup> But while Simmons looks at the case as a railway historian, it must be remembered that the railway’s shareholders were not the only potential beneficiaries from the LD&EC’s activities. The coal-owners of north east Derbyshire, whose burgeoning and very profitable output was consigned along its tracks, could not have regarded the LD&EC as a failure.

Up to the late 1880s, north east Derbyshire was dominated by the Midland Railway whose main line between Birmingham and Leeds, via Derby, Chesterfield and Rotherham, had opened in 1840.<sup>6</sup> The Midland was at that time contemplating the opening of a more direct cross-Pennine line with the Dore & Chinley Railway between Sheffield and Manchester, instead of its Ambergate, Matlock and Millers Dale route. The Manchester, Sheffield & Lincolnshire Railway (MS&L) crossed the Pennines further north by the Woodhead route but, until it started its southward thrust to London in 1889, with the line from Beighton (near Sheffield) to Annesley (north of Nottingham), it had very little direct contact with the Derbyshire coalfield.<sup>7</sup> A third railway, the Great Northern, had preceded the MS&L’s foray with the build up of its network in the adjoining Nottinghamshire coalfield from the 1870s. Yet another, the Great Eastern Railway, had already encroached upon the south Yorkshire coalfield by means of its joint line with the GNR via March and Lincoln to Doncaster. It was to increase its access to coal by an investment in the LD&EC, a package that included running powers to Chesterfield, two directors on the Board and the transfer of one Harry Willmott from Liverpool Street to Chesterfield as the LD&EC’s general manager.

A significant reason for the interest of all these companies in the north Derbyshire area was the growth of coal production by the exploitation of rich, but deep seams. The “Top Hard” seams were of high quality steam coal, often over six feet thick, but from Chesterfield eastwards the seams steadily deepened. Development of these seams, often more than a thousand feet below ground, was only made possible by advances in coal mining technology towards the close of the nineteenth century. The advent of mechanical coal-cutting equipment, powerful ventilation systems, heavy-duty winding gear, improved underground haulage systems, coupled with the availability of electricity underground, allowed such mines to be developed. The initial economic consequence of these advances was the need for a higher level of capital investment coupled with a wider and more assured market for the collieries’ output to safeguard the funds invested. Since the cost of transport from pit-head to customer was a major part of the price to users, keeping these costs competitive was all-important to the coal-owners and producers.<sup>8</sup>

Here was a clear business opportunity for the railways. But the relationship between the two industries, railways and coal, was double-edged. Gourvish refers to it as an inhibiting effect on the development of the former, described as “the drag of inter-relatedness”.<sup>9</sup> The railways were both dependent upon the coal

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3. Simmons, Jack, *The Railway in England & Wales, 1830-1914*, Leicester, 1978, pp90-92.

4. Ibid.

5. Board of Trade Returns, 1891-1906, Summary Table I, held at National Railway Museum Library, York.

6. Awdry, Christopher, *Encyclopaedia of British Railway Companies*, London 1990, pp 94 & 96.

7. Leleux, Robin, *A Regional History of the Railways of Great Britain, Vol. IX, The East Midlands*, Newton Abbot, 1984 and Manchester, *Sheffield & Lincolnshire Railway Act of 1889*

8. *Derbyshire Times*, 19/10/1895, p8, col.1, Presidential address of Emerson Bainbridge to I.Mining.E., Chesterfield & Midland Counties branch.

9. Gourvish, 1986, p41

industry for their motive power and derived a very large part of their mineral traffic from the colliery companies. For example, in 1900 the Staveley Coal and Iron Company was raising two million tons of coal from its Derbyshire and Nottinghamshire collieries, selling 14% of its output, some 280,000 tons, for the fuelling needs of the Midland, the Great Central and Great Eastern companies alone.<sup>10</sup> While use of such high tonnages of coal placed the railway companies in a relatively strong position for purchasing their own coal requirements, they were weakened commercially by their dependence on the economic cycle of the coal industry.

The business opportunity for the LD&EC was the potential coal traffic from the north Derbyshire coalfield but the case for the railway was otherwise unproven. To balance that risk, investors needed convincing of the likelihood of a significantly higher return on their capital than that in prospect from the existing companies. The dichotomy was the LD&EC's coal-owning promoters' perception that creation of their independent railway would result in movement of their coal at lower cost.

Competition between railway companies was, however, not the sole arbiter on cost of transport. Around 1886 some two-fifths of all coal carried to London by rail came from Derbyshire but this was at a cost of around 7s.9d. (38.75p) per ton, yet shipping coal to London by sea from the Tyne cost just 5s. (25p) per ton, a distinct disadvantage for the land-bound Derbyshire coalfield.<sup>11</sup> To set the transport cost in context, the average prices of Derbyshire coal at the pit-head in 1888 and 1889, were 5s.6d (27.5p) and 7s.9d (38.75p) per ton, in other words at least half the price of coal to buyers in London.<sup>12</sup>

Derbyshire was not helped by the consequences of the Railway and Canal Traffic Act of 1888. This allowed the railways to charge a maximum rate of 7s.7.1/2d [38p] per ton for carriage of its coal to London, a rate all railway companies then serving Derbyshire applied en bloc from 1st January 1893.<sup>13</sup>

### **Interplay of Coal and Railway Interests**

Whatever the general case, the hand of the coal interests was apparent everywhere in the case of the LD&EC. William Arkwright was its first chairman, and owner of the 5,300 acre coal-rich Sutton Scarsdale estate. Arkwright was the exception amongst his peers in that he was to become a major holder of LD&EC ordinary shares.<sup>14</sup> However, the enthusiasm of the majority of coal interests to seek the new railway would be commendable if their own financial contributions had matched their other efforts in promoting the scheme. The stance of Emerson Muschamp Bainbridge typifies their attitude. Questioned in Parliament in 1891 about funding of the LD&EC, Bainbridge referred to his money being "sufficiently called upon" in development of the coal mines.<sup>15</sup> Despite just a modest investment in the line, Bainbridge succeeded Arkwright as LD&EC chairman as early as 1892, while at the same time his Bolsover Colliery Company was developing two collieries, at Bolsover and Creswell, both of which were to be served by the LD&EC.<sup>16</sup>

The bargain between private investors and coal-owners was an uneven one. Unlike investors in other railways perceived as carriers-at-large, the preponderance of coal traffic over the LD&EC meant that investors in the line were directly financing a process which enhanced the profitability of the coal industry but which gave them no direct access to such profits. The separate corporate structures of the LD&EC and the coal companies insulated the coal interests from railway risk but left investors in the latter at the mercy of the colliery owners. The coal interests invested just sufficient sums in the railway to maintain control by directorships, limiting their exposure to the LD&EC's lower returns to a modest proportion of their personal capital.

In the case of the LD&EC, the land-owning element of the coal interests came from the Dukes of Devonshire, Newcastle, Portland and Rutland, Earl Manvers, William Arkwright and the Sitwell family. Their interest came from royalty income from renting out the mineral rights to colliery companies. The other major element of coal interests came from Bainbridge's newly formed Bolsover Colliery Company and two large industrial entities, the Sheepbridge Coal & Iron Company and Staveley Coal & Iron Company.

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10. Chapman S D, *Stanton & Staveley, a Business History*, Cambridge, 1981, pp90-91.

11. Williams J E, *The Derbyshire Miners, a Study in Industrial & Social History*, London 1962, p179 & 182.

12. Ibid.

13. Ibid.

14. Miles H J, A Thesis for St. John's College, York, *The Lancashire, Derbyshire & East Coast Railway, 1960*, p57, in Chesterfield Public Library, Stephenson Collection, and Cupit, J & Taylor W, *The Lancashire, Derbyshire & East Coast Railway*, Abingdon, 1984, p1.

15. *Derbyshire Times*, 25/4/1891, p8 and Miles, p5.

16. Williams, 1962, p176.

17. Church, Roy, *The History of the British Coal Industry, Vol. 3, 1830-1913, Victorian Pre-eminence*, Oxford, 1986, p462.

The Sheepbridge and Staveley companies also had substantial iron smelting and manufacturing facilities. Consequently, their financial reports do not enable any conclusions to be drawn on the benefits they may have derived from transporting coal by the LD&EC. The Bolsover Colliery Company had coal production as its primary business activity and, with Bainbridge as a director of both, its relative business and financial fortunes merit comparison with those of the LD&EC.

Bainbridge formed the Bolsover Colliery Company in 1889. He was the third son of the Newcastle-upon-Tyne department store owner and industrialist, also known as Emerson Muschamp Bainbridge. Bainbridge's first colliery management role came in 1870, at the age of 25, at the Duke of Norfolk's Nunnery Collieries in Sheffield. In 1874 he had become the managing director and principal owner of the Nunnery Colliery, producing about 500,000 tons of coal each year.<sup>18</sup> He and his father also had major shareholdings in the New Hucknall Colliery Company in north Nottinghamshire, the Blackwell Colliery Company in Derbyshire and was a partner at Griff Colliery, Nuneaton, Warwickshire.<sup>19</sup> His influence upon the development of the LD&EC was to be of paramount importance.

Upon his father's death in 1892 Bainbridge inherited a further range of colliery shares and £20,000 in cash.<sup>20</sup> The latter matched his investment in the LD&EC as its chairman, half of which being the qualifying subscription for a directorship. His failure to invest more, despite the obvious ability to do so, affirms his belief in exacting profit from coal extraction rather than from railways, doubtless seeing the former as the richer vein.

If Bainbridge and his cohort of north-east coal interests did not find the LD&EC an attractive investment, the same cannot be said about their interest in the Derbyshire coalfield. Despite the Derbyshire coal lobby's regular contention of being disadvantaged by the lower cost of transport to London by sea enjoyed by the Northumberland and Durham coal-owners, a large proportion of funding for the Bolsover Colliery Company came from the north-east. Of the original Bolsover investors, those who gave addresses in the north-east of England took more than 44% of the ordinary shareholding, plus the 79% of the founders shares. It is also noticeable that many of the subscribers from elsewhere were business associates of Bainbridge and that the company was not at that time listed on a stock exchange.<sup>21</sup> Clearly, healthy profits were a strong prospect from this enterprise.

Not that Bainbridge had been a long-term advocate of the LD&EC. In 1889, Bainbridge had given evidence to Parliament in favour of the MS&L's scheme for the enlargement of Grimsby Docks.<sup>22</sup> In that activity he would have encountered the redoubtable Sir Edward Watkin, the MS&L's chairman, who was a staunch opponent of the competitive development of the LD&EC. But in 1891, just two years later, Bainbridge was advocating the full LD&EC scheme, from Warrington to Sutton-on-Sea. He was, of course, likely to want to see an alternative to the Midland for his Bolsover pits on purely financial grounds. In his role as chairman of the LD&EC, Bainbridge encouraged others to invest in the railway, with the prospect of lower transport costs for his Bolsover Company but without enabling them to share in the profits so generated. It might be argued that this was not entirely ethical. By contrast, as the benefactor of worthy causes in Sheffield, plus the mining villages at New Bolsover and Creswell, Bainbridge could be regarded as a man of philanthropic nature.<sup>23</sup> Yet little of this appears to have applied to his attitude towards railway investors. Still, none of what he did was illegal, or contrary to accepted practice. After all, the prime concern of shareholders at this time was the maintenance of a marketable value for their stock.<sup>24</sup>

Not that the coal interests had things all their own way. Another LD&EC director who can be considered as less than dedicated to the overall LD&EC cause, but for different reasons, was Robert William Perks. An outsider to both Derbyshire and coal interests, Perks was a lawyer specialising in the legal aspects of railway development, a Liberal Member of Parliament and prominent Wesleyan Methodist.<sup>25</sup> He was a partner in the law firm of Fowler & Perks, the parliamentary agents for the LD&EC's 1891 Bill.

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18. HoLRO, *Evidence of Opposed Bills*, 1891, Vol. II, 3 July 1891, also *The Century's Progress, Yorkshire Industry & Commerce*, 1893, (Author unknown).

19. *The Times*, Obituary, 13th May 1911.

20. Probate Registry, York, Will of Emerson Muschamp Bainbridge, died 21 February 1892.

21. Derbyshire Record Office, Matlock, Ref. N32/45/1 - Bolsover Colliery Letter Book, 1891, pp18-19.

22. HoLRO, Minutes of Committee hearing of Opposed Bills, LD&ECR, 6 July 1891, p158.

23. *Sheffield Daily Telegraph*, obituary notice, 13th May 1911.

24. Alborn Timothy L, *Conceiving Companies – Joint Stock politics in Victorian England*, London, 1998, pp240-241.

25. Obituary, *Methodist Recorder*, 6/12/1934, p.6, col.1.

26. *Who Was Who*, Vol. III, 1941.

By the time of his involvement with the LD&EC, Perks was a wealthy man. He had already been legal adviser to the highly profitable Barry Dock and Railway, as well as a partner in the firm of contractors, Thomas Walker & Co. who also built the Severn Railway Tunnel for the Great Western Railway.<sup>26</sup> By 1887, Thomas Walker was engaged on harbour works at Buenos Aires for the Argentine Government,<sup>27</sup> a project which no doubt explains Perks owning extensive “estancias” in neighbouring Uruguay.<sup>28</sup> Walker’s firm had also been awarded the contract for construction of the Manchester Ship canal upon its incorporation in 1885.<sup>29</sup> Even more significantly, between 1878 and 1892, Perks worked with Watkin on a large number of railway schemes as well as the Channel Tunnel project.<sup>30</sup>

With such an extensive network of connections, Perks should have been a considerable asset to the LD&EC’s development and funding. However, the nature of his dedication to the LD&EC’s cause is a point we will examine shortly.

### **Binding the Railway’s Capital**

Although the LD&EC’s promoters had sought an independent line, the chosen area was already blessed with a network of lines operated by larger, long-established companies. It was inevitable that the LD&EC would have to cross such lines at various points along its route, and it would have been foolish to have ignored such opportunities for connections to facilitate exchanges of traffic. Indeed they would be essential if financial returns were to be maximised. These connections also opened up the possibility of finance from other railways for the LD&EC’s construction. Only one such suitor emerged, the Great Eastern Railway Company.

The GER had, in 1892, tentatively agreed to support the line to the extent of £250,000 but this was not finally confirmed until July 1894.<sup>31</sup> Then it was made subject to the LD&EC finding a further £250,000 from other sources, so giving sufficient capital to build the line between Chesterfield and Lincoln.<sup>32</sup> By this means, the GER stood a better chance of capturing more coal traffic on to its joint Doncaster – March line with the GNR, thence over its own metals to London, with consequent improved usage of its own system and enhanced profit potential.

Prior to the completion of the GER agreement, the LD&EC Board had been in discussion with Perks, a man whose impact upon the development of the LD&EC has been under-rated by earlier historians. Cupit & Taylor attribute to the GER both the abandonment of the section west of Chesterfield and the creation of a separate, subsidiary, entity the Lincoln & East Coast Railway & Dock Company for the eastward section as pre-conditions for its investment of £250,000, but they make no mention of Perks.<sup>33</sup> Dow acknowledges that “Perks and his associates” also provided £250,000, says nothing about any conditions having been attached, but does attribute the creation of the separate Lincoln and East Coast to the GER.<sup>34</sup> However, other influences were afoot. It was Perks who applied the most stringent condition to his contribution agreement, namely the abandonment of the section west of Chesterfield, while the GER simply followed Perks’ lead by making completion of its own financial arrangements subject to its approval of the Perks’/LD&EC agreement.

The question therefore arises as to whether Perks was merely concerned about the viability of the western section or was influenced in his decision by other interests? We have already seen Perks’ long standing business association with Watkin of the MS&L. If the LD&EC posed such a threat to the MS&L as was implied by Watkin’s objections to its enactment, he is unlikely to have condoned Perks providing assistance to the LD&EC – unless of course Perks’ activities with the LD&EC could be of benefit to the interests of the MS&L. The trouble taken by Perks to establish contact with the LD&EC Board as well as his subsequent actions supports this hypothesis, despite the lack of specific evidence.

The connection between Perks, Edward Watkin and the LD&EC has not previously been explored in any

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27. Crane, Denis, *The Life Story of Sir Robert W Perks, Baronet, MP*, London, 1909, p77.

28. Ibid, pp78/9.

29. Leech, T J, *The History of the Manchester Ship Canal* – Manchester, 1907, p47.

30. Crane, p77.

31. LD&ECR Prospectus, 11th June, 1892, p1, col. 4, refers to an Agreement that the GER will subscribe £250,000 had been approved by GER shareholders and was awaiting parliamentary approval, and PRO, RAIL.344/3, LD&ECR Board Minutes, Vol. 3, p106, 6 July 1894.

32. Dow, George, *Great Central*, Vol. III, 1985, p157.

33. Cupit & Taylor, 1984, pp7 & 11; also Dow, 1985, p157.

34. Dow, 1985, Vol. III, p157.

35. Crane, 1909, p73.



depth. Perks biographer, Crane, gives a highly significant account of his subject. He describes Perks as having become legal adviser to Watkin's Metropolitan Railway in 1878 and having been employed by him until 1892 "for all railways over which Watkin had control".<sup>35</sup> 1892 was the year that Perks entered Parliament but he continued to act for Watkin on the Metropolitan as a consultant until 1895, the year after he had made the agreement with the LD&EC and joined its Board.<sup>36</sup> A surprising omission from Crane's biography is any mention of Perks involvement in the LD&EC. It was either considered insignificant or, more appropriately, a matter that might not show Perks in the best light. Dow also makes no reference to any relationship between Watkin and Perks, except describing the latter somewhat dismissively as "one-time Solicitor to the Blackpool Railway", this being another of Watkin's interests.<sup>37</sup>

Perks was to become, in 1902, managing director of London's Metropolitan District Railway in alliance with the U S financier, Charles Tyson Yerkes, a renowned specialist in raising capital for street railway promotion, particularly in Chicago.<sup>38</sup> Yerkes and Perks had formed the Metropolitan District Electric Traction Company Limited in 1901 to electrify the Metropolitan District Railway and to construct three deep underground "tube" lines, for which a total of £16 million was raised by Yerkes from the United States and elsewhere.<sup>39</sup> Perks was clearly very resourceful, with good connections in the finance sphere, yet he brought very little of that to bear on the LD&EC.

Perks provision of £250,000 capital to the LD&EC in 1894 had come from a group of some twenty individuals. They included his father-in-law, William Mewburn JP (£50,000), his brothers-in-law William Mewburn Jr. (£7,000) and Mark Oldroyd (£25,000), as well as Sir James Kitson (£10,000).<sup>40</sup> Perks' own contribution towards the £250,000 target was just £16,000.

What of Oldroyd and Kitson? Both were prominent Yorkshire businessmen who had other good reasons for becoming involved. Oldroyd was the owner of woollen mills in Dewsbury and Hunslet, became a director of the LD&EC in 1894, and, like Perks and Bainbridge, was a Liberal Member of Parliament. Oldroyd had married Maria Tew Mewburn, she being the sister of Perks' wife, Edith Mewburn.<sup>41</sup> Familial pressure may well have persuaded Oldroyd to invest, although this cannot be proved.

Kitson, of locomotive manufacturers Kitson & Company, Leeds, was yet another Liberal Member of Parliament and non-conformist, with a Unitarian background. He had been a director of the North Eastern Railway between 1883 and 1890<sup>42</sup> and was at that time chairman of the Yorkshire Bank.<sup>43</sup> Kitson's shares would also have been something of a philanthropic investment had it not been for his company gaining locomotive business from the LD&EC. Between 1895 and the close of 1906 Kitsons supplied the LD&EC's total locomotive stock of thirty-seven tank engines. This came from an exclusivity agreement that the first fifty locomotives would be bought by the LD&EC from Kitsons.<sup>44</sup> No doubt that was a quid pro quo for Sir James' LD&EC share purchase.

As to Watkin's attitude towards the LD&EC, it should be remembered that, by 1891, the MS&L's cross-Pennine Woodhead route was about to be adversely affected by the Midland's Dore & Chinley line, enacted in 1888 and opened in 1894.<sup>45</sup> Construction of the whole of the LD&EC, and particularly its western section, could have taken further traffic from the MS&L. Perks' 1894 agreement with the LD&EC for abandonment of the line west of Chesterfield was therefore very timely for the MS&L.

36. Ibid.

37. Dow, 1985, Vol. III, p156-7. And PRO, RAIL.436/25, MS&L Minute Book reveals that the Blackpool Railway was empowered in 1885 & 1889, with the MS&L able to subscribe £200K (Minute 14631, 23/9/1892). Perks was to assist with issue of prospectus in 1892 (Minute 14645, 21/10/1892) and Watkin was one of three MS&L directors on the Blackpool Railway's board in January 1893 (Minute 14814, 18/1/1893). But in September 1895 Pollitt advised Perks that the MS&L was abandoning interest in the "Wigan & Blackpool Line" as it could not find the balance of £400K required (Minute 16125, 6/9/1895).

38. *Who Was Who*, Vol. III, 1941.

39. Simmons, Jack & Biddle, Gordon (eds.), *The Oxford Companion to British Railway History*, 1997, p299 and p.575.

40. PRO, RAIL344/3, LD&ECR Board Minutes, Vol. 3, p94, 20/7/1894 & 344/2, Vol 2, pp260-22, 23/4/1894.

41. Crane, 1909, p70.

42. Bradshaw's Railway Manual, Shareholders' Guide & Directory, NER entries, 1883 et.seq.

43. Holmes, A R, and Green, Edwin, *MIDLAND 150 Years of Banking Business*, London 1986, pp106-107

44. Dow, Vol. III, 1985, p175 & p374 describes the locomotives delivered. The exclusive purchase of first 50 locomotives is described in the LD&ECR Chairman's statement, November 1905, in document prepared for GNR purchase discussions (PRO, RAIL.344/49).

45. Awdry, 1990, p71.

46. Wrottesley, John, *The Great Northern Railway, Vol. III, Twentieth Century to Grouping*, London, 1981, p.98.

## **Trading Results**

The traffic statistics for the LD&EC show impressive growth from the first full year of operation, 1897, through to 1906. In that time growth in mineral traffic receipts showed a mere four-fold increase, from £29,094 to £138,758. Passenger and other traffic receipts also grew, but with less consistency. Over the ten years, 1897 to 1906 they averaged just 27% of total receipts, emphasising the LD&EC's heavy reliance upon coal traffic.

The significance of two important events, both in 1901, also influenced the overall results, although their extent cannot be determined. The first was the opening of the Sheffield District Railway which was operated by the LD&EC, and the second was the MS&L's granting the LD&EC running powers from Lincoln to Grimsby docks. The importance of the SDR was the access it gave to the LD&EC to Sheffield for goods and passenger traffic, as well as the large volume of mineral and steel products traffic from the city's steel works. No doubt these two developments made positive contributions to the results of the LD&EC, but they were probably too late to prevent the final outcome. In any case, little of the growth in traffic had caused dividends to filter through to the shareholders.

Although, as previously stated, the holders of LD&EC ordinary shares never received a dividend, the Perks group fared somewhat better. Between 1897 and 1906 the group of what had by then become preference shareholders received an average annual dividend of 2.65%, while for a similarly sized group of LD&EC second preference shareholders the average was just 0.65%. Even by normal railway share standards, those returns were modest but they paled into insignificance when compared with those of the private Bolsover company whose shareholders received an average annual dividend of 25.48% over the same ten-year period.

## **The Final Outcome**

In 1905, despite improving traffic trends and less than ten years from the opening of the line, the LD&EC Board deemed it necessary to sell the company. The circumstances leading to that sale have not been examined by previous historians although it has been said that the decision was made, in November 1905, at a stormy meeting of the LD&EC Board.<sup>46</sup> Records of the business motives and strategies of the LD&EC directors have not survived, nor have their views on the future prospects of financial returns to individual investors, which to a variable degree included each of the directors. Were they concerned that future opportunities for growth were needed for success but limited in practice? Did they consider that the company's stock value was more specifically at risk because of market trends? Those questions need to be considered in the light of information which remains available. There is also the question why the LD&EC was sold to the Great Central and not another company?

At this period, wider trends in the stock market were unfavourable to any prospects of expanding the LD&EC. Alborn refers to a fall in value of a range of railway ordinary shares between 1896 and 1901 of around 15%, with a further 26% decline from 1901 to 1907, plus a similar decline in value of debenture and preference stocks.<sup>47</sup> Shareholders sold stock heavily as the value of British railway shares fell, exacerbating the decline in value, while other comparable securities, such as colonial and foreign bonds maintained their value or, in the case of foreign railways, actually increased.<sup>48</sup> This scenario left the less profitable of Britain's railways, such as the LD&EC, even less favoured by investors and their share values declined more sharply than those of the mainstream British railway companies.

Exchanging LD&EC stock for that of a main line company like the Great Central was therefore likely to be advantageous. Bainbridge, in his speech to shareholders in August 1906 seeking approval of the GCR's offered price, held out the hope that the value of the shares received in exchange would fare better than those of the LD&EC.<sup>49</sup> The latter were by all accounts, at very low ebb. Indeed an account of the railway published in 1907 attributed the sale to the very low value of the LD&EC's shares, coupled with the necessity for "renewals of rolling stock and permanent way" in the near future.<sup>50</sup> This supports the view that the directors considered there was a growing risk of a serious decline in market value of the LD&EC ahead and that the interests of the share and stockholders were indeed paramount.

The existing historiography is not particularly helpful on the question of the detailed business strategy for

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47. Alborn, 1998, p244.

48. Ibid.

49. *Railway Gazette*, 17/8/1906, p206.

50. Perkins, T R, *Lancashire, Derbyshire & East Coast Railway*, *Railway Magazine*, March 1907, p233.

51. Dow, Volume 3, 1985, p184.





**APPENDIX I – Capital Structure of the Lancashire, Derbyshire & East Coast Railway Company**

*(Extracts from Board of Trade Returns – Table I – All values in Pounds Sterling)*

| Year | Notes | Authorised Capital |                   |           | Paid-up Shares |         |           | Total Shares | Loans & Debenture Stock | Total Subscribed Capital |
|------|-------|--------------------|-------------------|-----------|----------------|---------|-----------|--------------|-------------------------|--------------------------|
|      |       | Share/Stock        | Loans/ Debentures | Total     | Ordinary       | 5% Pref | Pref Paid |              | 4% Debenture            |                          |
| 1891 |       | 5,000,000          | 1,666,660         | 6,666,660 | 0              | 0       | 0         | 0            | 0                       | 0                        |
| 1892 |       | 6,000,000          | 1,999,966         | 7,999,966 | 274,220        | 0       | 0         | 274,220      | 0                       | 274,220                  |
| 1893 |       | 6,000,000          | 1,999,966         | 7,999,966 | 762,717        | 0       | 0         | 762,717      | 0                       | 762,717                  |
| 1894 |       | 6,000,000          | 1,999,966         | 7,999,966 | 1,085,181      | 0       | 0         | 1,085,181    | 59,000                  | 1,144,181                |
| 1895 | GU    | 4,250,000          | 1,416,666         |           |                |         |           |              |                         |                          |
|      | C&L   | 1,750,000          | 583,330           | 7,999,996 | 1,209,364      | 56,050  |           | 1,265,414    | 3686,960                | 1,652,374                |
| 1896 | GU    | 4,250,000          | 1,416,666         |           |                |         |           |              |                         |                          |
|      | C&L   | 1,750,000          | 583,330           | 7,999,996 | 1,445,859      | 249,950 |           | 1,695,809    | 511,441                 | 2,207,250                |
| 1897 | GU    | 250,000            | 83,330            |           |                |         |           |              |                         |                          |
|      | C&L   | 1,925,000          | 641,660           |           | 1,317,105      | 250,000 | NIL       |              |                         |                          |
|      | LED   | 1,500,000          | 500,000           | 4,899,990 |                | 324,509 | NIL       | 1,891,614    | 540,946                 | 2,432,560                |
| 1898 | GU    | 250,000            | 83,330            |           |                |         |           |              |                         |                          |
|      | C&L   | 1,925,000          | 641,660           |           |                |         |           |              |                         |                          |
|      | LED   | 1,500,000          | 500,000           | 4,899,990 | 1,324,380      | 250,000 | 1.0%      |              |                         |                          |
|      |       |                    |                   |           |                | 332,625 | NIL       | 1,907,005    | 616,918                 | 2,523,923                |
| 1899 | GU    | 250,000            | 83,330            |           |                |         |           |              |                         |                          |
|      | C&L   | 1,925,000          | 641,660           |           |                |         |           |              |                         |                          |
|      | LED   | 1,500,000          | 500,000           | 4,899,990 | 1,325,000      | 250,000 | 2.0%      |              |                         |                          |
|      |       |                    |                   |           |                | 340,266 | NIL       | 1,915,266    | 717,149                 | 2,632,415                |
| 1900 |       | 1,925,000          | 867,149           | 2,792,149 | 1,325,000      | 250,000 | 1.0%      |              |                         |                          |
|      |       |                    |                   |           |                | 346,273 | NIL       | 1,915,273    | 748,039                 | 2,663,312                |
| 1901 |       | 1,925,000          | 867,149           | 2,792,149 | 1,325,000      | 250,000 | NIL       |              |                         |                          |
|      |       |                    |                   |           |                | 340,488 | NIL       | 1,915,488    | 753,311                 | 2,668,799                |
| 1902 |       | 1,925,000          | 867,149           | 2,792,149 | 1,325,000      | 250,000 | 2.5%      |              |                         |                          |
|      |       |                    |                   |           |                | 340,610 | NIL       | 1,915,610    | 753,542                 | 2,669,152                |
| 1903 |       | 1,925,000          | 867,149           | 2,792,149 | 1,325,000      | 250,000 | 5.0%      |              |                         |                          |
|      |       |                    |                   |           |                | 340,610 | NIL       | 1,915,610    | 860,967                 | 2,776,577                |
| 1904 |       | 1,925,000          | 891,660           | 2,816,660 | 1,325,000      | 250,000 | 5.0%      |              |                         |                          |
|      |       |                    |                   |           |                | 340,610 | 1.0%      | 1,915,610    | 863,542                 | 2,779,152                |
| 1905 |       | 1,925,000          | 891,660           | 2,816,660 | 1,325,000      | 250,000 | 5.0%      |              |                         |                          |
|      |       |                    |                   |           |                | 350,000 | 2.5%      | 1,925,000    | 864,183                 | 2,789,183                |
| 1906 |       | 1,925,000          | 891,660           | 2,816,660 | 1,325,000      | 250,000 | 5.0%      |              |                         |                          |
|      |       |                    |                   |           |                | 350,000 | 3.0%      | 1,925,000    | 864,183                 | 2,789,183                |

**NOTES:**

- A. 3% Interest on Preference Shares was allowed to be paid during construction.
- B. 3% Construction interest was allowed to be paid on Ordinary Shares.
- C. No Dividends were recorded as having been paid on Ordinary Shares between 1892 and 1906.
- D. No loans were reported in any of the above years.
- E. “Subscriptions to other companies” – none recorded in period reviewed.

GU = General Undertaking; C&L = Chesterfield & Lincoln section; LED = Lincoln & East Coast Railway & Dock

| APPENDIX 2 – Bolsover Colliery Company Limited – Original Shareholders |             |           |                                       |
|--|-------------|-----------|---------------------------------------|
| Name   | Shares      |           | Address                               |
|  | Ordinary    | Founder   |                                       |
| R Knowles  | 100         | 2         | Colston Bassett Hall, Nottinghamshire |
| H J Gardiner   | 90          | 3         | Basinghall Street, London             |
| H Scott  | 100         | 2         | Lesbury, Northumberland               |
| E M Bainbridge   | 100         | 5         | Eshott Hall, Northumberland           |
| E Bainbridge   | 100         | 45        | Ashdell Grove, Sheffield              |
| Jno. Knowles   | 50          | 1         | Pendlebury, Manchester                |
| Andrew Knowles   | 50          | 1         | Newent, Gloucestershire               |
| R E Webster  | 50          | 1         | Kensington, London                    |
| A Wilson   | 50          |           | Fremley, Hull                         |
| C Wilson, MP   | 50          |           | Shipowner, Hull                       |
| A & C Wilson   |             | 3         | (as above)                            |
| Thos. Brooks   | 50          | 1         | Loughborough, Leicestershire          |
| Ed. Reynolds   | 50          | 1         | Westbourne Road, Sheffield            |
| Wm. Cochrane   | 50          | 2         | Gosforth, Newcastle-upon-Tyne         |
| Jno. Gibbs   | 20          | 1         | Threadneedle Street, London           |
| Geo. Pears   | 20          | 1         | Hilton-le-Wear, Darlington            |
| Hy. Chaytor  | 100         | 2         | Hilton Castle, Darlington             |
| A Marshall   | 20          |           | Chathill, Northumberland              |
| Chas. Tylden Wright  | 20          | 1         | The Priory, Dudley                    |
| Hon. J B Roche   | 5           |           | Eccleston Square, London              |
| Wm. Jenkins  | 50          |           | Consett Hall, Blackhill, Co. Durham   |
| Jno. Rogerson  | 50          | 1         | Croxdale Hall, Durham                 |
| J A Longden  | 10          |           | Teversal Colliery, Mansfield          |
| Hy. Singleton  | 5           |           | Abbeydale Road, Sheffield             |
| Robert Knowles   | 20          |           | Swinton Park, Manchester              |
| L Watson   | 2           |           | New Hucknall Colliery                 |
| H R Rickett  | 25          |           | Bishopsgate, London                   |
| J Fenwick  | 10          |           | Wolsingham, Nr. Darlington            |
| Wm. Fenwick  | 10          |           | Stanhope, Durham                      |
| Jno. Proud   | 20          |           | Bankside, Bishop Auckland             |
| Thos. Usher  | 5           |           | Chase Lodge, Enfield                  |
| Wm. Wilson   | 10          |           | Banker, Alfreton                      |
| W. Tylden Wright   | 10          |           | Shireoaks, Worksop                    |
| E F Melly  | 5           |           | Griff Colliery, Nuneaton              |
| J M Vickers  | 5           |           | Kings Bench Walk, Temple, London      |
| Geo. Bond  | 5           |           | Brimington Hall, Chesterfield         |
| Jno. Scott   | 15          |           | Newton, Cromarty                      |
| James Knowles  | 25          |           | Guildhall Chambers, Manchester        |
| Geo. Hewitt  | 10          |           | Unstone, near Sheffield               |
| Jno. P Houfton   | 10          |           | Bolsover, Chesterfield                |
| Wm. Hornsby  | 50          | 1         | Esham House, Grantham, Lincs.         |
| Tho. Bell  | 50          | 1         | Windsor Terrace, Newcastle-upon-Tyne  |
| E J Wilks  | 1           |           | 29 Coal Exchange, London              |
| Jessie Hall Scott  | 5           |           | Drynock, Dunvegan, Skye               |
| Tho. Hancock   | 10          |           | Bagnell House, Nr. Nottingham         |
| D M Nicholson  | 5           |           | 25, Change Alley, Sheffield           |
| M Deacon   | 2           |           | Blackwell, Alfreton                   |
| E Bannister  | 5           |           | Grimsby                               |
|  |             |           |                                       |
| <b>TOTALS</b>  | <b>1500</b> | <b>75</b> |                                       |

**Notes:**

1. The above details are as extracted from the Company's Letter Book held by Derbyshire Record Office, Matlock (Ref. N32/45/1, pp18-19, 1891).
2. Due to poor legibility of the original documents, the details of names and addresses may in some instances have been misquoted. Also, the declared total of ordinary shares does not match the individual allocations listed.
3. Ordinary shares were for £100 each and Founders' shares just £1 each. The first 8% of dividend was allotted to holders of the Ordinary Shares. Any remaining dividend was then divided so that if, for example a dividend of 12% was declared for the year, 10% (8% plus 2%) would be divided amongst the holders of the 1,500 £100 Ordinary Shares shareholders and 2% divided amongst the holders of the 75 £1 Founders shares.
4. "E M Bainbridge" was the father of "E Bainbridge", the chairman of the LD&ECR. The latter, although sharing the same forenames of Emerson Muschamp with his father, tended only to use "Emerson", presumably to avoid confusion.
5. The list shows a large number of Bainbridge family or their north east England connections, as well as several other colliery owners and managers amongst the select band of shareholders.

| <b>APPENDIX 3 – Comparison of Railway Share Prices, 1896 – 1906</b>  |             |             |             |             |             |             |
|--|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Ordinary Shares</b>   |             |             |             |             |             |             |
| <b>Company</b>   | <b>1896</b> | <b>1899</b> | <b>1901</b> | <b>1903</b> | <b>1905</b> | <b>1906</b> |
| LD&EC  | 6½ /7½      | 3½ /4½      | 1½ /2½      | 1½ /2½      | 2¾ /3¼      | 4/5         |
| MS&L/GC  | 52/54       | 50/52       | 19/21       | 23½ /24½    | 33¾ /34¼    | 35¼ /35¾    |
| GER  | 101/101¼    | 130/130¼    | 99/100      | 88½ /89½    | 82¾ /83¼    | 80½ /81     |
| GNR  | 122/124     | 120/121     | 95/97       | 98/100      | 100½ /101½  | 99/100      |
| <b>Preference Shares</b>   |             |             |             |             |             |             |
| <b>Company</b>   | <b>1896</b> | <b>1899</b> | <b>1901</b> | <b>1903</b> | <b>1905</b> | <b>1906</b> |
| LD&EC (£10)  | 10¾ /11¾    | 10½ /11½    | 7/8         | 8/10        | 11/12       | 9½ /10½     |
| MS&L/GC (£4)   | 138/142     | 125/128     | 97/101      | 104/107     | 108/110     | 105/107     |
| GER (£4)   | 146/149     | 136/138     | 122/125     | 115/118     | 121/123     | 113/115     |
| GNR (£4)   | 149/152     | 136/139     | 123/126     | 117/120     | 117/119     | 113/115     |
| <b>Notes:</b> <ol style="list-style-type: none"> <li>The values quoted have been taken from the Railway Times at the publication date on or immediately before 30<sup>th</sup> September in each of the years listed (i.e., 26/9/1896; 30/9/1899; 28/9/1901; 26/9/1903; 30/9/1905 &amp; 29/9/1906).</li> <li>The other railway companies are; Manchester, Sheffield &amp; Lincolnshire (name later changed to Great Central); Great Eastern Railway and Great Northern Railway.</li> <li>The two rates quoted are closing prices for buying and for selling.</li> <li>No account has been taken of any stock dilution by rights issues the companies listed may have made during the period in question, notably the price of ordinary and preference shares in the Midland between 1896 and 1899.</li> <li>Where more than one issue of ordinary, preference or debentures is quoted, the first published has been taken for each company and within the description shown (e.g. “4% Pref. Stock”).</li> <li>The issue values of the individual companies’ ordinary shares have not been identified.</li> </ol> |             |             |             |             |             |             |

| <b>APPENDIX 4 – COMPARISON OF RAILWAY AND COAL COMPANY RESULTS</b>   |                         |                           |                           |                           |
|--|-------------------------|---------------------------|---------------------------|---------------------------|
| <b>Year</b>  | <b>LD&amp;ECR</b>       | <b>LD&amp;ECR</b>         | <b>Bolsover Coll. Co.</b> | <b>Bolsover Coll. Co.</b> |
|  | Minerals carried (tons) | % Dividend (Pref. Shares) | Output (tons)             | % Dividend                |
| 1894   | 0                       | 0                         | 422,699                   | 0.00                      |
| 1895   | 0                       | 0                         | 481,050                   | 9.46                      |
| 1896   | 25,031                  | 0                         | 547,498                   | 5.39                      |
| 1897   | 463,209                 | 0                         | 595,799                   | 4.52                      |
| 1898   | 792,433                 | 1.0/Nil                   | 1,097,911                 | 3.60                      |
| 1899   | 910,619                 | 2.0/Nil                   | 1,284,940                 | 5.42                      |
| 1900   | 1,023,569               | 1.0/Nil                   | 1,366,926                 | 18.93                     |
| 1901   | 1,203,569               | Nil/Nil                   | 1,386,349                 | 57.76                     |
| 1902   | 1,495,163               | 2.5/Nil                   | 1,439,056                 | 55.08                     |
| 1903   | 1,785,791               | 5.0/Nil                   | 1,465,481                 | 32.48                     |
| 1904   | 1,920,482               | 5.0/1.0                   | 1,487,175                 | 25.42                     |
| 1905   | 2,242,124               | 5.0/2.5                   | 1,598,671                 | 13.35                     |
| 1906   | 2,668,414               | 5.0/3.0                   | 1,861,895                 | 19.33                     |
| <b>Notes:</b> <ol style="list-style-type: none"> <li>LD&amp;ECR figures compiled from Board of Trade Returns for relevant years. Bolsover Colliery Company results from Annual Returns as reported in historiography prepared for nationalisation of company in 1945 (private collection of John Danbury).</li> <li>Although there is a similar growth pattern to traffic and output figures of the two concerns, it cannot be assumed that they were directly inter-related. The Midland Railway was first to serve Bolsover Colliery and, by the same token, the LD&amp;ECR had connections with several other collieries in the area. No details of traffic from specific collieries to particular railway companies have yet been found.</li> <li>The LD&amp;ECR never paid a dividend to its Ordinary shareholders. The split figures from 1898 onwards relate to the first 25,000 preference shares (held by the Perks group) followed by the percentages paid to the remaining holders of preference shares.</li> </ol> |                         |                           |                           |                           |

# And finally ....

## .... Fledborough Viaduct, Nottinghamshire Doug Spencer

There are not many surviving artefacts constructed by the LD&EC Railway these days but one remarkably survivor is the Fledborough Viaduct, Nottinghamshire – well worth a visit if you get the opportunity. The last time that I was there work was proceeding on Clifton-on-Trent station in preparation for the opening of a tea-room.



The viaduct is a substantial structure which carried the double-track LD&ECR's Chesterfield Market Place to Lincoln Central main line over the River Trent; It is now part of National Cycle Route 647 which takes cyclists over the river Trent; It is situated between the former stations of Fledborough and Clifton-on-Trent, but nearer the latter.

Opened in 1897, it consists of 59 arches spread either side of four metal girder spans which cross the river itself. Nine million bricks were used in its construction which cost £65,000.

Timetabled passenger services over the viaduct ended in September 1955, though summer weekend excursions from Nottinghamshire and Derbyshire to Cleethorpes and Mablethorpe and from Manchester Central to Yarmouth Vauxhall continued until 1964.

From the 1960s traffic east of Langwith Junction was overwhelmingly coal, much of which went straight from collieries to High Marnham Power Station which opened in 1959, this traffic therefore turned off about half a mile before the viaduct. The Grimsby to Whitland express fish train ran until at least 1962 via Fledborough and through Mansfield Central.

Traffic continued to run over the viaduct until 21 February 1980 when a train derailed at Clifton-on-Trent. The line from Pyewipe Junction over the viaduct to High Marnham was closed "temporarily" the next day and has subsequently been lifted.

Traffic continued from the West to High Marnham until it closed in 2003.

*Remarkably*, since 2009 that stretch of line has had a new lease of life as Network Rail's High Marnham Test Track.

Photograph: [https://en.wikipedia.org/wiki/Fledborough\\_Viaduct#/media/File:Fledborough\\_viaduct,\\_Nottinghamshire,\\_in\\_May\\_2019.jpg](https://en.wikipedia.org/wiki/Fledborough_Viaduct#/media/File:Fledborough_viaduct,_Nottinghamshire,_in_May_2019.jpg)

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