

THE FINANCES OF SIR THOMAS STAPLETON IN THE EARLY
NINETEENTH CENTURY

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MANY landed families have left behind accounts of the vicissitudes in their fortunes. Weighty collections of family deeds indicate the building up of estates by succeeding generations and give witness to the mortgages of the least parsimonious of them. Such large collections usually denote stories of success, for the breaking up of estates and the dissipation of wealth usually involved the scattering of the deeds. The extravagances and disgraces of a wealthy family, although sometimes well known, are seldom recorded in great detail, and its decline in the social scale and final retirement into obscurity are often difficult to trace. The survival of the business correspondence and account books of the Stapleton family, however, gives us the unusual opportunity to study such a case. The unhappy history of this family in the early nineteenth century not only indicates the variety of expedients open to a person of means who wished to raise money, but also reveals the dismal plight of a man unable to control his desire for grand living in an age of soaring prices.

Sir Thomas Stapleton became Baron Le Despencer in 1788 at the age of 21 having succeeded to large estates in Kent, particularly at Mereworth, Yalding and Hunton, and other lands in Oxfordshire, Yorkshire and Devonshire worth together some £8,000 a year, and also to the chief residence at Mereworth Castle.¹ Despencer did not have, it must be admitted, a good start to his barony having been left a considerable number of unpaid bills by a predecessor, Sir Francis Dashwood, and an estate described by his steward as in bad a state of repair as any in the country. In addition, the mortgagees of the incumbered part of the estate were demanding repayment and it was proving difficult to arrange an assignment of the mortgage. Dashwood had not used his rents to pay even the interest, so that as well as the principal to be repaid, amounting to £13,000, ten years' arrears of interest had accrued to the debt.

Right from the start Despencer made no real attempt to put his affairs on a business-like footing, but engaged in an ostentatious spending spree which by 1796 had brought forth a shower of demanding letters from unpaid and angry creditors. His carpenter's bill alone for

¹ Sir Thomas Stapleton inherited the barony through his great grandmother, Lady Catherine Paul, daughter of Vere Fane, 5th Earl of Westmoreland.

1794 ran to £1,600 and remained unpaid. The problem of stretching income to meet expenditure was left to his financial agent and attorney, William Sheldon, who pointed out the difficulties Despencer was creating in a letter to him dated 13th July, 1796 :

“ The misfortune of your Lordship has been the enormous Bills in Kent & elsewhere of very longstanding left unpaid, which now from the length of time press for payment in a manner almost irresistible, where your Lordships name credit and character are so much at stake and I am exerting every nerve to save you from the harsh reflections, which all these hungry creditors are ready to bestow on you.”¹

These early financial indiscretions of Despencer were covered up by a partial deforestation of his woodland on his Kentish estate the receipts from which also allowed him to pay off the interest due on his inherited mortgages. Articles of agreement between Despencer and William Collens, a timber merchant of Brenchley, show that several thousand oak, elm, ash and beech trees on the Kentish estate were sold for the sum of £10,362 10s. 0d.²

No sooner had Despencer paid off his creditors than fresh financial difficulties arose to worry his agents. Despencer's young brother up at Oxford had got into bad company and had run up debts amounting to £500 which Despencer himself felt compelled to underwrite. In addition to this Despencer had also incurred fresh debts which could not be met from current income. His creditors, after bombarding him with letters, first polite but later threatening in tone, began to take legal action. Despencer, himself, appears to have taken a completely irresponsible attitude. In his communications with his agents he frequently referred to the “ impertinent ” letters received from tradesmen ; and instead of making concrete suggestions for the reduction of his debts he merely instructed his agents to avoid the “ unpleasantness ” of the situation. The obvious short-term solution was to raise fresh mortgages, but this proved extremely difficult at a time when government borrowing had soaked up most of the financial resources of the money market and when the Usury Law impeded the flow of money into mortgages.³ As William Sheldon explained in a letter to Despencer dated 16th November, 1799 :

“ I have tried every means of raising the money, but it is quite impossible to raise money on Mortgage. Mr. Wright [the London banker] says he really cannot advance any, unless your Lordship has funds from which to supply it, or you can spare the sum out of

¹ Kent Archives Office (Subsequently referred to as *K.A.O.*), U 282 C 4.

² *K.A.O.*, U 282 E 25.

³ For a detailed explanation of this situation see L. S. Pressnell (ed.), *Studies in the industrial revolution* (1960), p. 183-184.

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the Rents to be received ye 3d & 4th of next month. I beg leave to observe to you, there is one and that a very easy way of settling the matter, by cutting down some more ash to such an amount as you shall think proper."¹

In urging Despencer to use his growing timber to pay off his debts rather than to cut down his personal expenditure, Sheldon realized no doubt that this was a more palatable solution to the problem. Indeed, Despencer readily accepted the advice even though in the long run the use of his capital to finance current expenditure proved disastrous.

The first decade of the nineteenth century saw a further upsurge of prices which helped to swell the size of Despencer's expenditure. This would not have been serious in itself, for his income came almost entirely from landed property, and land values were rising just as sharply as prices.² But Despencer, caught up in the giddy prosperity of the war, was unable to resist increasing the scale of his ostentation. A list of his town and country debtors drawn up in 1806 shows the results of his lavish entertainment. At Mereworth his debts amounted to £5,239 and included main items such as butcher £200, grocer £769, coal merchant £243, publican £351, carpenter £981 and bricklayer £160.³ Stylish living in London also proved his undoing. His total unpaid debts in town came to £10,245 including such items as :

Smyth, perfumer, Bond St	£237
Bromfield, coachmaker, Long Acre	£1,143
Clark, carpenter, Old Burlington St	£74
Ludlain, hosier, Oxford St	£155
Otley, clothier, Bond St	£1,139

Despencer foolishly attempted to fob off the more pressing claimants by drawing bills which he claimed would be discounted at Wrights. When the bank refused to pay, the creditors renewed their onslaught on Despencer with fresh vigour. Their feelings were unequivocally expressed in a letter (dated 5th February, 1806) to Bamfield, Despencer's steward, from Edward Bailey, a solicitor to one of his contractors :

“ The Bill for £560 drawn by Lord Le Despencer, and accepted by you, and made payable at Wrights, became due yesterday, and was noted for non-payment.

It is quite impossible to go on this way any longer—you abuse every indulgence that is granted you, and no reliance can be placed on your repeated promises—I therefore once more (and it is for the last time) write to acquaint you, that if the whole is not paid by

¹ K.A.O., U 282 C 4.

² See H. G. Hunt, “ Agricultural rent in south-east England ”, *Agricultural History Review* (1959), pp. 98-108.

³ K.A.O., U 282 A 23.

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Saturday next, you will most assuredly be arrested, as well as another proceeds issued against Lord Le Despencer."¹

Despencer's first reaction was to borrow money from his friends and associates, and a number of personal bonds were contracted. By this time, however, Despencer's reputation was becoming widely known and some of his requests for loans were met with refusals. Even his financial agent, Sheldon, who had previously advanced him money on a number of occasions, excused himself on the grounds he had no money available.² Finding the mortgage market completely dry of funds Despencer followed a procedure not uncommon amongst needy gentlemen of the day : he raised the necessary money by granting annuities on his estate.³ The sum of £12,000 was advanced to Despencer by the following persons :

Richard Milford Esq. of Bath	£5,000
Herman Katencamp Esq. of Bath	£4,000
Rev. Francis Mead, clerk of Kineton (Warws.)	£1,000
Charles Williams, gent. of Bedford Row	£2,000
	<hr/>
	£12,000
	<hr/>

All the annuities were redeemable at the end of three years and the security was to consist of the unincumbered part of Despencer's estate which produced at that time an annual income of £6,750. To satisfy the annuitants that this income would not all go on Despencer's current consumption the property was conveyed in trust to Sheldon who could then ensure that the annuities were paid regularly. The annuitants took out an insurance policy on Despencer's life in order to safeguard against the possibility of Despencer's death before the annuities could be redeemed. Although the annuitants had to meet the cost of the premiums of the policy the investment proved a very profitable one, giving a return of 10 per cent. per annum.

As Despencer's income became more and more committed to pay interest on the capital sums advanced to him, the more he was forced to live hand to mouth and the more he became completely dependent on the prompt payment of rent by his tenants. Any failure on their part was of extreme consequence to him. The situation was well described in a letter from Sheldon to Despencer dated 17th November, 1807 :⁴

¹ K.A.O., U 282 C 4.

² K.A.O., U 282 C 7.

³ K.A.O., U 282 E 41.

⁴ K.A.O., U 282 C 7.

“ . . . a serious misfortune is, that instead of remitting a full half years Rent and also some of the arrears for Rent and Timber Mr. Bamfield [Despencer’s steward at Mereworth] has only sent £1,400 to the Bankers, a sum not sufficient to pay the Int. to the Mortgagees and the Annuitants. This small sum is a dreadful disappointment, as I had formed a plan of dividing the residue after providing for the Mortgagees and Annuitants amongst the most needy and clamorous of the creditors, whereas there will be nothing to divide . . .

I am glad your Lordship is living so economically. I should imagine your Lordship will live more so in town when you quit E.B. [Eastbourne] than anywhere else. But as some of the creditors will plague your Lordship in Town the later you can make your return with comfort to Lady D. the better.”

This is the first intimation that Despencer was making any attempt to reduce his expenditure. But his effort was too feeble and certainly of no avail to pull him from the mire of debt and disgrace into which he was rapidly sinking. A further letter from Sheldon to Despencer in the same year (1807) throws the whole financial position into relief. Despencer had again been pleading with Sheldon to lend him money. The latter in his reply did not attempt to hide the gravity of his situation.

“ I sent your Lordship the hundred and twenty pounds which is really all I can muster . . . I am sorry Mr Williams¹ says it is not in his power to raise more money upon annuities as the Estate is so much more incumbered by the Mortgage to the executors of England. I fear that nothing but a sale can be of any use. The question is what to sell. To sell Grays is impossible while Lady Despencer lives.² To sell any part of the Kent Estate cannot be done without

paying off Law ³	£15,000
England’s Executor	£13,000
And to pay the present debts which your Lordship puts at £8,000 but which I fear will prove above £10,000	£10,000
	£38,000

To produce that sum at the price Land now sells I fear will require the sale of near £1,500 a year as Land will not now fetch much above 26 years purchase in any part of England in which I have seen sales lately.

¹ An agent employed by Despencer to go the rounds of the London banking offices in order to try to borrow money.

² The income from this estate was earmarked to provide Lady Despencer’s jointure.

³ One of Despencer’s principal mortgagees.

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Thus admitting the whole rental will produce with the underwood profit		£8,000
	deduct sold	£1,500
		<hr/> £6,500
Then deduct 4 years to come for annuities		£1,700
For Lady Stapleton's jointure		£1,200
		<hr/> £3,600

There remains a surplus of only £3,600 a year. So that your Lordship will have only a very small sum to live on in these times and if you can save anything, that income must be much reduced.

I am sorry to produce such a state of facts but truth must come out and your Lordship will do me the justice to say I have been incessant in my warnings on this hand . . . Your Lordship will see that some effectual measure must be adopted next June or all that I am doing will be in vain and you will have your goods sold under execution."¹

The arrangements for the sale of land were completed and carried out bringing in £38,000 necessary to pay off the most pressing of the debts. This certainly solved the immediate problem but had the effect of aggravating his difficulties in the long run. Having lived on his capital Despencer now found that his current income was seriously depleted. Sheldon, who had hitherto been understandably reluctant to suggest uncongenial remedies to Despencer, now had no alternative but to insist that he cut down his standard of living. The time for plain speaking had come, and Sheldon informed Despencer " that unless you and Lady Le Despencer will commune a most rigid plan of economy, not on any account to be diverted for a long length of time, inevitable ruin must very shortly follow. Palliatives will not do. They must be strong and efficient measures ".² Despencer reluctantly listened to Sheldon's suggestions and agreed that Mereworth Castle should be let out and that he should come to live a comparatively quiet life in London. Sheldon's optimism about the reformation of Despencer was, however, short-lived, for economies did not last for more than a few weeks. On the instigation of his wife, Le Despencer changed his mind about renting out Mereworth Castle, preferring to foot the bill himself for the upkeep of an establishment necessary to entertain in the old ostentatious manner. As for frugal living in London, Sheldon was shocked to discover that Despencer planned to spend £8,400 on a house at Acton described by the

¹ *K.A.O.*, U 282 C 7.

² *K.A.O.*, U 282 C 8.

former as "a bad, cold & miserable a quality as any in England . . . a place merely calculated for an over grown rich merchant capable of affording a most extravagant residence within an hours or less ride or drive from the Change."¹ When it came to completing the contract in 1812 Despencer was unable to raise the money and was compelled to arrange for the property to be resold. Despite severe cajoling from Sheldon, Despencer continued to live in much the old manner, making expensive visits to Eastbourne and Sidmouth, and relying more and more on Sheldon to extricate him from the financial difficulties that inevitably arose. In these circumstances it is not surprising that fresh sales of land followed rapidly one after the other. The money used in this way was then promptly used to pay off the debts incurred by Despencer between 1808 and 1812 which amounted to £72,963, while a sale of Exchequer Bills in 1809 brought in £7,120.² But Despencer continued his downward slide heedless of the severe scoldings of his agents. Sheldon wrote to him (16th May, 1811) that "on inquiry at the Bankers I found to my sorrow your Lordship had overdrawn them full two thousand pounds. I therefore was under the necessity of making that good, as they were extremely out of humour."³ Despencer's agent at Sidmouth informed him (3rd June, 1811) ". . . that some of the Bills which were drawn in March have been returned. It is utterly impossible for me to describe to your Lordship the great inconvenience & Anxiety I have experienced this Day on the occasion in Truth your Lordships Reputation hourly decreases."⁴

To add to Despencer's troubles was the fact that his son appears to have had much the same profligate characteristics as his father. Although supposedly under the eagle eye of a private tutor, he was in fact leading a wild and extravagant life. In particular he was living well beyond the allowance granted by his father and was borrowing heavily with the family name as security. The ever-willing Sheldon was instructed to give the boy a severe talking to and to attempt to persuade him to lead a less riotous life. Sheldon, perceiving the same weakness in the son as the father, felt that the only way to keep him out of mischief was to pack him off to the army :

"Under the Eye of a good commanding officer of a Regiment he might be saved from the many shames and temptations he might fall into in an idle life. It is true the Army corrupts many, but an idle life ruins many more . . . and I am sure it would be the cheapest and yet most beneficial line you can possibly adopt. When of age to get him into Parliament would cost 3 or 4000£ at the least & then

¹ *Ibid.*

² *K.A.O.*, U 282 A 15.

³ *K.A.O.*, U 282 C 10.

⁴ *Ibid.*

he has no time for it, so that even in the house of commons he would be an idle Man & not only a dead weight on your hands, but would require a much larger allowance from your Lordship than he could want in the army or that you can afford."¹

Despencer felt, however, that it was imprudent for his son to join the army in times of war, and so sent him off to Cambridge instead with an allowance of £500 p.a. No sooner had this family problem been settled than another arose. Despencer's brother, Rev. J. H. Stapleton, had been committed to a debtor's prison for the non-payment of bills amounting to £4,200. Unable to spare any of his own income, Despencer eventually prevailed upon his wife to give her jointure as security in order to satisfy the creditors. The offending young man was then released and, to avoid further scandal, was induced to leave the country with a minor government office in Constantinople.²

By 1813 Despencer's financial position had become desperate again. His current debts at Mereworth and in town, which in 1806 had stood at £15,239, had risen by 1813 to £45,416, even after the reduction of the gross debt of £86,916.³ Particularly foolish was his habit of paying his tradesmen-creditors with bills, mostly of two or three months but sometimes 12 months, relying on Wrights to discount them until the half-yearly rents were in. From time to time the number of bills piled up so high that Wrights stopped payment. Creditors would then take legal action against Despencer, but by the time a judgement had been obtained he had usually been able to obtain some fresh credit. This was an extremely expensive solution because he ultimately had to pay not only the original debt and interest but also the legal costs. When his agents, employed to tour the City banking offices seeking a temporary loan, returned empty handed Despencer simply spent his capital by selling more land. In February, 1813, for example, Despencer's account at Wrights stood at £2,531. But after the payment of a number of long outstanding bills amounting to £455, two bond creditors suddenly demanded repayment, Lady Despencer's allowance came to £700 and the wages of Despencer's servants to £700. After payment of these there remained less than £500 for Despencer's personal expenses. Furthermore there were three more tradesmen's bills amounting to several hundred pounds still unpaid. As William Witham remarked "how these are to be provided for and still leave something in your Lordship's hand I really do not know".⁴

Despencer's unpaid bills were not only from wealthy outfitters and tradesmen ; a number of poor craftsmen and labourers had in good

¹ *Ibid.*

² *Ibid.*

³ One of his debts in 1813 included £170 to Josiah Wedgewood, potter.

⁴ *K.A.O.*, U 282 C 12.

faith provided for Despencer's needs, at the same time pledging themselves in other directions, and now faced ruin. Despencer chose this inopportune moment to marry off his daughter, Lady Maria Frances Catherine Stapleton to Robert Jocelyn, Earl of Roden. Despencer agreed to provide the huge marriage portion of £10,000, but with his credit at such a low ebb found it impossible to borrow the money. He was thus compelled to sell his tithe rights at Aylesford valued at £600 per annum for the modest sum of 9,000 guineas.¹

After the year 1813 Despencer's fortunes took a sharp turn for the worse. Previously he had been able to meet his mounting expenses because of the rapidly rising level of rents and land prices associated with the inflation of the Napoleonic Wars. But he had staked all on the continuance of the war-time prosperity in agriculture. The fall in agricultural prices after 1813 proved disastrous for Despencer, for his tenants were now in distress and were unable to pay their full rents. The financial crises reached a head in 1815 when his creditors could no longer be kept at bay. There were a series of court judgements against Despencer allowing the creditors to distrain on his remaining property. Nothing short of complete ruin was facing the family as the bulk of the former property had either been sold or heavily mortgaged. It was typical of Despencer that, being unable to bear the pressure of the financial worry, he fled from the scene. He went to Brussels leaving a message with his financial agents to extricate him from his unenviable position as best they could. Most of the remaining assets were sold for £90,000, but this still left some £21,000 in current debts unpaid, including £13,000 to a coal merchant and a coach maker, In addition the capital sum of £14,000 in unredeemed annuities remained outstanding. Apart from the sale of the London House at Hanover Square, the sole remaining course of action, as Witham pointed out, was to sell the plate and pictures :

“ If by this means we can raise four or five thousand pounds, we may be able for the present to save the family, but what are they to do hereafter, or even your Lordship, if the Arrears of rents and Wood Money cannot be got in.”²

At this point Lord Jocelyn, Despencer's son-in-law, stepped in and took over the management of Despencer's affairs. His first act was to dismiss both Sheldon and Witham, who had been Despencer's agents for more than 20 years, and appointed an accountant, H. Stratton of Turnwheel Lane, to go through their accounts. Stratton's revelations were shattering. Many items charged against Despencer's income were without vouchers and many were duplicated in such a way to give the impression that expenditure was much larger than it actually was. In

¹ *K.A.O.*, U 282 C 10.

² *K.A.O.*, U 282 C 14.

short, Stratton was accusing Sheldon and Witham of fraud and embezzlement. Sheldon, when faced with this charge, agreed that the accounts were not in good order and that some "mistakes" had been made. Stratton, in a letter to Jocelyn (4th October, 1818), poured scorn on Sheldon's excuses :

"I perceive that they admit of about £5,000 of my objections, saying they were mistakes A pretty way of getting rid of a fraudulent charge, but they would not have been mistakes if I had not found them out—Now my Lord . . . in stead of the £5000 mistakes I will substantiate against them £20,000 . . ."¹

Sheldon strongly refuted the allegation of fraud and questioned the validity of Stratton's figures, and indeed made a counter-claim that Despencer still owed him money. The first reaction of Jocelyn was to take legal action against Sheldon. Neither party was, however, keen on what would inevitably turn out to be a long and costly law suit, and therefore arbitration was agreed upon. During the course of the arbitration proceedings it became clear that things were going against Sheldon. Further discrepancies in the accounts came to light showing beyond all doubt that Sheldon owed Despencer more than £30,000. Faced with the certainty of his own ruin, Sheldon left the country in a great hurry "with the avowed intention of withdrawing himself from all legal processes at the suit of Lord Despencer".²

Sheldon's flight proved beyond all doubt his guilt. Just how long he had been using Despencer's money is not absolutely certain, but it must have been for some years, certainly in 1813 when he declared "I have no other wish or view . . . than the welfare of your Lordship & Family to see that honourable race which I have so long esteemed, keep the station in the world which is due to their rank & worth. I can say with truth it is the most ardent wish of the most faithful and sincere friend your Lordship ever had."³ But we should not be too hard on Sheldon. Despencer's own laxity and irresponsibility doubtless contributed to the carelessness of Sheldon.

Whatever satisfaction the ruin of Sheldon brought to Despencer it scarcely improved his own position. The moment of final reckoning had come, and one last letter from Despencer shows the reduced circumstances in which he found himself in 1819 :

"I hope we are now living much more reasonably than we have lately done, at the same time fear it will be impossible for me to continue in England. From what I hear I am sure that the thousand a year abroad is quite equal to fifteen Hundred in England

¹ *Ibid.*

² *K.A.O.*, U 282 L 11.

³ *K.A.O.*, U 282 C 10.

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. . . I hope no time will be lost in letting it [Mereworth Castle], so that I might go elsewhere and try to make the most of Eight Hundred a Year, which I am sure will keep me put comfortably in Brussels.’¹

Despencer who succeeded to an estate worth at least £8,000 a year had squandered most of it in ostentatious living and had failed to make any serious attempt to balance his own budget. The soaring prosperity which had come to most landowners during the war had tempted him along the road of extravagance, and he had not faced the fact that the cost of living as well as land values had increased. During the six years 1809–14 (inclusive) gross rents came to £59,910 while his total expenditure in the same period was put at £158,271.² His financial advisers were content to suggest remedies involving the selling of his capital assets, and Despencer had only too readily agreed. This policy was bound to lead to disaster even if Sheldon had been scrupulously honest. When the final crash came Despencer was compelled to reside abroad in order to avoid the consequences of his disgrace in England, and to live the life of a humble gentleman on the very much reduced income of £800 per annum.

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¹ *K.A.O.*, U 282 C 19.

² *K.A.O.*, U 282 A 17. Much of his income Despencer never saw as it was committed to the repayment of interest on money borrowed.