

INNER LONDON PROBATION AND AFTER-CARE SERVICE

Chief Probation Officer: Mr. W. H. Pearce, C.B.E.

BULLDOG MANPOWER SERVICES LTD.

(SUPPORTED WORK PROJECT)

Patron: H.R.H. The Duke of Gloucester, G.C.V.O.

Report on the Second Year

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(Photograph by courtesy of West London Observer)

The Duke of Gloucester was introduced to workers at the Portobello Green Site on 12th July, 1977 when he opened the gardens as part of Her Majesty The Queen's Silver Jubilee Celebrations.

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The Second Year

Appendices

- i. The Board of Directors and staff
- ii. Criteria for employment
- iii. Cost-effectiveness study - Home Office Economic Planning Unit report ⁷
- iv. An observer's view - Home Office researcher's report

The aim of the Inner London Probation and After-Care Service supported work scheme - for which Bulldog Manpower Services was brought into being - is to bring about change in the life style of some of the more difficult clients currently under supervision.

The intent is to concentrate on solving one problem; that of unemployability, by creating a realistic work situation in which regular and graded demands are made upon employees.

The demands are intended to secure regular attendance, to improve performance and to engender a more realistic and reasonable attitude to authority at the work site.

For employees, there is also a clear objective - in placement in more remunerative work outside of Bulldog and to achieve this within a time span of six months.

The Second Year

Among the highlights of the year was the visit by the Patron, His Royal Highness The Duke of Gloucester, to work sites on 21st March, 1977. He showed his continuing interest when he later opened Portobello Green - a Silver Jubilee project, successfully constructed by Bulldog.

Those responsible for the day-to-day running of Bulldog were very conscious during the second year of the experiences of the first year and they were concerned to avoid the same kind of errors. Further, they had the task of raising the work force and this meant increasing the number of work sites and the amount of supervision. The work force reached sixty two in early April but then uncertainties about future funding meant that it had to be reduced, with a consequential reduction in supervisory posts. At the end of the period under review, the strength was being increased and had reached thirty eight.

The finding of suitable work, which interests and motivates the employees, is always a problem. To facilitate this, a Deputy Manager (Operations) was appointed on 1st January, 1977. His particular skills were in the building industry and he concentrated his efforts on finding work in the fields of renovation and reconstruction. How this affected employee motivation and cost-effectiveness is to be found in appendices iii and iv, which form the more significant parts of this report.

Work has continued at Highgate Cemetery throughout the year. However, the emphasis has changed and Bulldog now co-operates with the Friends of Highgate Cemetery in more selective clearance. This is aimed at allowing the development of the rarer and more attractive trees, shrubs and plants and leaving enough ground cover for the variety of bird and insect life peculiar to the area. With such kind of work, the quality and effectiveness of supervision is very important.

A charitable organisation concerned to provide a hostel for black youths was assisted in its objective of gutting and reconstructing two four-storey houses. Bulldog was responsible for the interior work, whilst a "job creation" team worked on the exterior. Relationships with the charity were strained from time to time and in the end Bulldog workers were not able to take part in the final stages of reconstruction and decoration of the property. However, the hostel is now in use and this is largely due to Bulldog's contribution.

Much time and effort were put into the reconstruction of another large property in North London, again for a charitable organisation. The resources of the charity were limited and vandalism and theft caused an unacceptable drain on labour and materials. Because of this, Bulldog eventually had to limit its commitment to this particular task.

The reconstruction of a piece of public land under the auspices of an amenity trust to provide a park in honour of The Queen's Silver Jubilee was one of the more successful projects undertaken. In spite of the vagaries of climate, difficulties of drainage and dealing with the remaining foundations of some demolished properties formerly on the site, the work was completed satisfactorily and on schedule.

The painting and decorating crews have continued to work with an acceptable measure of success. Work for housing associations, churches and other charities has produced a fair financial return and, at the same time, has been an important training ground for those employees who have never practised the painting and decorating skills they were taught in institutions.

Special cleaning, washing down and garden maintenance in Probation Service properties has continued; the prospect of further tasks of this nature is good, as is the possibility of continuing painting and decorating work.

As has been indicated, the finding of suitable work remains one of the most difficult tasks facing management; second only to this is that of completing work to an acceptable standard and within the prescribed time limit. A report by the Deputy Manager (Operations) highlights the problems he has to contend with:

'Like other members of the Bulldog staff, I face a multifarious range of problems which are absent from the normal industrial experience. These special problems arise from what is essentially a conflict of interests: emanating from the needs of the organisation, which has provided the job, and the constant and often unrealistic demands of our own employees.

To organise operationally the activity of a contractor is nothing more than to direct the factors of production in an orderly way with the object of completing the job in the allowed time with the maximisation of profit. In these circumstances labour is one resource, albeit the most unpredictable but, nevertheless, one that can be motivated towards the aims of a particular company.

The Bulldog experience is a denial of the normal and is quite different; its aims and the factors of production have reversed roles and are given differing levels of priority. Labour, instead of being merely a resource, becomes also one of the "end products" of our activities and the job the means by which rehabilitation occurs.

In the search for work the normal criterion, which is the potential profitability of a contract, is of secondary importance; the work we do is selected on the basis of criteria which is largely social in content.'

Links with probation officers and units in areas where Bulldog work sites are within travelling distance, continue to be good and, in many ways, co-operation and understanding have increased as officers have become more aware of their client's work-related problems, of their attitudes to work and of the effect regular work and income has on their overall situation. Probation officers are also much more aware of the difficulties faced by Bulldog in creating and maintaining a real work experience. Officers are now more realistic in setting their clients work objectives and sharing their problems in an attempt to achieve "job readiness". Unfortunately, during the past twelve months, the majority of long-term work sites have been in areas north of the Thames, with only spasmodic short-life painting and decorating work south of the river.

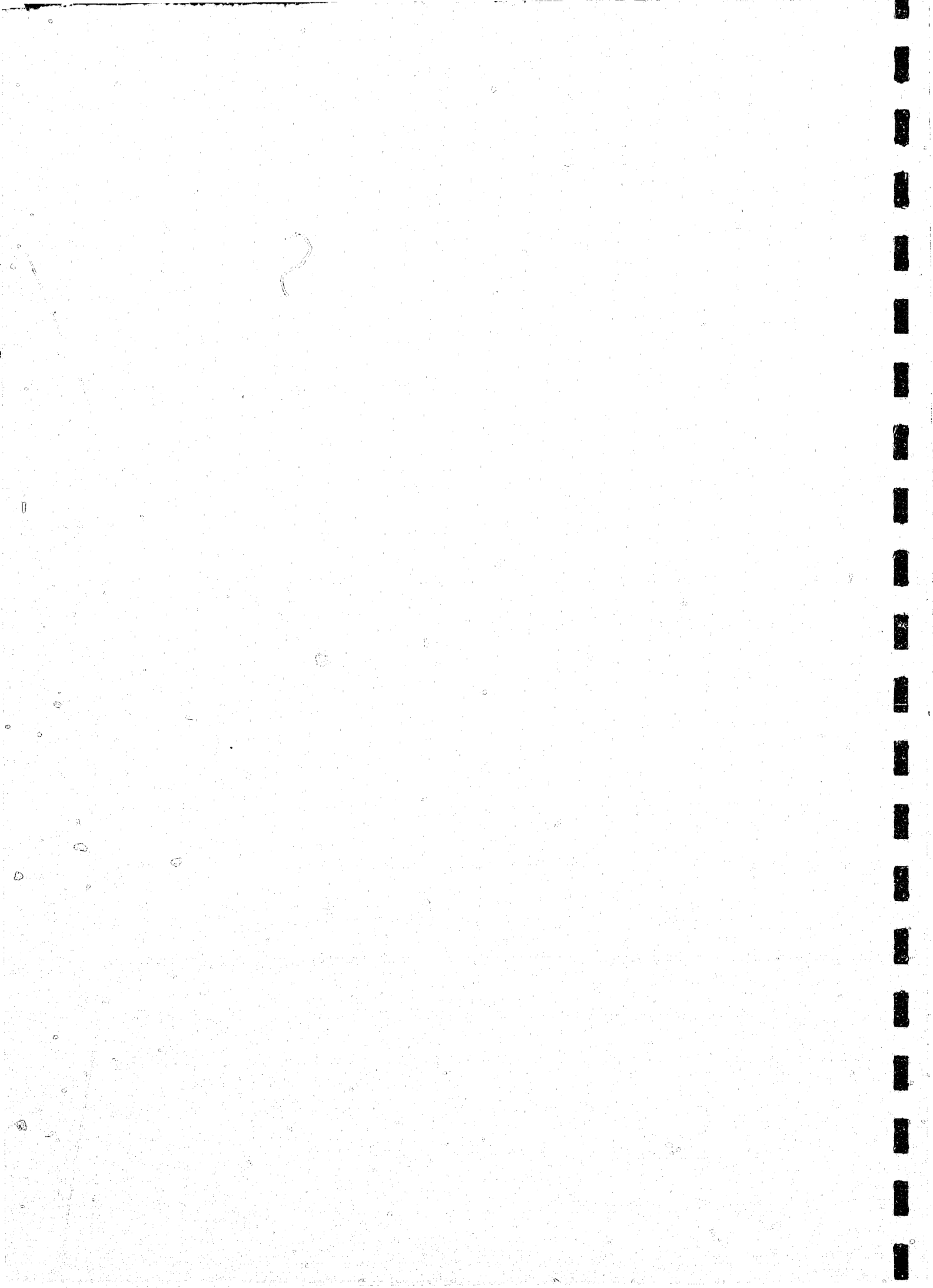
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Significant changes have taken place in Bulldog's links with the Department of Employment for job referrals during the past year. In the first six months there continued to be direct liaison through an Employment Services Agency adviser seconded part-time to Bulldog. During this period he established links with each relevant Department of Employment office in the Inner London Area; as a consequence those offices selected a member of staff to liaise with the Personnel Manager. Those appointed attended seminars at the Chiswick office, when they were briefed on the Company's aims, objectives and criteria for job readiness and a referral system was established. Although referrals were primarily of men and women ready for immediate employment others, who showed ability and/or enthusiasm, were sent to be considered for Government training courses. The referral system has worked well and everyone concerned has taken a realistic attitude to the problems employees themselves face when attempting to enter the normal labour market and which they present to potential employers.

As an additional resource for those who have lost the work habit, a transitional workshop was opened at 210 Chiswick High Road in July, 1977. Funded 100% by the Home Office and intended primarily for men and women residing in Inner London Probation Hostels under court orders, the workshop produces bespoke ironware and ornamental metal fancy goods. Sales of products are expected to cover the cost of materials and to go some way towards meeting overheads. The workshop has a total capacity of 12. Trainees receive a weekly allowance from their hostels, travel expenses, light refreshments and an attendance allowance of 80p per working day. Largely due to the quality of the instructor in charge, early results have been promising.

Wages paid to Bulldog employees have not altered during the first and second years; however, it has been agreed that increases in the order of 8% to 10% will be made to take effect from 1st October, 1977. The higher wages bill will have to be added to the increased costs of equipment, materials and travel, which are beginning to have a marked effect upon Bulldog's finances. Further, the current economic situation has affected those charities and voluntary organisations that have previously provided work opportunities. To take account of these factors and a reduction in government funding, Bulldog will have to become increasingly cost conscious; it will need to look for work with an adequate financial return, to reduce its expenditure on equipment and to concentrate on work that is labour-intensive.

Bulldog exists to make realistic work situations available to difficult employees; its continued existence depends upon merging the barely compatible component parts into a viable whole. There has to be a meeting of the desirable aims of the social work commitment to its employees and the reasonable requirements of the business side of the company for efficiency - if not profitability in the accepted sense. The past year has been an exercise in determining that meeting point.



The Board of Directors

Sir Carl Aarvold, O.B.E., T.D., D.L. (Chairman)
Dr. Alan R. Baddeley
Sir Harry Nicholas, O.B.E.
Mr. W.H. Pearce, C.B.E.
Mr. E.G. Pratt (Secretary)
The Hon. Mrs. Lindy Price
Mr. Peter Scott
Mr. Geoffrey Tucker, C.B.E.
Mrs. Barbara Warburton, O.B.E., J.P.

The Staff

| | | |
|-----------------------------|---|---|
| Manager | Mr. C.S. Crockford | Assistant Chief Probation Officer |
| Deputy Manager (Personnel) | Mr. P.G. Bearfield | Senior Probation Officer |
| Deputy Manager (Operations) | Mr. S.J. Fogarty | |
| Site Supervision | Mr. D.T. Weldon | Executive Officer |
| Site Support | Mr. M. Mulholland Miss S. O'Connor Mr. M.A. Pratt | Ancillary Worker Ancillary Worker Ancillary Worker |
| Clerical Support | Miss C. Thorley | Supervising Secretary |
| Consultant | Mr. R.E. Butler | Seconded (part-time) to Bulldog by Sir Robert McAlpine & Sons, Ltd. |

Criteria for employment in the supported work scheme

- 1) Client must be under statutory supervision
- 2) He/she must be between eighteen and thirty years of age
- 3) He/she must have a poor (or non-existent) work record in the previous two years and during that period must have held no job for longer than three months
- 4) At the time of appointment, he/she must have no outstanding court appearances
- 5) The supervising probation officer must be willing to take an active interest during the period the client is employed in the scheme
- 6) If a client with a problem of addiction is to be considered, he/she must be receiving appropriate treatment.

SUPPORTED WORK - AN ASSESSMENT OF BULLDOG MANPOWER SERVICES LIMITED - COST EFFECTIVENESS STUDY : 1 APRIL 1976 TO 15 APRIL 1977

1. INTRODUCTION

1.1 Bulldog Manpower Services is a non-profit making company founded by the Inner London Probation and After-Care Service to provide work for young probationers who are considered to be unemployable. The Company with the assistance of the supervising probation officer aims to incorporate basic work habits and attitudes into the employees with the aim of enabling them to move into the open labour market after about 6 months.

1.2 Before employees are hired certain criteria have to be satisfied: as to age, previous job record, willingness to work and willingness of the probation officer to continue voluntary supervision for as long as his client is employed by Bulldog. Relatively low standards of time keeping and job performance are tolerated initially, but intensive supervision ensures constant pressure to improve without demoralising the employee. Employment by Bulldog is presented as being a "proper job" with a genuine company and not another aspect of probation. Bulldog management, although they are probation service staff on secondment, do not deal with employees' personal problems, but leave such matters to the supervising probation officer.

1.3 For the first 2 years, funds to finance the Bulldog operation have been provided by the research and development funds of the Urban Deprivation Unit in the Home Office. These funds were intended to finance an initial feasibility study to see whether such a scheme could work. The present exercise is an attempt to assess whether or not this investment of public money can generate a sufficient return to make it worthwhile.

1.4 A similar exercise was carried out for the first 6 months of Bulldog operation from October 1975 to March 1976. This analysis, of necessity, was somewhat limited. The initial workforce of 6 employees on one site was built up to about 25 employees on 3 sites. There were many teething problems and staff/employee ratios were very high. They will always be high for a scheme which involves intensive supervision of employees who may be both inadequate and delinquent, but over the first 6 months they were exceptionally so. Methods of operation and charges for work done have to be evolved with experience which also takes time. This, of course, is the reasoning underlying the feasibility study. An additional problem was that since employees were not expected to be ready for other employment for about 6 months there were virtually no moves to non-supported work. It was therefore very difficult to judge the scheme's potential success.

1.5 The period covered by this paper is the middle 12 months¹ of the 2 year feasibility study period. It covers a time of relatively normal operation which should enable some conclusions to be drawn.

2. METHODOLOGY

2.1 No attempt has been made to quantify under costs and benefits to the community as a whole. In later discussion they will be considered, but they consist largely of intangibles. eg How does one evaluate the benefit to society of the increased self-confidence and self-esteem of some of its most inadequate members? How does one evaluate the benefits of work which could not have been done at the full commercial cost but which for example, provides an adventure

playground at a school for blind children? All the quantification the present paper relates solely to public expenditure costs and savings.

Although such an approach could be regarded as rather narrow, it does at least give some background against which to take decisions.

2.2 This analysis has 2 main parts: an overall assessment of the net subsidy and, an analysis of the 3 main types of work. These were labouring, painting and decorating and washing down.

2.3 THE OVERALL NET SUBSIDY (NET PUBLIC EXPENDITURE COST)

Table 1 shows the factors included in the calculations.

Table 1. Actual Overall Costs and Receipts

| <u>Costs</u> | <u>£</u> | <u>%</u> |
|-----------------------------|-------------------|--------------|
| Wages | 65,024.68 | 53.6 |
| Salaries and Superannuation | 25,353.05 | 20.9 |
| Expenses and imprest | 14,371.63 | 11.9 |
| Employee's travel | 2,838.72 | 2.3 |
| Clothing | 1,857.84 | 1.5 |
| P and D Equipment | 1,439.87 | 1.2 |
| Labouring Equipment | 829.37 | 0.7 |
| Insurance | 2,325.49 | 1.9 |
| Materials | <u>7,259.33</u> | <u>6.0</u> |
| TOTAL | 121,299.98 | 100.0 |
| | | |
| <u>Receipts</u> | <u>£</u> | <u>%</u> |
| Income from contracts | 25,701.61 | 38 |
| Income due | 1,190.95 | 2 |
| Income from clothing | 668.40 | 1 |
| Tax + NI paid | 19,004.02 | 28 |
| Benefit saved | <u>20,622.79</u> | <u>31</u> |
| TOTAL | 67,187.77 | 100.0 |
| | | |
| Net Cost | 54,112.21 | |
| Net Cost Per Man Week | 28.42 | |

2.4 This figure for the net cost per man week can be directly compared with the corresponding figure given by the previous assessment of the cost-effectiveness of Bulldog. The previous figure was £46.91. Therefore the net cost per man week has fallen by £18.49, that is 39% of the original cost, in current prices, which is considerably more in real terms.

2.5 It is necessary to examine Table 1 item by item in order to make clear what is included. On the costs side wages are those paid to employees. Salaries and superannuation cover the cost of the staff seconded from the Probation Service. Items covered by expenses and imprest include staff expenses, office materials, phone calls and postage etc. Various items which have been charged to the imprest for accounting purposes have been excluded and re-allocated to the appropriate headings. These include minor purchases of equipment, materials and clothing as well as the next item, employee's travel. This covers the excess travel costs (above 40p per day) of mobile crews. The clothing item covers purchases of overalls, donkey jackets, safety gloves, goggles, helmets and boots.

2.6 Painting and decorating equipment includes ladders, trestles and dust sheets etc and has been assumed to last for 2 years. Therefore the sum shown for painting and decorating equipment is half the actual expenditure incurred during this period plus half the actual expenditure incurred during the first 3 months of 1976.¹ Labouring equipment covers wheelbarrows and tools used on the labouring sites. It has been assumed that these last for one year, so the total actual cost for the year in question, plus half the actual cost for the first 6 months (of Bulldog) is shown.

2.7 The insurance item represents all premiums paid by the Company throughout the period covered by this assessment.

2.8 The final item on the cost side, materials, covers expenditure on: paint, brushes, wallpaper, screws, nails and timber etc; all of which can only be used once, unlike the supplies included under the Equipment headings.

2.9 On the receipts side income from contracts is income that has actually been received. Income due is the money owing from contracts. Income from clothing is the money paid by employees for their boots. Tax and National Insurance is that paid by staff and employees. The saving on unemployment and supplementary benefit is calculated in the following way: 115 out of the 144 employees hired were claiming benefit before they began work with Bulldog. The weekly benefit received has been multiplied by the number of weeks during which each of the 115 was employed. The sum shown is the total of these. However this calculation is almost certain to be an underestimate because it does not take account of any upratings to which they would have been entitled, nor does it take into account any exceptional needs payments. Furthermore it cannot be assumed that any of the 29 non-claimants might have started to claim benefit. It simply assumes that those who were claiming would have continued to receive the same amount. This calculation does not include any benefit which might have been received by any of the 9 foremen who were hired during this period. Most of these were unemployed skilled tradesmen who were not ex-offenders and it must be assumed that they would have obtained alternative employment.

3. THE LABOURING SITES

3.1 The calculations for the 3 separate groups of sites, labouring, painting and decorating and washing down, follow the same pattern as that described in paragraphs 2.5 to 2.9. Table 2 sets out the position for the Labouring sites

Table 2: Costs and Receipts at the Labouring Sites

| <u>Costs</u> | <u>£</u> | <u>%</u> |
|-----------------------------|-----------------|------------|
| Wages | 51,882.73 | 54.5 |
| Salaries and superannuation | 20,586.04 | 21.6 |
| Expenses and imprest | 11,669.39 | 12.2 |
| Employees travel | 1,406.16 | 1.5 |
| Clothing | 1,583.79 | 1.7 |
| Labouring Equipment | 829.37 | 0.9 |
| Insurance | 1,888.24 | 2.0 |
| Materials | <u>5,369.37</u> | <u>5.6</u> |
| TOTAL | 95,215.09 | 100.0 |

1. When P and D work began.

3.1 Table 2 (continued)

| | £ | % |
|-----------------------|------------------|--------------|
| Income from contracts | 19,367.15 | 37 |
| Income due | 750.31 | 1.4 |
| Income from clothing | 632.90 | 1.2 |
| Tax and NI Paid | 15,430.79 | 29 |
| Benefit saved | 16,392.75 | 31 |
| TOTAL | 52,573.90 | 100.0 |

Net Cost 42,641.19
 Net Cost Per Man Week £ 27.58

3.2 Wages are those actually paid to employees at the Labouring sites. Salaries and superannuation, expenses and imprest, clothing and insurance have been allocated proportionately to man weeks worked. The Labouring sites had 1,546 of the 1,904 man weeks, therefore the figures given are the totals of these items: 1904 x 1,546. Employees travel is the total paid to cover excess travel costs incurred by those working at Labouring sites. Labouring equipment and materials show the total expenditure on equipment and materials used on the labouring sites.

3.3 On the receipts side, income is actual income, income due is income owed, and income from clothing is that paid by the employees on the Labouring sites towards their boots. Tax and National Insurance is that paid by the employees. Benefit saved is the benefit which would have been received by employees working on these sites.

3.4 These calculations reveal an actual net cost of £27.58 per man week. This when compared with the corresponding figure produced by the previous assessment, which was £44.66, shows that the cost has fallen by £17.08, which is 38% of the original net cost per man week.

4. THE PAINTING AND DECORATING SITES

4.1 Table 3 shows the position for the painting and decorating sites

Table 3: Costs and Receipts at the P and D Sites

| <u>Costs</u> | £ | % |
|-----------------------------------|------------------|--------------|
| Wages | 12,418.04 | 50.6 |
| Salaries and Superannuation | 4,487.39 | 18.3 |
| Expenses and imprest | 2,543.73 | 10.4 |
| Employees Travel | 1,343.20 | 5.5 |
| Clothing | 259.50 | 1.1 |
| Painting and decorating equipment | 1,334.78 | 5.4 |
| Insurance | 411.59 | 1.7 |
| Materials | 1,741.44 | 7.0 |
| TOTAL | 24,539.67 | 100.0 |

| <u>Receipts</u> | <u>£</u> | <u>%</u> |
|-----------------------|------------------|--------------|
| Income from contracts | 5,738.56 | 41 |
| Income due | 440.64 | 3 |
| Income from clothing | 34.00 | 02 |
| Tax + NI Paid | 3,847.19 | 28 |
| Benefits saved | 3,873.71 | 28 |
| TOTAL | 13,934.10 | 100.0 |

Net Cost 10,605.57
 Net Cost Per Man Week £ 31.47

4.2 The cost calculations for the P and D sites have been carried out using the same method that was used for the Labouring sites. Wages are those actually paid to employees. Salaries and superannuation, expenses and imprest, clothing and insurance have again been allocated proportionately to the number of man weeks worked. A total of 337 man weeks were worked on P and D sites. Employee's travel covers the excess travel costs to employees; and P and D Equipment and Materials show the expenditure on equipment and materials for P and D sites.

4.3 The receipts calculations for P and D sites have also been carried out using the same method as was used for the Labouring sites. This is explained in paragraph 3.3.

4.4 From the calculations for the P and D sites it can be seen that there is a net cost of £31.47 per man week. So, as the corresponding figure in the previous assessment gave a net cost of £61.38 there has been a fall of £29.91 per man week which represents 49% of the original cost.

5. WASHING DOWN SITES

5.1 Table 4 shows the costs and receipts for the 4 washing down sites

5.2 Table 4: Costs and Receipts at the Washing Down Sites

| <u>Costs</u> | <u>£</u> | <u>%</u> |
|-----------------------------|-----------------|--------------|
| Wages | 723.91 | 46.8 |
| Salaries and Superannuation | 279.62 | 18.1 |
| Expenses and imprest | 158.51 | 10.3 |
| Employees travel | 89.36 | 5.8 |
| Clothing | 14.55 | 0.9 |
| P and D Equipment | 105.09 | 6.8 |
| Insurance | 25.66 | 1.7 |
| Materials | 148.52 | 9.6 |
| TOTAL | 1,545.22 | 100.0 |

| <u>Receipts</u> | <u>£</u> | <u>%</u> |
|-----------------------|-----------------|--------------|
| Income from contracts | 595.90 | 51 |
| Income due | - | - |
| Income from clothing | 1.50 | 0.1 |
| Tax + NI Paid | 218.37 | 19 |
| Benefit saved | 356.23 | 30 |
| TOTAL | 1,172.00 | 100.0 |

Net Cost 373.22
 Net Cost Per Man Week £ 17.76

5.3 The costs and receipts calculations for the washing down sites were derived using exactly the same methods that were used for the Labouring and P and D sites, these are explained in paragraphs 4.2 and 3.3.

A total of 21 man weeks were worked on washing down sites.

5.4 For the washing down sites the net cost per man week is £17.76. This figure cannot be compared with an earlier corresponding figure because washing down sites did not arise in the previous assessment. However it is interesting to note that this amount is much lower than the equivalent figures for the Labouring and P and D sites.

6. RATE OF RETURN

6.1 The success of a project of this nature must be measured in terms of its own objectives. In this case the objectives are to encourage employees into a more 'normal' way of life, with the hypothesis that having a regular job is a major factor. This analysis makes no attempt to assess changes in personal behaviour and attitudes. The Home Office Research Unit has been conducting research into these aspects of participants lives. This paper considers only the return to the Exchequer of moves into non-supported employment.

6.2 Seventeen employees from labouring sites moved into other jobs during the period under consideration. This means that 1546 man weeks' work were necessary to produce 17 'graduates'. The net cost per graduate from these sites is therefore £2508. To calculate the rate of return on this investment it is necessary to make a number of assumptions:

a. It is assumed that all graduated employees remain in employment for a period of 5 years. We do not know at this stage what proportion remain in their outside jobs, but on the other hand, they are at the start of their working lives, and many will work for over 40 years. For the internal rate of return in this paper, the period over which it is calculated is 5 years.

b. It is assumed that employees would have remained unemployed if they had not come to work for Bulldog. In view of the qualifications in terms of very poor work history required of Bulldog entrants, this is not an unrealistic assumption.

c. It is assumed that employees in their new jobs earn the same as they did in Bulldog, and pay the same taxes. This assumption will bias the calculation somewhat, since outside jobs normally pay more than the Bulldog average.

6.3 The internal rate of return for labouring jobs is thus:

$$C_0 - B_0 = \frac{B_1 - C_1}{(1+r)} + \frac{B_2 - C_2}{(1+r)^2} + \frac{B_3 - C_3}{(1+r)^3} + \frac{B_4 - C_4}{(1+r)^4} + \frac{B_5 - C_5}{(1+r)^5}$$

The left hand term in this case is £2508. The numerator on the right hand side for all years is taken to be £888. This is derived from a weekly benefit of £17.08. £6.52 of this is the average tax and national insurance payments of a Bulldog employee on a labouring site. The remaining £10.56 is the average benefit saved from each such employee. On this calculation the internal rate of return over 5 years is 22.5 per cent, which is well above the ~~tax~~ discount rate of 10 per cent.

6.4 A similar exercise was conducted for employees who worked on painting and decorating sites. Washing down sites were also included in this calculation since both types of job were done by the same crews. Three of these employees moved to outside jobs, and the net cost of each graduate was £3659. The average tax and national insurance paid was £8.21 and the average benefit saved was £11.81. This yields a right hand side numerator of £1041. On this basis the internal rate of return over 5 years is 13 per cent.

6.5 Although this is lower than the rate for labouring jobs, there is an additional factor to be taken into account. Most of the Bulldog employees in painting and decorating crews had previously received painting and decorating basic skill training in Borstal. Until their employment with Bulldog they had never put this training into practice. The initial investment had thus been wasted, but by investing a little more, these employees were able to make use of their training. All 3 graduated employees moved into jobs in the trade (and a number of others have done so since).

6.6 It is not yet clear whether participation in Bulldog reduces an employee's probability of reconviction. There is some anecdotal evidence to the effect that convicted Bulldog employees are less likely to receive custodial sentences because they are in regular work. Since there is no firm evidence no account is taken in this calculation of any potential savings to the prison or Borstal services. If, however, transition into the labour market does reduce the probability of going to prison or Borstal, the internal rate of return will be increased substantially.

6.7 There is, however, a counter-argument which must be considered. If Bulldog succeeds in helping a number of the 'unemployable' to become active participants in the labour force, it is in effect increasing the labour supply. At the present time, the labour supply is increasing faster than available jobs, with the result that unemployment is rising. It is possible that ex-Bulldog employees are merely displacing others in the labour market, so the net benefits of the scheme are zero. In some ways, however, this is too simplistic. Bulldog employees, without their participation in the scheme could reasonably be expected to remain among the long-term unemployed. Where this did not accompany further criminal behaviour, they would be receiving all the various long-term additions to standard benefits. Where unemployment contributed to further criminal behaviour they would be imposing severe costs on the criminal justice system. If as a result of the displacement effect, a number of people suffer additional spells of short-term unemployment, then whatever the moral arguments about groups which are more or less deserving, the cost to the Exchequer is likely to be lower. If, however, displacement results in another marginal worker becoming part of the long-term unemployed, then there is no saving unless that displaced worker had a lower level of criminal activity and a lower probability of a custodial sentence. This is clearly an issue which is impossible to resolve, at least in the context of the present study.

7. BENEFITS TO EMPLOYEES

7.1 An analysis was undertaken to see to what extent individual employees benefit financially from working for Bulldog. All the employees who worked during the period 1 April 1976 to 15 April 1977 are included in this analysis. The average weekly net pay of each employee was compared with his previous state benefit. The results are set out in Table 5.

Table 5: Distribution of Weekly Net Gain to Employees

| Amount of Gain | £ | Loss | | | Gain | | | | | |
|---------------------------|---|-------|------|-----|------|------|-------|-------|-------|-------|
| | | 10-15 | 5-10 | 0-5 | 0-5 | 5-10 | 10-15 | 15-20 | 20-25 | 25-30 |
| Number of Employees | | 2 | 11 | 19 | 17 | 18 | 28 | 29 | 11 | 9 |
| - of which still employed | | 1 | 1 | 3 | 8 | 8 | 11 | 7 | 7 | 3 |

7.2 The total number of employees hired was 144, and the overall average net gain was £12.69 a week. But not all employees experienced a gain, as many as 32 workers were prepared to stay with Bulldog for periods ranging up to 19 weeks, even though they would have been better off on social security. The greatest net gains appeared among the 27 who had not previously been claiming state benefits. This group had an average net gain of £23.79 a week.

8. SOCIAL EFFECTS

8.1 No attempt has been made to quantify the overall costs and benefits to society. This is because while the costs could probably be calculated, the benefits consist almost entirely of intangibles. An adventure playground has been created at a school for blind children in Wandsworth. Funds were not available to pay the full commercial cost of it, but the benefits to the children are impossible to measure in cash terms. A house in Westminster has been converted into a hostel for battered wives. How do we measure the benefit to them of having a safe place to go to? Jubilee Gardens a new park under the Westway at Portobello Green has been built out of wasteland. There are clearly benefits here for the local community, but a park is a pure public good and is difficult to value.

8.2 For some contracts a full commercial price was charged, and this could be used to measure the value of the work done, but as this is only true in a minority of cases, it would be difficult to look at these jobs in isolation.

8.3 Unfortunately, it was not possible to collect a full control group to see how far the behaviour of Bulldog employees differed from that of similar clients of the Probation Service who were not offered employment in Bulldog. This means that we are unable to measure accurately any reduction in criminal or other anti-social behaviour, which might otherwise accrue as benefits to the community.

9. CONCLUSION

All the available evidence indicates that Bulldog is a cost-effective method of helping young, unemployable probationers. There are tendencies such as potential displacement of other workers which reduce this, but any reduction in criminal activity increases it. Probation Department funds have been committed to the scheme for a third year from October 1977, and it appears that this is a reasonable use of public resources.

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1. During the second year of Bulldog's operation there was only a part time commitment by the Home Office Research Unit which terminated in July. The researcher's efforts were concentrated on two aspects. Firstly, the continuing development of the scheme was monitored, particularly in regard to problems identified in the research report on the first year. Secondly, the extent to which Bulldog is construed as a real work situation was investigated. The report is not intended as a scientific study of the project in its second year, but rather as a set of insights from a trained observer, who has been in contact with the scheme since its inception.

Developments during the second year

Liaison with Employment Services Agency (ESA) local officers

2.1 A major development was the institution of new arrangements with the ESA. In each area office one or two officers have been nominated to liaise with Bulldog. On appointment they attend a Seminar at Chiswick to meet Bulldog management, hear about the scheme and discuss placing the employees. An Employment Adviser from the Chiswick Job Centre is still responsible for co-ordination of the ESA's service to Bulldog, but the nominated officers can be contacted directly.

2.1.2 The procedure works in the following ways; the co-ordinating EA at Chiswick is informed when a client is hired, and, within two weeks, he visits the site to introduce himself to the employee and explain the expectations about transition. It is up to the Personnel Manager and the Sites Supervisor to assess job readiness and, when appropriate, to inform and brief the co-ordinating EA, who then conducts an interview to discuss the employee's preferences, his skills, and the opportunities available and contacts the local nominated officer, who liaises with Bulldog's Personnel Manager and arranges to interview the employee. The employee is briefed about the interview situation beforehand and the liaison officers in the ESA often provide feed-back after the interview.

2.1.3 These arrangements seem to be working well. It appears that Bulldog has been successful in raising the interest and concern of the nominated officers. The obvious advantage of the system includes spreading the burden of finding jobs amongst more ESA officers and having immediate access within each locality to the available jobs. Additionally, feed-back from the nominated officers enables Bulldog to prepare its employees appropriately and positive experience of the ESA may stand them in good stead for the future.

Widening of the criteria

2.2 Bulldog has been willing to consider female clients since the beginning of the second year, and two have been taken on to painting and decorating crews. Both have proved to be very suitable employees, and one has already been successfully placed in another painting and decorating post.

2.2.2 The age range was extended up to 30 at the end of January, but this has not had a major impact on recruitment. This is probably because Bulldog's wage rates are not attractive to older clients who can receive almost as much on Social Security - or even more if they are married with children. When the Personnel Manager receives enquiries about potential older employees he stresses that Probation Officers should discuss pay with them, and, as a result, many such clients decline to pursue the matter. Of five older employees hired, two left very quickly (one to another job), and the others were still with Bulldog by July and appeared to be benefiting. Those five employees were included in the interviewing exercise reported below. Four of them considered that pay was too low; in comparison, only one of the thirteen younger employees had this complaint.

Resolution of issues identified in the first year

2.3 The research report on the first year of Bulldog's operations noted some problems which had been raised but not resolved during the initial 12 months. Progress appears to have been made regarding some of these. Bulldog has sufficient supervisory staff to cope with planned expansion, and those now employed appear satisfactory and prepared to remain with the Company. As far as this topic is concerned the second year was notable for the case of one foreman, dismissed for refusal to work as requested, which was taken to the Industrial Tribunal. Despite finding that the employee was equally culpable with Bulldog, the Company was ordered to pay about £220 compensation. This underlined the need to make instructions to supervisory staff explicit and to define their jobs precisely. There are now designated three grades of foreman, and Bulldog has very recently been able to spell out its expectations of Grade 1 foremen.

2.3.2 No more chargehands were recruited directly. All the four chargehands who remained in Bulldog at the end of the first year had left by July, but only one went to outside employment. Although Bulldog maintained a third grade of foreman consisting of promotions from basic grade employees, only one promotion to this level was made in the nine month period (compared with two in the first year). There were only six new promotions to leading hand compared with nine during the first year. The lower incidence of promotion showed that the experiences of the first year had led Bulldog to be wary of giving more responsibility to employees than could be coped with and of making them so comfortable that they would be unwilling to leave.

Decisions regarding job readiness have been standardized, but, in a way that preserves the flexibility necessary to avoid the following important pitfall. There is the danger that employees, who are well able to cope with outside employment but unwilling to leave, would sabotage Bulldog's efforts by infringing the standards set if a rigid procedure was laid down. The criteria are thus set at a minimum of six weeks consistently good work with an average of at least 30 hours per week and attending for a full 36 hour week fifty per cent of the time. The need for good timekeeping and reliability among the employees has been impressed on foremen.

2.3.3 The procedures for chasing up absent employees and termination have been defined through practice to some extent. As far as "sweeping" is concerned, the theory is that Site Supporters go to find absent employees, unless the Sites Supervisor directs otherwise, for example, if he knows the reason for the absence or is in touch with the employee's Probation Officer. After three unsuccessful calls on successive days sweeping stops, the Probation Officer is notified and, if that intervention has no results, the employee is contacted by letter giving him the option of resuming his employment or having it terminated. During July a concerted effort was made to improve attendance. Anybody, who had averaged less than 30 hours a week over the previous seven weeks, was seen and asked for an explanation: if due to laziness the employee was warned to improve his performance. A warning letter was sent to those who could not be found at that time. As a result a number of employees were given the option of attending for work on a regular basis or having their employment terminated. This action has, it is hoped, had the effect of raising standards and, consequently, morale. An inspection of the payroll returns show that, on occasions in the past, there has been a need for taking such a drastic course, and there is probably justification for instituting a practice of regular warnings on this basis.

3.1 Bulldog's ability to prepare its employees to cope in the outside world of employment depends to some extent on being similar to that environment but, more particularly, relies on being construed as similar. It is thus important that the employees consider they are in a real job situation. The construction employees put on working for Bulldog will depend on the impressions they receive before they join the Company and in the working situation. To throw light on these aspects some fieldwork was undertaken to discover Probation Officers' attitudes to Bulldog, the information they conveyed to prospective employees, the employees' first impressions of Bulldog from their Probation Officers and from the hiring interview and their overall impressions once they were actually working. These findings are supplemented by the researcher's perceptions of hiring interviews and the conditions of four of Bulldog's sites.

Probation Officers' attitudes to employment and to Bulldog

3.2 In this context it is interesting to know what the thirteen Probation Officers concerned did to find jobs for their clients before Bulldog was available as a resource, whether they had tried other means of getting the clients they placed with Bulldog into work, how they viewed employment in relation to these clients' problems and their continuing contact with these clients. Their perceptions of the advantages and disadvantages of Bulldog and ways it could be improved tend to reveal the extent to which they set it as "real" work. Most important is to know the information they transmit to clients and whether they aim to give the impression of a normal job situation or of something exceptional.

3.2.2 When asked what facilities they had used to find employment for clients, the majority of the Probation Officers mentioned the employment exchange and six mentioned New Bridge. Additional resources included a voluntary associate, who devotes time solely to job seeking, accompanying clients to the Job Centre to go through vacancies, a network of friendly employers and using clients in work to find employment for others. Only two Probation Officers revealed negative or apathetic attitudes to finding employment in general. Nine Probation Officers had made some alternative efforts with the clients they eventually placed with Bulldog.

3.2.3 Employment was perceived as a specific problem in the case of the clients of six of the Probation Officers but only in two cases was it the most important one. However, all the Probation Officers interviewed saw employment as relevant to their clients' problems. For example, for one client who had suffered a psychotic breakdown a job was important in the return to normality; for another, whose background was very unstable, employment was needed as a stabilizing force, yet another's problem was lack of motivation and thus Bulldog could provide a much needed focus.

3.2.4 Only three Probation Officers felt that, having placed clients with Bulldog, would make no difference to their continuing work with them. The others felt that Bulldog gave them a basis to build on, provided the opportunity to be positive and encouraging to their clients or had the effect of changing the client's attitude for the better. As far as frequency of reporting was concerned two Probation Officers had reduced their requirements of clients and another two were prepared to do the same, the rest had made no changes.

3.2.5 The comments made by Probation Officers about Bulldog's advantages showed that they regard it as more than an employment situation. Mention was made of the interest the Company took in clients, trust in Bulldog's handling of clients, the ready access to Bulldog and the feed-back that was available from the Company (although one Probation Officer noted that, in practice, such communication had broken down). That Bulldog is valued for providing "supported" work is

demonstrated by the fact that six Probation Officers noted security or tolerance as advantages, and only one Probation Officer expressed doubts about this - noting that there were both positive and negative aspects involved. Some other Probation Officers questioned the balance between a "real" work situation and a Probation Service run scheme and appeared aware of the dangers that Bulldog management has long since recognised. A novel, if naive, comment was the disadvantage of "mixing with delinquents".

3.2.6 The Probation Officers were asked what information they had passed on to the clients they referred to Bulldog. One had not been personally responsible for telling his client about the Company but had relayed information through the warden of a residential home, so the following is based on the replies of twelve Probation Officers. Eight had told clients about the type of work involved, the rest were vague on this aspect, in one case deliberately so for fear "of putting (the client) off". Five mentioned pay and three Bulldog's tolerance and/or sweeping procedures. Six had explained how Bulldog was intended to be transitional work and how they could be helped to find further employment. Eight had made the link with the Probation Service overt, but it was obvious that this aspect was problematic. One Probation Officer said he would find explaining this a problem except that the clients did not seem to mind, and another commented that all the employees seemed to know about the connection. Bearing in mind all the information presented three of the Probation Officers appeared to create the impression of an exceptional situation, two of them seemed to take pains to present it as completely ordinary and were deliberately silent about the links with the Probation Service, while the majority (eight) struck a middle course. The compromise seemed the best option - it avoided the danger that clients would feel something had been hidden from them when they later discovered the Probation Service involvement in the Company, and the opposite pitfall of their feeling that they were being singled out for special treatment.

Employees' perceptions of Bulldog

3.3 The employees build up a picture of Bulldog gradually. Their first impressions from their Probation Officers or from other sources will predispose them either favourably or negatively. The hiring interview is particularly crucial, but after some time working for Bulldog employees will be able to base their opinions on further experience, which may or may not confirm their early perceptions.

3.3.2 Interviews to investigate this process were conducted with 18 employees. Thirteen of them had heard about Bulldog initially from their Probation Officers, two from brothers and two from mates working for Bulldog, and one from a worker at Sherborne House. Of those who had had information from their Probation Officers, six learned that Bulldog was for offenders or for those with problems obtaining work, two gathered that it was in some way out of the ordinary but their Probation Officers were not specific, and two formed only vague impressions. Three had been led to believe it was an ordinary concern, but two of them gained the opposite impression from the interview when they gathered that the Company hired only offenders, indeed one became suspicious at that stage that a "nasty job was involved" and that the Company was out to exploit ex-offenders.

3.3.3 All but one of those interviewed at Highgate had been hired on that site and all the rest had been hired at Bulldog's headquarters in Chiswick. When asked where they had been hired and who had hired them, four of those who had been to Chiswick said the building was a Probation Office. Noone thought that they had met a Probation Officer at the hiring interview but one respondent believed that Bulldog's "top man" was a Probation Officer. There were wide individual differences in what information was retained from the hiring interview. Most said they had received information about the wages, timekeeping and type of

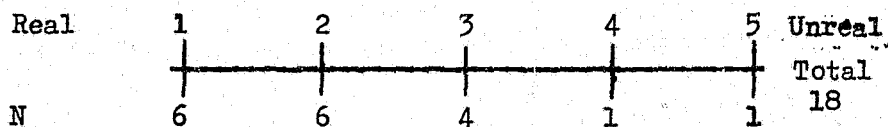
work. Six spontaneously remembered being told about transition to further employment and the Employment Service Agency. Six repeated information about sweeping and three talked about tolerance over lateness and behaviour during a "trial month". Four had been struck by the fact that Bulldog was not concerned about potential employees' backgrounds, indeed one quoted the Personnel Manager's quip verbatim: "I don't care if you've stabbed your own Granny ..." but rather than treat it jokingly he appeared perturbed!

3.3.4 Only five thought the interview similar to others they had had and thirteen found it dissimilar. Perception of similarity seemed to hinge on form filling - those who thought it similar mentioned that there were forms to fill in or that "they took particulars" and some of those, who found it dissimilar, said there were few or no forms to fill in and no questions about previous jobs. There were both positive and negative aspects of dissimilarity. On one hand some employees perceived the difference as the firm being "interested in you", found the situation more relaxed and more informative; on the other hand, others felt they did not have the opportunity to prove themselves. There were six cases which were at this extreme and the Probation Officers' handling of the pre-interview briefing appeared to be largely responsible.

3.3.5 In order to probe the Company's image a question on the theme "what is Bulldog in business for" was asked. This produced seven responses on the lines of "rehabilitation" of the employees, one answer "to help charities", one answer which included both these features. Four responses were on the lines of "to make money" - of these two were positive comments, Bulldog was seen as a viable commercial enterprise, and two were negative and suggested a "racket" which was exploiting cheap labour. Other replies were "working for the council" and another "just to make the cemetery look tidy".

3.3.6 After working for Bulldog for a while, many employees felt that working for the Company was more like an ordinary situation than they had been led to expect, either prior to or at the interview. Although most had been made aware at some time that Bulldog was for offenders, they found that this was not stressed at work. Sweeping had been emphasized at the interview, but few employees were aware of it happening in practice and, although they were aware of Bulldog's tolerance, they felt this did not constitute an unrealistic feature. In general, they tended to disregard the link with the Probation Service.

3.3.7 On the basis of all their answers it was possible to decide whether employees viewed Bulldog as a "real" work situation or the opposite. Their responses were rated along a 5 point scale. On the whole, they tended to perceive it as realistic as illustrated on the following scale:



Both of those whose responses indicated they saw Bulldog as unlike a real job were very lethargic and they both suspected a great deal of Probation Officer manipulation. Two of those in the middle category had been given specific expectations that Bulldog was unlike other jobs by their Probation Officers. Another in that category found himself in a double bind situation - when interviewed by the researcher he was feeling very disillusioned and bitter about the Company; at the same time there were many respects in which he liked the job; to lessen the conflict he shifted his attitude about the realism of the job.

Hiring interviews

3.4 These comments are based on discussions with the Personnel Manager, the Sites Supervisor and the Site Supporters and on attending two individual interviews and one group session attended by five potential employees.

3.4.2 At all the hiring interviews the link with the Probation Service was made explicit but not dwelt on, and the split between work and the Probation Service was clarified. This appears to strike the correct balance. It is important that the employees do not suspect anything is hidden from them, and, once having mentioned the link, it can be ignored. The involvement with the Employment Service Agency was very properly introduced, since employees need to be prepared for transition from the very beginning. A great deal of factual information has to be conveyed, much of which is effectively presented by going through the Contract of Employment (this was omitted at the group session attended). There is an obvious danger of rushing through the details of pay, hours and conditions, which are very familiar to Bulldog's management but not necessarily to the potential employees, since not all Probation Officers brief their clients adequately. Bulldog's supportiveness - tolerance of lateness in the initial weeks, warnings not to work too hard at the outset, help with sorting out Social Security difficulties - appeared to be given the correct emphasis. The employees appear to interpret this as the Company showing interest in them. If these aspects were further dwelt on, however, it might set up too lax an expectation in the employees. Sweeping should only be emphasized if the procedures described are going to be put into operation. Although the employees need reassurance that Bulldog is unconcerned about their offence records, there appears to be the danger that some clients (and their Probation Officers!) feel insecure thinking that they are mixing with hardened criminals - perhaps this aspect would best be raised in the individual part of the interview rather than in the group briefing.

3.4.3 The form filling part of the interview is important because it is an ordinary aspect of hiring. Bulldog deliberately does not ask too many questions in order not to worry potential employees. However, this runs the risk of denying employees the opportunity to feel they have proved themselves and achieved the success of obtaining their own jobs. As this part of the interview is done on an individual basis it can be carefully gauge. Bulldog is also very sensitive to the problem of illiteracy and appears to cope well in this respect.

Site visits

3.5 Although, during Bulldog's first year, the researcher spent much time at the work site, these recent impressions of Bulldog sites are based on a very small sample of visits - two each to Unity, Highgate and Portobello Green, and one to Cromartie Road. As moods on any work site vary from day to day, the following must be read with caution.

3.5.2 On the occasions on which I visited, Unity appeared to be a model Bulldog site. There was enthusiasm and a sense of achievement. The employees enjoyed the work context and the friendly atmosphere and were positively oriented towards the future - Bulldog represented a jumping-off ground and they were keen on training and learning skills. There was a sense of belonging and the basement site hut provided a communal meeting place. Comparing it with other sites the existence of a reasonably comfortable place to gather and drink tea appeared to be one of its advantages.

3.5.3 On both occasions, Portobello Green seemed depressed and lethargic. There was no sense of leadership like there was at Unity, where there were no reservations about who the boss was. There was much confusion at Portobello Green about who was in charge and who knew what should be done. Even though progress towards the work target was evidently being made, there was no sense of achievement among the employees and no sense of purpose. Although this must be true of many commercial enterprises, it represents a shortcoming for Bulldog.

3.5.4 I visited Cromartie Road at a time when there was a general feeling of resentment against management. Tools and materials had not been delivered as requested, and the job was dirty and uncomfortable - the crew were working at the top of the building site with no shelter from the cold March winds. Conditions were terrible - there was no running water and nowhere to sit down. Even so, the foreman had great enthusiasm and had a cohesive, hard working crew. He was working alongside them (also the case at Unity), and this seems important in gaining the employees' respect. Given reassurance that the Company was interested - evidenced by prompt delivery of requisitions rather than vague, unfulfilled promises - the Cromartie Road site seemed capable of offering to employees a positive experience.

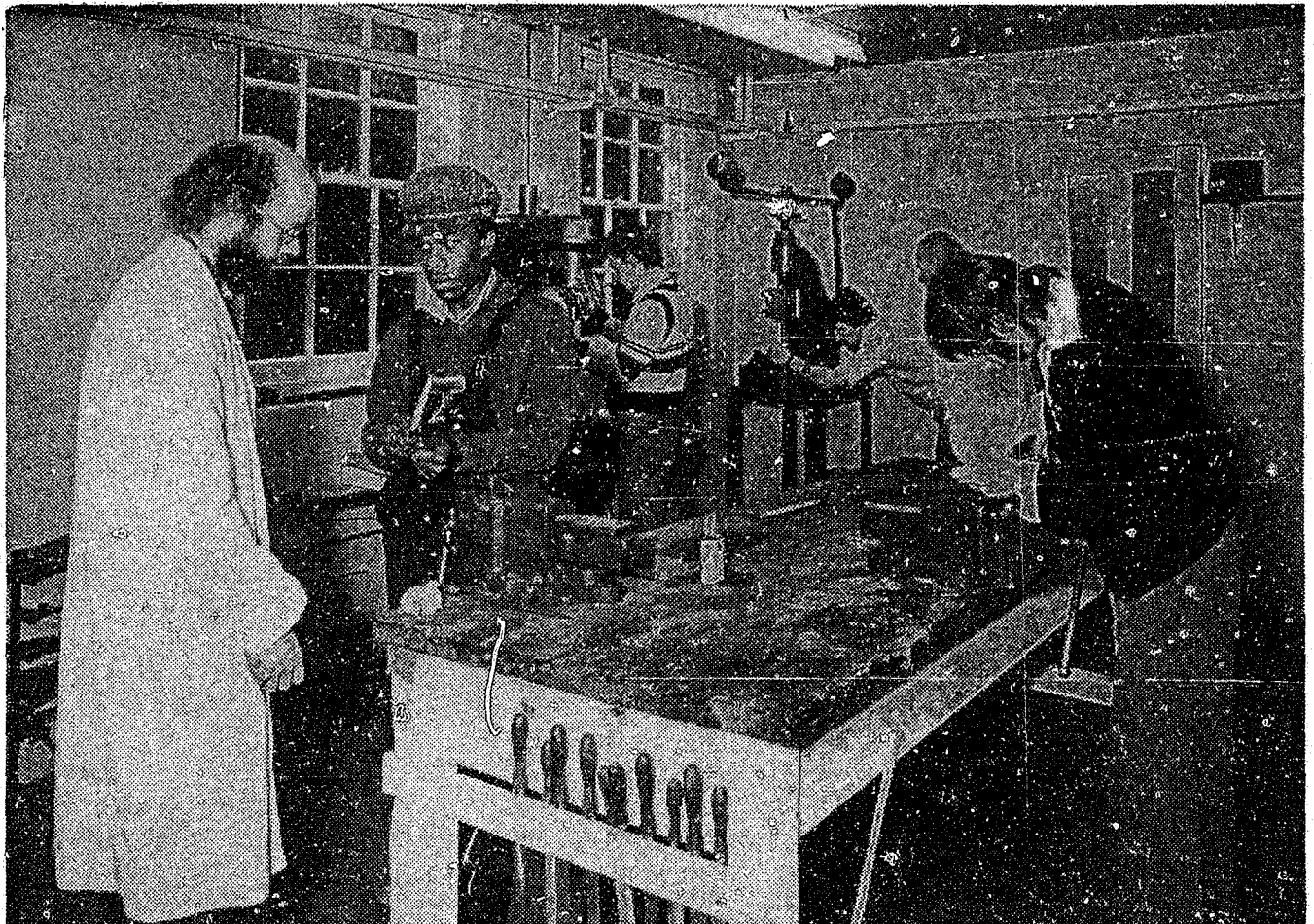
3.5.5 The mood at Highgate appears to swing wildly. At its best it is friendly, supportive and there is a sense of achievement. There appears to be a tendency towards lethargy, and I have no personal experience of its worst periods, when, by all reports, it can be very destructive. It is not uncommon on Bulldog sites for racial tension to emerge, but at Highgate it is certainly the norm, and it does not appear to be a situation that management can effectively alter. In many ways Highgate is an ideal site; the work appeals to most employees, they like working outdoors and appreciate the attention of visits; the site hut provides a meeting place and the site is usually perceived as friendly. However, on occasions, it is not demanding enough. It appears to be particularly important to be strict with regard to timekeeping and attendance at Highgate and to ensure that employees' performances are satisfactory. The nature of the site means that employees can easily disappear, and the nature of the work is such that it is easy to slip into very lazy habits. There appears to be room for improvement in these respects without making unrealistic demands, and it appears that morale is greatest at Highgate when the activity level is at its highest.

Impressions from hiring interviews and site visits

3.6 Observations of hiring interviews and on the work sites support the conclusion that the best aspects of a real work environment are those that should be emphasized and these are, in themselves, supportive. It appears important to be working alongside respected supervisors and congenial mates. Wherever appropriate, foremen should be encouraged to work with their crews, and the site hut should be used to further contact and communication among everybody on the site. It is equally vital that management are seen to be interested. This is initially achieved at the hiring interview and needs to be confirmed (and generally appears to be) by support for individuals, when necessary, and facilitating the progress of the work group. Making explicit demands, which, although having necessary margins of tolerance and flexibility, are adhered to, is a third important factor. This could mean instituting a series of warnings on the lines recently used, a course of action which seemed justified by the way standards and morale appear to be related.

Conclusion

3.7 Bulldog appears to be successful in overcoming the problem of maintaining a balance between a supportive work situation and one that is realistic enough to fit employees for entry to the outside world of employment. Bulldog employees tend to see their jobs as realistic and do not find that the supportive aspects and the link with the Probation Service detract unduly from that perception. However, they discern both positive and negative similarities to other employment. In striking the balance Bulldog needs to bring out the best aspects of employment. The concern should be to create a situation that is stimulating and challenging so that work is perceived as a worthwhile and rewarding activity. This is to emulate the best of "real" outside work but is more demanding, of employees and management, than many employment situations. Observations suggest that Bulldog is aware of this requirement and is striving to fulfill it.



A section of the Bulldog workshop



A display of articles produced in the workshop



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