

APPENDIX No. 2

Hampstead Garden Suburb

I visited the Hampstead Garden Suburb and found that while the earlier portions had greatly improved in appearance owing to the building material having matured and softened in colour and owing to the growth of the vegetation, there was a disappointing lack of activity in carrying on new building operations. The Hampstead Garden suburb is looked upon as one of the most successful of the Garden Suburb schemes. It certainly has developed quickly and has enjoyed many advantages which would not be available for the average scheme and it has been supported by very influential people. Although a private enterprise, it has had considerable influence in connection with town planning legislation passed by the British Government. Socially, ethically and architecturally, it has been a great success. As a social experiment it would have justified itself even if it had meant a considerable loss to carry it out.

From a financial standpoint it has been disappointing. It has failed to yield adequate revenues in spite of a rapid development that should have made it financially successful. I have before me a report of the Directors, dated July 12, 1920. It shows a small balance of the revenue account for the year of about \$257.60. Added to a previous balance, less an amount written off preliminary expenses, the total balance is \$1,750. The Hampstead Suburb Trust have to meet debenture and mortgage interest charges amounting to \$52,750. At present the ground rents stand at about \$55,000, as the chief source of revenue of the Trust. Management and maintenance expenses have to be met out of sundry receipts. Mrs. Barnett, the Honorary Manager of the Trust, states that the chief reason for the delayed realization of financial success has been the slowness with which the dearest lots have been leased for the larger class of houses. This has meant that the estate is being carried with the lower ground rents obtained from the smaller dwellings.

In the monthly *Labour Review*, published by the U.S. Department of Labour there is a report on "Housing in Great Britain," which deals incidentally with garden cities and garden suburbs. The Letchworth scheme is summed up as a town planning experiment of the greatest importance and as showing what can be done to forestall a repetition of the existing congestion in England. The garden suburb, as distinct from the garden city, is not regarded as a solution of the problem of providing housing for work people because it involves separating the workman from his place of employment.

Letchworth is the outstanding example of a garden city, and Hampstead of a garden suburb. Other suburbs visited did not present any features which need to be dealt with in this report.

My general conclusions with regard to these schemes are:—

First.—They have been of enormous social value in influencing Parliament in improving the character of its housing legislation, in educating public opinion regarding the best methods of housing betterment, and in raising the standards of housing accommodation and types of architecture in connection with small dwellings erected by private enterprise.

Second.—They have been hampered in their development by lack of sufficient capital and this has delayed their completion.

Third.—Owing to the delay in completing the schemes, largely for the reason given above, the schemes have not paid any substantial proportion of the interest on ordinary stock, but all the interest on loan stock, debentures and mortgages has been promptly and regularly met.

Fourth.—While the schemes have, therefore, not been completely successful from a commercial point of view, I am convinced, as a result of careful inquiry and observation that the Letchworth and Hampstead companies are solvent and could realize