

B-MINCOME pilot final results (2017-2019)

Combining a guaranteed minimum income and active social policies in deprived urban areas of Barcelona

EXECUTIVE REPORT



B-MINCOME
Sustainable inclusion in Barcelona

Ajuntament de
Barcelona



Executive report

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B-MINCOME pilot

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B-MINCOME PILOT

B-MINCOME, combining a guaranteed minimum income and active social policies in deprived urban areas of Barcelona, is a pilot project to fight poverty and social exclusion. It is co-funded by the *Urban Innovative Actions* programme of the European Union and led by the Area for Social Rights, Global Justice, Feminism and LGBTI Affairs of Barcelona City Council, together with a consortium formed by The Young Foundation, NOVACT (International Institute for Nonviolent Action), Ivàlua (Catalan Institute for the Evaluation of Public Policies), IGOP (Institute of Government and Public Policies) and ICTA (Institute of Environmental Science and Technology) of the Universitat Autònoma de Barcelona and the Data Management Group of the Universitat Politècnica de Catalunya.

The project had an overall duration of 36 months comprising the 24 of intervention and evaluation (from 1 November 2017 to 30 October 2019) and a previous year of preparation of the experimental design, diagnosis, sampling and data collection, started in November 2016.

The pilot targeted 1,000 vulnerable households living in the ten neighbourhoods that make up the so-called Eix Besòs [Besòs Axis] (Ciutat Meridiana, Vallbona, Torre Baró, Roquetes and Trinitat Nova in the district of Nou Barris; Trinitat Vella, Baró de Viver and Bon Pastor in

the district of Sant Andreu; la Verneda and la Pau and Besòs and Maresme in the district of Sant Martí), one of the areas of the city with the highest rates of households in a situation of vulnerability and which groups together 10 of the 15 neighbourhoods with the lowest disposable family income in the city.

The objective of the B-MINCOME pilot was to test the effectiveness (in relation to the results obtained) and efficiency (in relation to the cost of its implementation) of an innovative and comprehensive policy that combined a monetary transfer, the so-called Municipal Inclusion Support (Catalan acronym: SMI) with four active social and labour inclusion policies in the areas of training and employment, entrepreneurship in the social, solidarity and cooperative economy, housing renovations for renting rooms and community participation.

By combining these policies, the aim was to create an ecosystem that would contribute to helping the participating households to cover their basic needs and gain greater autonomy and decision-making capacity over the course of their lives. All these measures would help them to come up with their own strategies to turn around their vulnerable situations and thus reduce their dependency on public and private subsidies in the near future.

PRESENTATION OF THE REPORT

Lluís Torrens Mèlich

Director of Social Innovation, Area of Social Rights, Global Justice, Feminism and LGBTI Affairs, Barcelona City Council and director of the B-MINCOME project

In November 2015, just six months after the change of municipal government in the city of Barcelona, when a coalition of left-wing parties and citizens' movements had taken over the Mayor's Office, the new team from the Area of Social Rights became aware of the launch of a new European Commission programme, *Urban Innovative Action* (UIA), to support innovative projects in cities aimed at solving the major challenges they faced.

At that time, the municipal government was immersed in an ambitious plan to reduce the existing inequalities among the various areas of the city that had been accentuated by the crisis of 2008-2013. Thus, a new Neighbourhood Plan had already been announced to invest in the 15 most deprived neighbourhoods of the city, and at the same time the candidacy for the European regional development funds ISUDS (Integrated Sustainable Urban Development Strategy) was being prepared to implement improvement projects in the neighbourhoods of the B-MINCOME project.

Likewise, the government programme from the new team envisaged the creation of a new municipal income schema to provide financial assistance to the most vulnerable. It was in this context that Barcelona City Council decided to launch new innovative social policies to combat the chronification of social exclusion.

During 4 months, with the invaluable support of the expert consultant in European projects Fernando Barreiro (R.I.P.), a team of internal and external collaborators designed the project (including finding a suitable name), sought out and agreed on the different partners, drafted the proposal and, finally, the necessary political support was obtained. The proposal was submitted to UIA at the end of March 2016, and after two rounds of assessment, we were informed that the project had been awarded (it was one of the 17 winners among 378 city applications) at the end of September of that year.

This document is a compendium of the main lessons learned from this fascinating project, which could also be described as an unfinished journey, with thousands of people involved, such as the members of the participating families, the partners in implementing the actions and policies of the project, the researchers, evaluators, support consultants and members of the UIA office itself. We would like to thank their participation and support. If we say that the journey is not yet over, it is because, although the project itself ended in October 2019, its lessons and consequences will extend over the coming years. This could be down to the impact it has had on its participants, the new public policy best practice that has been developed, or the social intervention carried out or the evaluation methodologies deployed.

It is worth highlighting two values coming out of this pilot. First, this pilot, unlike most area-specific interventions financed with public funds, invested one hundred percent in the people who live there. This is not a trivial issue, because if interventions in space (facilities and infrastructure) are not combined with interventions in human capital, they can lead to undesirable effects such as gentrification or the perpetuation of urban segregation.

The second value is that B-MINCOME is perhaps the most comprehensive evaluation of a public social policy carried out so far in Spain. This is not so much because of the number of participants but above all because of the combination of methodologies and scientific techniques, aimed at maximising generalised knowledge and its future applications. We hope that reading this report on the results of this project will be of interest.

1. PARTICIPATING POPULATION

To get the project started, a group of 5,000 potential participating households was identified to which, in September 2017, information was sent inviting them to sessions in which the project would be explained and, if they wanted to participate, they would be helped to fill in the application form (in total, 400 informative sessions were held at different venues in the Besòs Axis). Potential participants were identified on the basis of being low-income households with an open social services file, either because they were claimants of municipal aid, or because they participated in the Làbora municipal programme¹ or because they were recipients of the Extraordinary Social Emergency Aid Fund for children aged 0-16 years².

In order to be eventually selected, households had to meet each and every one of the following requirements:

1. Be users of the Social Services Centres with an open file at the time of the call; or have requested and fulfilled the requirements to become beneficiaries of the 0-16 Fund in 2017; or be a participant, or have participated in the last year, in the Làbora programme; or be users of the Social Integration Service (SIS).
2. Registration in Barcelona of the members of the household from 30 June 2015, residence in one of the neighbourhoods of the Besòs Axis and commitment to remain so until the end of the pilot.
3. At least one member of the household had to be between 25 and 60 years of age on 31 July 2017 to be able to participate in the active policies (particularly in training and employment).
4. Effective cohabitation of all household members, since legal or demographic changes (deaths, divorces, adoptions, etc.) altered the amount of the MIS.
5. Sign the document accepting the conditions for the provision of aid in the assigned modality and accept the payment of 25% of the SMI in the Citizens Currency (REC).
6. Sign a commitment to participate in processes of direct collection of information and consent to monitoring through public administration databases.
7. The calculation of the SMI, based on family income from the previous year, had to be higher than €100. If they did not exceed the limit, they could make a declaration of compliance that their current income did not exceed this threshold.
8. Households were excluded whose assets were greater than four years' worth of the estimated value of the SMI, discounting debts, the main dwelling and a parking space.

¹ <https://ajuntament.barcelona.cat/serveissocials/es/labora/presentacion> [checked: 01/02/2021].

² <https://ajuntament.barcelona.cat/infancia/ca/canal/fons-extraordinari-dajuts-demergencia-social-dinfants-de-0-16-anys> [checked: 01/02/2021].

These requirements led to the selection as the target population of those with a high degree of vulnerability and with at least one member available to participate in active policies. A total of 2,525 applications were received³, of which 1,527 met all the requirements (almost 40% of the applications received were excluded, most of them for exceeding the established income threshold).

The selection of the participating households was carried out in November 2017 by means of a stratified random draw. It selected 1,000 households to participate in their corresponding active modality (treatment groups), 383 households to participate passively (control group), as well as 144 reserve households to replace those unwilling or unable to participate. The characteristics of the selected households are detailed below.

1.1. Characterisation of participating households and individuals

The households participating in the B-MINCOME project were more vulnerable than the population at risk of poverty in Barcelona and the population using social services⁴. Among their characteristics, the following stood out:

1. A larger size (4.1 people) than the average household at risk of poverty in Barcelona, and than social service users (2.5 and 2.6 people, respectively).
2. Their material deprivation and severe material deprivation rates (93.5% and 69%) were higher than in the population at risk of poverty in Barcelona (44.6% and 15.4%, respectively).
3. Their income was 635.7 euros per month on average, compared to 785.6 euros per month for social service users. 6.4% reported no income at all and only 23.8% reported more than 1,000 euros per month (compared to 1.9% and 26% respectively of social service users).
4. Of these, 57.7% lived in rented accommodation, compared to 45% of households at risk of poverty in Barcelona. Only 7.9% of them were home owners and had no outstanding payments on their home, compared to 36.6% of vulnerable households in the city.
5. The most frequent benefits among them were social assistance, family allowances, school benefits and the 0-16 Fund, while among households at risk of poverty in the city they were retirement pensions, unemployment benefits and the Citizen's Guaranteed Income (Catalan acronym: RGC) of the Generalitat de Catalunya (Government of Catalonia).
6. Of these, 39.8% did not have an internet connection, compared with 21.1% of the population at risk of poverty in Barcelona.
7. 51.1% of household representatives reported a fair or poor state of health, compared with 29.7% of the population at risk of poverty in Barcelona.
8. In 38.1% of participating households, none of the household members were in work (or all of them reported low work intensity), compared to 16.9% of households at risk of poverty in the city.

³ To analyse the reasons for which certain households or individuals decided not to apply, see the Non Take-up Report at: <https://ajuntament.barcelona.cat/dretssocials/sites/default/files/arxius-documents/informe-casos-non-take-up-bmincome.pdf> [checked: 01/02/2021].

⁴ According to data from the Barcelona sub-sample of the "Metropolitan Survey of Living Conditions" (INE, 2016-17) and the "Survey of Living Conditions of Users of Social Services" (ECVUSS, 2016).

With regard to their socio-demographic characteristics, the following should be highlighted:

1. Sex: of the 3,774 members of the participating households, 2,116 were women and 1,658 men (56% and 44%). Among those receiving SMI, 798 were women and 152 men (84% and 16%). The over-representation of women is due to the fact that the majority of those attending social services are women (71.8% compared to 28.1% of men) and therefore they were the majority of household representatives during the project.
2. Age: people under 16 years of age (1,453 people) were the largest group followed by the 31-50 age group (1,115). People of working age (16-64 years) accounted for 87.7% of the total (2,271 people).
3. Household size: 27% (256) of households had 4 members, 21.1% (200) had 5 members, and 20% (190) had 3 members. Overall, 62.7% of the total had 4 or more members, compared to 26.8% of households using municipal social services.
4. Country of origin: 38.2% of the participating households were of Spanish origin (363), while the remaining households originated from up to 35 different countries. After Spain, the next two most numerous countries of origin were Morocco (133 households, representing 14%) and Pakistan (79 households, representing 8.3%). It is worth noting that 47.1% of the participating households came from countries outside the EU.
5. Distribution by districts of the Besòs Axis: the distribution of people and households in the three participating districts (Nou Barris, Sant Andreu and Sant Martí) was similar to the demographic weight of these districts in relation to the city as a whole.

1.2. Experimental design

The experimental model used by the B-MINCOME project combined certain aspects from a saturation study, since it was implemented in a specific area (exclusively in ten neighbourhoods in the districts of Nou Barris, Sant Andreu and Sant Martí that make up the so-called Besòs Axis), with a randomised control trial, by means of which the final participants, their participation modality and the active policy in which they would participate were randomly selected. Eleven participation groups were created, including ten different treatment groups and one control group.

The treatment groups were structured according to four participation modalities:

1. **Conditional:** receive the SMI was conditional on mandatory participation in the assigned active policy.
2. **Non-conditional:** receive the SMI was not conditional on mandatory participation in the assigned active policy.
3. **Limited (withdrawal):** any variation in the household's computable income entailed a proportional variation, positive or negative, of the initially estimated SMI.
4. **Unlimited (or partially limited or withdrawal):** the change in the household's income only entailed a partial change in the SMI, it was reduced by 25% for the first 250 euros net monthly income earned above the initial SMI and by 35% for income above 250 euros.

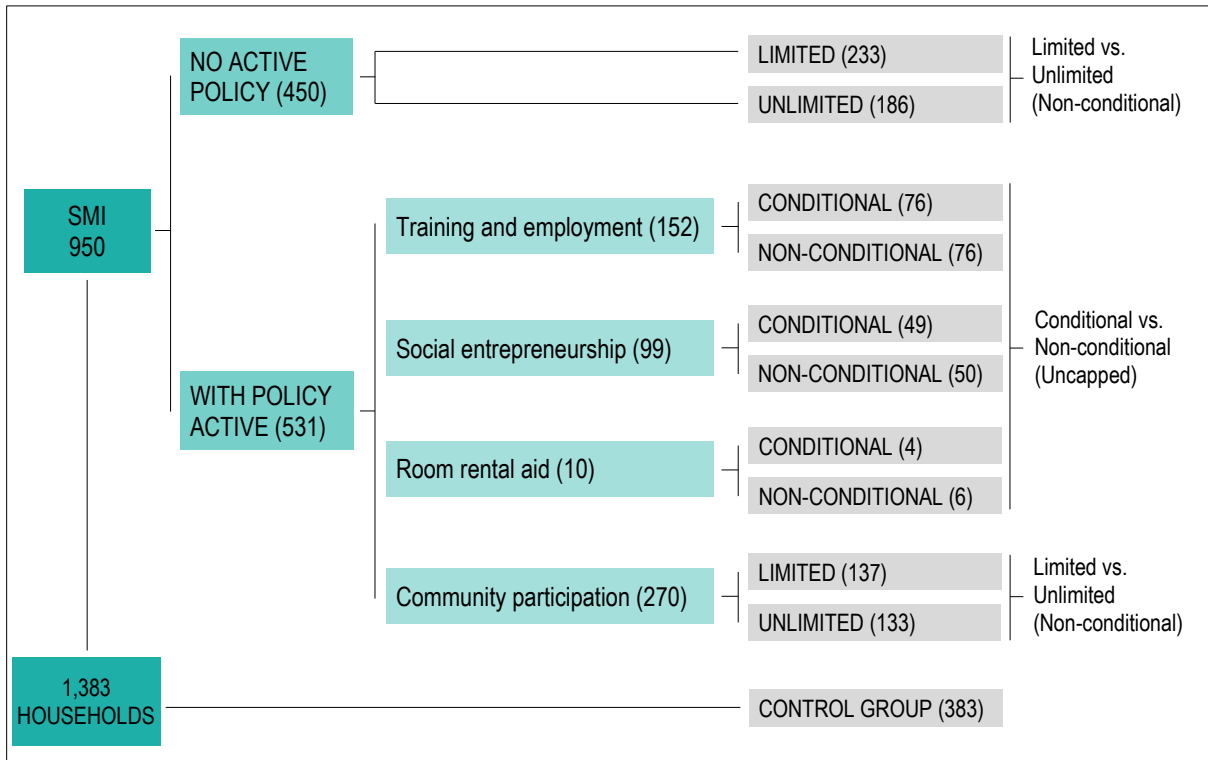
In combination with the SMI transfer, some participants were selected to participate in four different active policies:

1. **Training and employment policy:** this sought to improve employability and access to the labour market, through a combination of training and 12-month employment plans carried out in the neighbourhoods of the Besòs Axis. The training was a 340-hour certified professional development course, 60 hours of continuous training during the employment plan and, once completed, 80 hours of training and job orientation. The occupational part implemented 22 projects in partnership with social entities. This policy was designed and implemented with Barcelona Activa, the Barcelona Education Consortium, the Besòs Axis districts and social organisations.
2. **Social entrepreneurship policy:** the aim was to familiarise participants with the social, solidarity and cooperative economy as an alternative to the traditional labour market, combining training and the promotion of collective entrepreneurship projects. Among the 99 participants, 6 projects were developed and 15 collaborative stays were carried out with entities in the sector. The policy was designed by the Commissioner for Social Economy, Local Development and Consumption, together with various entities in the sector.
3. **Policy of aid for the refurbishment and rental of rooms:** the aim was to encourage participating flat owners to permanently rent out a room in their home, after refurbishing it, in order to obtain additional income to improve their disposable family income. The policy was designed in partnership with the Barcelona Municipal Institute of Housing and Renovation, but could not be assessed due to a lack of eligible participants.
4. **Community participation policy:** this promoted the involvement of participants and their families in the social and community life of their neighbourhoods by creating spaces for participation, group cohesion and identification of needs in order to generate shared projects. A total of 270 households were assigned to this policy, of which 113 people actively participated. It was designed and implemented by the Direction of Community Action Services in collaboration with several social and dynamisation entities.

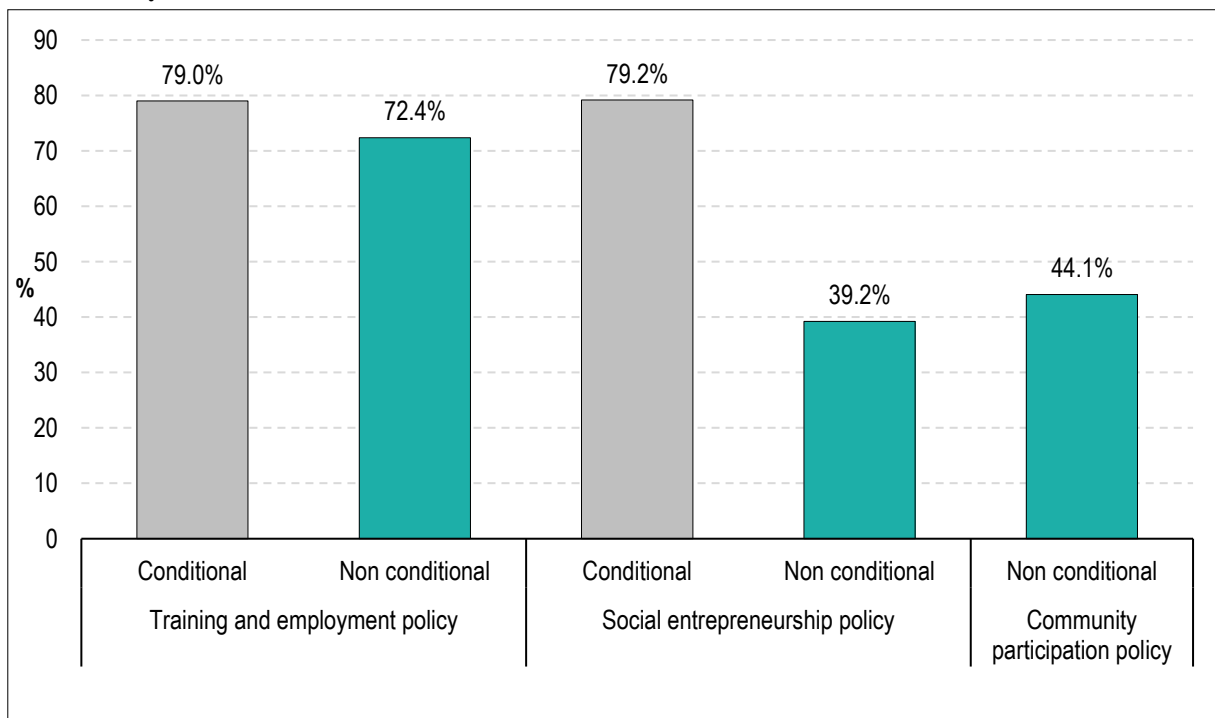
The combination of the four modalities to receive the SMI and the four active inclusion policies (treatment groups), together with the control group against which the results obtained could be compared, make up the experimental design diagram of the project. The distribution of households after the draw changed slightly after implementation, with a total of 950 households participating in the treatment groups: 419 receiving only the SMI and 531 in combination with one of the four active policies (Figure 1).

Despite being selected in some of the different active policy modalities, not all beneficiaries actively participated in them. According to the percentage of selected households that actively participated in the inclusion policies that were implemented (training and employment, social entrepreneurship and community participation), we observed that those who did so in the conditional modality tended to participate more actively and continuously (Graph 1).

Figure 1. Distribution of households according to participation modalities and SMI



Graph 1. Percentage of beneficiary households that actively participated in active policies according to the modality



Note: The community participation policy did not have a conditional modality.

2. THE MUNICIPAL INCLUSION SUPPORT (SMI)

The Municipal Inclusion Support (SMI) was a “social emergency” economic benefit⁵ that complemented the income of the people in the household and guaranteed a basic threshold established by the project. This threshold was calculated as the sum of basic needs and housing needs (Table 1).

Table 1. Value and thresholds of the SMI

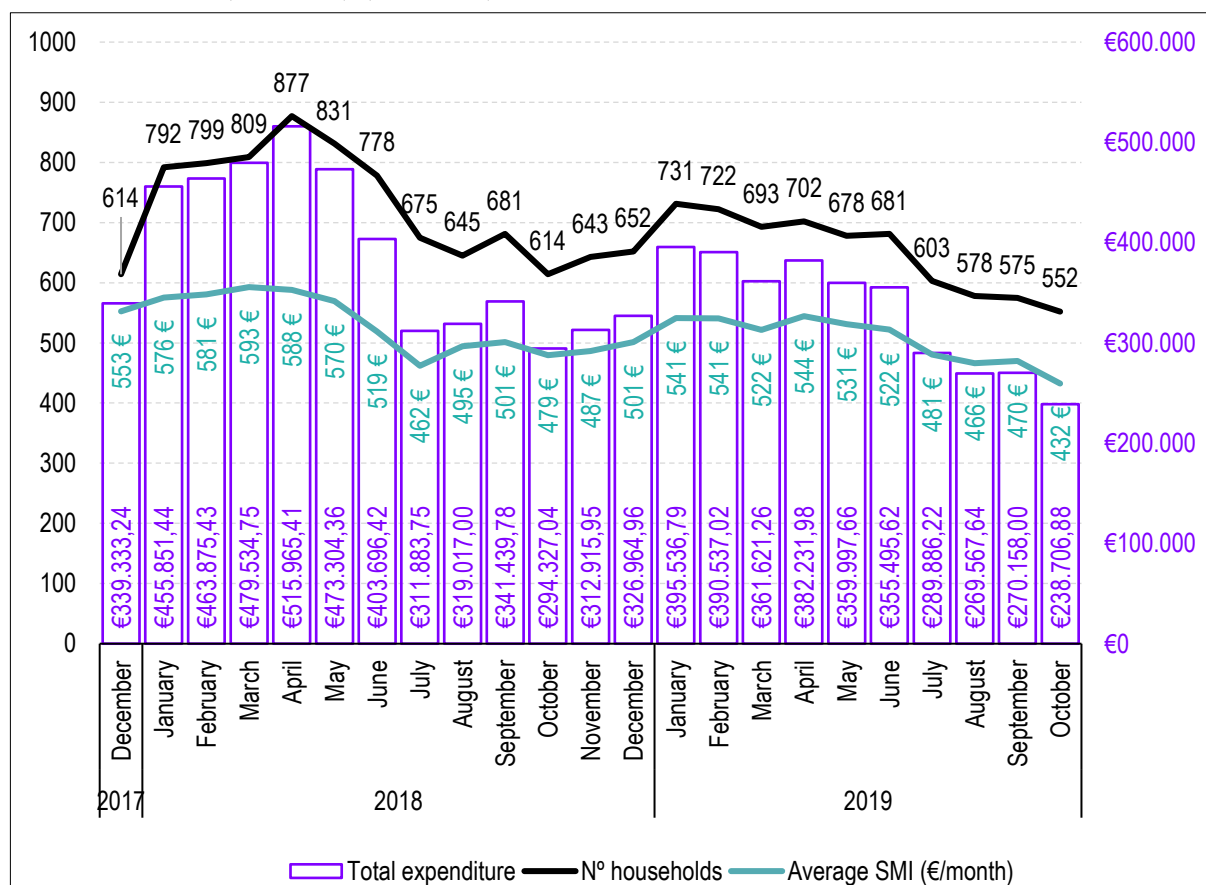
Amount of BASIC NEEDS (excluding housing and including basic energy and water supplies).	402.6 € /month for the first adult
	148€ /month for each additional member
Amount of HOUSING NEEDS (minimum value between the monthly cost and the target indicator of monthly housing costs according to the number of persons in the household).	260 €/ month for the first adult
	110 € / month for the second member
	40 € / month for each additional member

Out of the total of 950 households eventually participating, 915 (96.31%) received at least one monthly payment of the SMI, while 35 (3.67%) did not receive it at all (because at no point during the project did they require the SMI, i.e. their income was sufficient to bring them above their reference SMI threshold).

Both the total number of households receiving the SMI and the average value of the SMI varied over the 23 months during which it was implemented. As the following graph shows, these two indicators experienced a significant monthly variation (Graph 2). Thus, in the last month of the pilot, the total monthly payouts were less than half of those for the month with the highest payouts (April 2018) when all the participants had already joined. In addition to the improvement in the income of participating households, this dynamic was influenced by the fact that from May 2018 the average monthly amount of the SMI was reduced because some households received the 0-16 Fund (which counted as household income and thus reduced the amount of the SMI), and that from June 2018, with the contracts resulting from the employment plans of the training and employment policy, the number of households receiving the SMI also decreased, as well as its amount. In addition, one hundred families began to receive the RGC from the Generalitat.

⁵ According to Law 13/2006, of 27 July, on economic social benefits of the Generalitat de Catalunya, the economic benefits for social emergency are the mechanism deployed to respond to “occasional, urgent and basic” subsistence needs (Art. 5) and, therefore, without the character of a subjective right, which “are established by local authorities, in accordance with the competences that correspond to them in the area of primary social care” (Art. 6).

Graph 2. Evolution of total expenditure, number of households receiving the SMI and the average value of the SMI (€/month) (2017-2019)



2.1. Citizen currency REC [Recurs Econòmic Ciutadà]

At the same time, the REC (*Recurs Econòmic Ciutadà* or Citizen Economic Resource) was launched as a new means of virtual payment with the aim of contributing to the transformation of the city's socio-economic model, generating new economic circuits, revitalising small businesses and promoting the circular economy in the areas where it is implemented. The design of the project established that 25% of the SMI benefit would be transferred by means of this new virtual currency for users to use in local shops in their neighbourhoods that voluntarily joined this new system.

As of August 2019, a total of 534 households were operating with this new currency. The number of businesses operating with REC increased from 86 in September 2018 to 167 by the end of August 2019, including small businesses, wholesalers and neighbourhood organisations. By the end of the project, 789,592 REC were put into circulation, of which 643,532 were exchanged for euros, thus generating 901,004 REC in transactions, which meant achieving a 1.91 to 2.95 multiplier effect of the public investment made by the B-MINCOME scheme.

The result of the implementation of this currency as well as its impact and the multiplier effect of the expenditure made compared to payments in euros were evaluated during the scheme.

3. EVALUATION FINAL RESULTS

In addition to active policies, one of the differences between this and other similar pilots was the drafting of an evaluation design in which different methodologies, both quantitative and qualitative, were deployed. For this purpose, both the use and analysis of administrative records (Social Security, Spanish Tax Agency, etc.) and three surveys (before the start, in the middle and at the end of the project) were used, together with ethnographic monitoring of some of the participating groups and households, and of agents involved in the implementation of the project itself. The results of the evaluations carried out can be grouped into three dimensions of change: 1) changes at the individual level; 2) changes at the community level; and 3) changes at institutional level.

3.1. Changes at individual level

The evaluations carried out during the programme confirm that the B-MINCOME project has contributed significantly to the reduction of severe material deprivation and food insecurity among participants. In addition, some significant improvements can be observed in terms of housing insecurity. By improving the financial situation of families, the project has contributed to reducing the burden of rent and mortgages among households, the main reason for household debt, and has reduced the need to borrow from family and friends.

The impact of B-MINCOME on people's subjective well-being has also been very positive. The programme reduced the feeling of financial uncertainty and the stress associated with this situation, increased satisfaction with one's personal financial situation, and led to a significant increase in the degree of life satisfaction expressed one year after the start of the programme. In the second year, the level of satisfaction was still higher in the treatment group than in the control group, but at a lower magnitude than that identified in the first year.

The impact evaluation of the project as a whole does not confirm significant improvements in the health dimension, at least in terms of improved physical health during the course of the programme. Nor were there any significant changes in self-perceived health or in the likelihood of having a serious health problem. Furthermore, in contrast to the results halfway through the scheme, no effect on the likelihood of developing a mental health problem is detected either. The positive impacts detected in relation to health were: a) improved quality of hours slept, which could be associated with reduced levels of stress due to financial worries; b) a change in life style potentially oriented towards a healthier life; and c) enhanced access to medical attention which could bring about positive results in the medium term both for participants and for the health system itself.

Likewise, as in other similar schemes, participation in B-MINCOME's active policies did not stimulate the wish for economic entrepreneurship, nor has there been any increase in the probability of finding quality work. Similarly, it has been observed that the whole project has reduced participation in the labour market.

However, it should be noted that the participants assigned to the training and employment policy were not included in this analysis. The results obtained internally by the entity responsible for implementing this policy show a positive impact in terms of job placement and personal satisfaction among participants, which means that these results should be considered cautiously.

Both the analysis on the health impact and, above all, on the job market, require evaluations with a much longer time-scale than that established by the project.

The effects of B-MINCOME are ambiguous in some respects and sometimes the evaluations made may lead to contradictory interpretations. In relation to the financial aspects, for certain households, their participation in the programme represented the chance to acquire economic independence and to be able to plan for a more autonomous future. However, other households did not manage to get out of the economic and housing precariousness they found themselves in. For these, the receipt of the SMI has not been enough to break away from their situations of extreme vulnerability, which in many cases are related to having high levels of debt and/or long-term debts.

The impact evaluation carried out does not indicate that the project had any overall effect on the likelihood of receiving social support from other people (whether family members or not), a level of probability that rises only in families participating in an active policy through the non-conditional modality. However, the assessment of the community participation policy shows how this has managed to maintain positive values in the willingness to help others and in the degree of trust towards neighbours.

The economic autonomy that being the holder or beneficiary of the SMI has meant for women and their participation in active policies seems to have favoured processes and dynamics of empowerment, which in some cases has contributed to the repositioning of their role in the domestic, labour and community spheres, and of mutual support, thanks also to the spaces for dialogue and care created within the framework of the community actions carried out.

Table 2. Summary of effects arising from the impact assessment

Indicators	Treatment groups	SMI	SMI and active policy	Conditional	Non-conditional	Limited	Unlimited
Severe material deprivation	↓	↓		↓	↓	↓	↓
Going to bed hungry	↓	↓	↓	↓	↓	↓	↓
Having unpaid bills	↓	↓			↓		↓
Having leaks and/or damp	↓	↓	↓	↓	↓		↓
Borrowing money from family and/or friends	↓	↓			↓	↓	↓
Having an outstanding debt	↓	↓			↓		↓
Using social services		↓					
Satisfaction with economic situation	↑	↑	↑	↑	↑	↑	↑
Having a high level of well-being	↑	↑	↑	↑	↑	↑	↑
Developing mental illness							
Having quality sleep	↑		↑		↑		↑
Being in work*	↓	↓	↓		↓	↓	↓
Working full time with an indefinite contract*	↓	↓	↓		↓		↓
Undertake training							
Enjoying social leisure activities				↑			
Spending more time on household chores			↑	↑			↑
Reducing repetition of school years**				↓			
Reducing school drop-out rates**		↑					
Poor health**							↓
Duke Social Support and Stress Scale							
Receive more social support			↑				
Social volunteering		↓					
Social participation				↑			

↓	Significant reduction effect
↑	Significant increase effect
	Non-significant effect

Note:

* It should be noted that those who participated in the training and employment policy (participants with more “employable” profiles) were not included in the analysis of the employment dimensions.

** Minors (< 16 years of age).

3.2. Changes at community level

The B-MINCOME project has generated significant, positive results in community involvement among programme participants. The evaluation carried out points to the fact that participation in the programme has increased the probability of participating in a group, organisation or community initiative, although the impact evaluation only allows for the significance of this effect to be contrasted for households in the conditional modality.

The specific evaluation carried out for the community participation policy confirms that participation in this policy has helped to improve the view participants have of their neighbourhoods, stimulating a greater sense of belonging to the neighbourhood and a greater predisposition towards getting involved in cooperative activities to improve the neighbourhood.

Through this assessment, it is also clear that the participants have developed a better awareness of the area and its community assets and a greater interest in getting to know and work with local entities. Among the participants in the community participation policy, the number of people who state that they will keep participating in community activities or will keep links to neighbourhood entities has increased⁶.

In relation to the impacts on the existing social and community fabric, the evaluation carried out indicates that the community participation policy has not managed to create connections between the working groups created by that policy and the neighbourhood entities. New participants have not joined the existing entities. Nor have new community entities or associations been created as a result of this policy. However, it should be considered that these are dynamics and phenomena with long gestation periods and that, therefore, they are difficult to bring about within the framework of a project with duration of only 24 months.

The community participation policy has been shown to be efficient as an opportunity to break individual isolation and create social bonds among neighbourhood residents. The community activities that were undertaken promoted intercultural relationships between the various ethnic groups which make up the population of the selected neighbourhoods and strengthened the feeling of belonging to a common group, by helping to break down cultural stereotypes and increasing appreciation of cultural diversity in the districts. This could have obvious, positive implications for social cohesion in the districts in the long term.

The key results of the community participation, which to a certain extent were not initially foreseen, have been the activation of non-organised people, the creation of new community groups and the strengthening of the role of local facilities (civic centres, neighbourhood centres, public libraries) as core spaces within the neighbourhood.

⁶ These results cannot be extrapolated to all households participating in B-MINCOME.

3.3. Changes at institutional level

Within the institutional sphere, the programme has obviously impacted the relationship between the social fabric and public administration. The evaluation of the community participation policy, for example, highlighted the importance of the bonds created between the participants and social workers in the programme. These are bonds based on more horizontal and less assistance-based relationships than those which usually occur in the scope of social services.

The B-MINCOME project, in this regard, has promoted new ways of working in social services, which include innovative strategies for public/customer services, which have been experimented within the framework of the implemented active policies. These new ways seem to have contributed to improving the perception of the public administration, opinions regarding its presence and closeness to neighbourhoods and awareness of public services in the area.

The assessment carried out regarding the deployment of the citizen currency confirms that the REC has stimulated changes in consumer habits, picking up on enhanced sales in local shops participating in the REC system, which over two years have doubled. However, the REC does not seem to have succeeded in strengthening the network between local residents, entities and shops: consumers claimed they had greater trust in shops linked to the REC, although the shops did not confirm this.

It should be remembered that private consumption patterns, as well as supply-side participation, are long-running dynamics driven by a multitude of factors (some micro, some macro) that require long periods of time for their transformation.

4. KEY QUESTIONS FOR THE DISCUSSION OF THE B-MINCOME RESULTS

Outlined below are some questions which are considered relevant that could help to discuss and interpret the final results of the project as a whole:

1. The project falls within the so-called “basic income experiments” insofar as the “non-conditional and unlimited” transfer modality is the one that most closely resembles the basic income proposal (in its unconditionality). The rest of the SMI modalities are associated with more traditional minimum or guaranteed income schemes, such as the Minimum Living Income (IMV) or regional minimum incomes, such as the Citizens’ Guaranteed Income (RGC) in Catalonia.
2. The project has shown itself to be effective in improving material conditions for households. In regard to the efficiency (cost-effectiveness), the time scale of 23 months does not allow for definitive conclusions to be drawn as we are unable to measure the effects in the medium and long term. Another conditioning factor is the fact that there are significant differences in programme implementation costs depending on the type of active policy. These are important and influential limitations when drawing conclusions regarding the efficiency of the programme.
3. The strategy of combining active policies with a monetary transfer policy has turned out to be very positive. Unlike the usual conditional income policies, the project allows for the maintenance of a combination of active and passive policies which do not stigmatise recipients. In the case of the active policies, their implementation gave rise to a serious challenge in having to manage certain mismatches (caused by the random nature of the draw) between the profile of the assigned people and the actions that were intended to be promoted within the framework of the policies.
4. The effects vary according to the modality. Although the differences are not so marked, the conditional SMI group shows slightly more positive results. This is related to the fact that the people in this modality (precisely by participating in the policies) have extended their social relationships and their awareness of public and community resources in their neighbourhoods and have had the opportunity to participate in collective projects, deciding and debating collectively. These collective dynamics and experiences (not the conditionality in itself) are what have given them a greater sense of well-being and happiness. It would be simplistic to maintain that “obligating” someone to participate in a policy brings positive results without considering the components of that policy. It must be stressed that the limited modality seems to have had a negative effect on the subjective well-being of the participants, something that must be remembered when designing future monetary transfer policies.

5. The length of the project has not been the most ideal in terms of analysis of certain indicators, since some are difficult to evaluate in the short term. The analysis of impact on health, the labour market and the economic assessment require evaluations with a longer time scale.
6. As with the majority of similar experiments and policies, the results in terms of labour activation tend to be neutral or even negative in the short and medium terms: the so-called “lock-in effect”. This may be down to the vulnerability of the participants, depending on the level of precariousness, exclusion from the labour market or the state of their health. Due also to experimental limitations (length, SMI quantities, etc.), calculating the success or failure of the project based on its impact on this indicator would be reductive as it omits the results of other important qualitative indicators which are more difficult to capture, such as subjective well-being, stress, household harmony, social participation or personal and collective empowerment.
7. Administrative tracking has been carried out separately from social assistance. Thus, tracking of income and outgoings (in euros and REC) arising from SMI (as far as social emergency economic support was concerned intended exclusively to cover basic needs and that was in addition to household income) was carried out centrally, away from social services centres. This enabled social work to be focussed on guidance, support and personalised advisory tasks.
8. The project was designed and implemented in a very specific area of Barcelona, the Besòs Axis. Consequently, the interpretation of its results is limited to this reality and cannot be extrapolated to the whole of Barcelona, Catalonia, Spain or even another country. The fact that other cities or territories experiment with policies similar to the B-MINCOME scheme may be an opportunity to compare and contrast the hypotheses put forward in the project, as well as to refute or reaffirm its results. This would help to increase the reliability and robustness of the analyses carried out in this project and to increase the body of scientific knowledge available on the effects of cash transfer policies.
9. The impact evaluation will become more definitive when a fourth wave of the survey is conducted and the administrative records of the individuals in the participating households are rechecked. The situation that arose with the COVID-19 crisis can be contextualised and abstracted thanks to the RCT methodology and the use of a control group.

5. FINAL REPORTS

Reports from the project's partners on the evaluation of different aspects of the pilot are available on the B-MINCOME website:

<https://ajuntament.barcelona.cat/bmincome/en/financial-aids-information>

B-MINCOME pilot final results (2017-2019)

Combining a guaranteed minimum income and active social policies in deprived urban areas of Barcelona

EXECUTIVE REPORT



EUROPEAN UNION
European Regional Development Fund



B-MINCOME
Sustainable inclusion in Barcelona

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