



Combining guaranteed minimum income and active social policies in Barcelona’s deprived urban areas

**Editorial:** The B-MINCOME project began in December 2017 and is due to finish at the end of 2019. During this period, the Municipal Inclusion Support (SMI) payment for the participating households has been put into place and active inclusion policies have been deployed. Furthermore, since September 2018, 25% of the SMI has been exchanged for the new citizen currency (REC) in 500 participating households, which spend it in the more than 150 local shops involved in the project. At the same time, the project’s partner institutions have been carrying out their assigned tasks. The DAMA-UPC group has developed the web application that allows the technical team to manage the project and the mobile application for users to be able to manage their SMI payments as well as receive information relating to the active policies in which they participate. The UAB research group IGOP is monitoring and evaluating the impact of the community participation policy, analysing the governance model of the active policies, and mentoring the realisation of co-production tasks linked to the whole project. Ivàlua, the Catalan Institute for Public Policy Evaluation, is working on how to exploit the first and second surveys given to participants, in September 2017 and December 2018, respectively. The Young Foundation is developing an ethnographic and qualitative research with 200 households and 40 in-depth interviews that are providing information about the evolution of the situation of participating people and households in the areas where the B-MINCOME is implemented. The ICTA-UAB group is using the data from the two waves of the survey to diagnose the perception of happiness and well-being of the participating households. In total, over 25 people are working on the project directly, to which we must add the numerous municipal teams, such as the Social Services Centres, the Community Action Area, Barcelona Activa and the Barcelona Education Consortium, as well as the many social and communitarian organisations that, together, are driving the various actions relating to the project.

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**Municipal Inclusion Support:** Of the 950 households that participate in the B-MINCOME, 96.1% have received at least one monthly SMI instalment, and 3.9% have never received one. From May 2018 the total amount of SMI decreased because some households had received the Children’s Fund (which counts as income and therefore increases the household income and reduces the SMI). From June, employment plan hirings also decreased the number of people in receipt of the SMI.

	Dec. 17	Jan. 18	Feb. 18	Mar. 18	Apr. 18	May. 18	Jun. 18	Jul. 18	Aug. 18	Sep. 18	Oct. 18	Nov. 18	Dec. 18	Dec. 17 - Dec. 18	Jan. 19	Feb. 19	Mar. 19
U.C.	614	792	799	809	877	831	778	675	645	681	614	643	652		731	722	717
Total SMI	339,638	455,854	463,878	479,537	515,963	473,304	403,694	311,883	319,015	341,436	294,329	312,916	326,966	5,038.42	395,538	390,540	390,861
Average	553	575	580	592	588	569	518	462	494	501	479	486	501	575	541	540	545

Children’s Fund 0-16 years (530 households)

Active Policy 1 employment plans (115 households)

As the chart shows, the number of households receiving the SMI, as well as its amount, varies from month to month. This is because the SMI amount depends on income, expenses and household composition, factors which in many cases have varied over the months of the project. Thus, in February 2019 payment, 722 households received the SMI, while in March it was 717 which, as a whole, entailed a total amount of €390,861. In that month the SMI average per household was €545, while in the previous month it was €540.

SMI amount bands	Number of households	% of the total which have received SMI in December
From 0 to €500	352	48.75%
From 500 to €1,000	298	41.27%
Over €1,000	72	9.97%
TOTAL	722	100%

From December 2017 to May 2018 the verification process was carried out to check that the households selected in the draw fulfil the criteria, and people on the reserve list were incorporated to bring the final total up to 950 households. From May 2018 the number of households that form part of B-MINCOME has been stable. In total, therefore, there are 950 households actively participating in the project. As shown in the following table, this means that a total of 3,764 people are indirectly benefiting from the B-MINCOME project.

District	Number of households	% of the total	Users	% of total
Nou Barris	448	47.2%	1,744	46.33%
Sant Andreu	220	23.2%	891	23.67%
Sant Martí	282	29.7%	1,129	29.99%
TOTAL	950	100%	3,764	100%

Overall, 84% of the benefit recipients of the SMI and 56% of the total participants are women. Of this total population, 40% are under the age of 15. 38% were born in Spain and the rest are from 34 different countries. Likewise, 69% of the participating households have between 3 and 5 members, 17% between 1 and 2, and 14% of households have 6 or more members.

**REC, Barcelona's citizen currency:** As in the case of the SMI, the number of households in which 25% of the SMI is changed to REC, as well as its amount, have also varied over time, as shown below:

	Sep 2018	Oct 2018	Nov 2018	Dec 2018	Total Sep 17 to Dec 2018	Jan 2019	Feb 2019	Mar 2019	Total
Number of households	317	369	391	409		428	438	443	
SMI amount changed to REC	43,152	49,394	54,630	58,255	<b>205,432</b>	66,475	67,596	68,492	<b>339,505</b>

At the end of March 2019, it is calculated that around 488 people who benefit from the B-MINCOME have been exchanged 25% of their SMI into REC. Of the total households of this population, it is calculated that 27% are men and 72% women (a very similar distribution to that of the set of SMI claimants). 36% are aged between 31 and 40, and 32% between 41 and 50. 40% of all REC users are unemployed, while 22% are employed in domestic work or as home carers. As regards the economic impact that has been detected so far, the implementation of the REC has meant that there are about 125,000 REC in circulation and the re-circulation figure (when the shops themselves use them) is 12,764, an increase of 74% compared to the time of its launch). Of the shops that accept and operate with REC, it has been found that each of them has taken an average of around 900 RECs in the first three months. On the other hand, the results of an anonymous survey carried out among these shopkeepers shows that 95.3% of them have experienced an increase in customers due to the REC and, therefore, an increase in turnover. Here is the breakdown of shops that currently operate with REC in the Eix Besòs area:

Nou Barris (60)					Sant Andreu (39)			Sant Martí (63)	
T.Baró	C.Meridiana	Vallbona	Roquetes	T.Nova	T.Vella	B.Viver	B.Pastor	Verneda-La Pau	Besòs-Maresme
2	19	0	30	9	18	7	14	19	44
162 shops in all of Eix Besòs									

**The four active social and employment inclusion policies:** The territorial distribution by district and neighbourhood of the people from households participating in the project is shown below according to the three active policies already implemented, as well as the gender proportion within these.

### 1) Training and employment policy in project of common interest

Districts	Neighbourhoods (n° households)	N° households (%) women/men	
NOU BARRIS	Roquetes (18) + Trinitat Nova (10) + Torre Baró (7) + Ciutat Meridiana (6) + Vallbona (3)	44 (33.5%)	23 women / 21 men
SANT ANDREU	Trinitat Vella (23) + Baró de Viver (9) + Bon Pastor (18)	50 (29.4%)	26 women / 24 men
SANT MARTÍ	Besòs i el Maresme (25) + Verneda i la Pau (18)	43 (34.1%)	30 women / 13 men
OTHER	Other neighbourhoods (10)	10 (14.7%)	10 women / 0 men
TOTAL		147 (100%)	89 women / 58 men

### 2) Social entrepreneurship in the social, solidarity and cooperative economy policy

Districts	Neighbourhoods (n° households)	N° households (%) women/men	
NOU BARRIS	Roquetes (17) + Trinitat Nova (4) + Torre Baró (6) + Ciutat Meridiana (13) + Vallbona (2)	44 (43.5%)	40 women / 4 men
SANT ANDREU	Trinitat Vella (13) + Baró de Viver (2) + Bon Pastor (9)	24 (23.7%)	19 women / 5 men
SANT MARTÍ	Besòs i el Maresme (25) + Verneda i la Pau (6)	31 (30.7%)	25 women / 6 men
TOTAL		99 (100%)	84 women / 15 men

### 3) Community participation policy

Districts	Neighbourhoods (n° households)	N° households (%) women/men	
NOU BARRIS	Roquetes (30) + Trinitat Nova (24) + Torre Baró (22) + Ciutat Meridiana (31) + Vallbona (6)	113 (37.9%)	84 women / 29 men
SANT ANDREU	Trinitat Vella (27) + Baró de Viver (14) + Bon Pastor (21)	62 (27.6%)	39 women / 23 men
SANT MARTÍ	Besòs i el Maresme (83) + Verneda i La Pau (18)	101 (34.5%)	71 women / 30 men
TOTAL		276 (100%)	194 women / 82 men

**Some partial results:** Some of the results obtained by means of the various evaluations carried out by the project's partner organisations are shown below: ICTA, The Young Foundation, IGOP and IVÀLUA.



ICTA has noted an increase in the perception of happiness and general satisfaction in the homes participating in the project, by taking advantage of the two surveys carried out in September 2017 and in November 2018. While the average degree of self-perceived satisfaction in the Spanish population in 2015 was 7.46 (out of 10), in the B-MINCOME population analysed in Eix Besòs it was 5.04 in 2017. One year later, in December 2018, this assessment had gone up to 6.44, representing an increase of 27.9%. Likewise, the self-perception of health also appears to have increased between December 2017 and December 2018. Thus, the households that responded with excellent health have increased by around 2 points (from 5.2 in 2017 to 7.8 in 2018).



The Young Foundation is working in three Eix Besòs neighbourhoods in order to understand what life was like before as well as during the project. The ethnographic research has involved profound immersion and spending a lot of time with the participants. They have conducted 150 interviews with 77 people, interviewing each person between two and three times in the first year of B-MINCOME to understand how it has affected their lives. They have organized participatory workshops, from which 50 "life stories" and 10 videos of the "most significant change" have emerged around the most important issues for the participants: housing and work insecurity, living together and mutual support, change in material conditions and impact on the community. The results are still preliminary, but the majority point towards an improvement in the majority of self-perception indicators. The preliminary report can be found at [youngfoundation.org](http://youngfoundation.org) and the videos of "most significant change" can be found at: <https://youngfoundation.org/stories-of-change-struggle-and-resilience/>.

**IGOP** has carried out a survey of 160 households of the community participation policy. They have also conducted 10 semi-structured interviews of municipal staff and from this fourth policy, as well as 11 more interviews with representatives of the different organisations from the B-MINCOME areas. Although the results are not definitive, some conclusions can be drawn from the 160 interviews conducted with people participating in this fourth policy. For example, 83% state that they quite like, or like a lot, the neighbourhood in which they live, and 90.8% state that their relations with their neighbours are quite good or very good. This result is demonstrated by the fact that 70% of them are willing to help others, while 56.3% say they like to participate in things that improve the life of the neighbourhood. On the negative side, 47.1% of the people interviewed say that they feel limited when it comes to speaking in public, while 28.9% express low levels of confidence regarding leading or undertaking group projects.

**IVÀLUA** has coordinated the first two surveys for the group of participants, in September 2017 and December 2018. In the second one, they surveyed 1,383

people, 1,000 from the treatment group and 383 from the control group. The fact that allocation to the project and to the various treatment groups is random means that it is possible to analyse the different categories of participation without falling into statistical biases, and to answer questions about the effectiveness of the different modalities of SMI. So the two surveys show the impact of B-MINCOME by discriminating between: a) the treatment groups set in relation to the control group; b) the group of beneficiaries with active policies and the group without active policies in relation to the control group, c) the group of beneficiaries with conditioned and unconditioned active policies in relation to the control group, and d) the group of beneficiaries with and without a cap in relation to the control group). Statistical exploitation of the two surveys has enabled the following results to be extracted:

- The B-MINCOME has improved the degree of well-being in terms of general and economic satisfaction, of the most vulnerable households, and it has also reduced their severe material deprivation and food insecurity.
- The B-MINCOME has reduced the need to earn income through non-work routes, especially by renting out available rooms in the home.
- The B-MINCOME has reduced stress levels. In that sense, the risk of developing a mental illness has been reduced by around 9% and sleep quality has also improved. Together, these two results would also indicate a saving in public health spending that needs to be analysed in detail.
- The lack of incentives for job placement is higher in the conditioned SMI modality and lowest in the non-conditioned and non-limited modalities. This may be due to the effect of conditionality, because participating in a policy means time-consumption to look for work ('lock-in' effect) as has been registered in other projects such as in Finland.
- The B-MINCOME has increased the probability of carrying out voluntary activities (especially among the participants in active policies, probably by community participation), as well as the probability of enjoying social leisure activities. These results are in line with those obtained in qualitative assessments, in the sense that the project reinforces the view that "receiving" implies "existing". This reinforces one of the goals of the project, namely, to replace paternalistic logic with "citizenship rights" and strengthen community cohesion.
- In that sense, it was found that receiving the SMI in combination with these active policies has not had a "stigmatizing" effect on its receivers, against traditional most of means-tested benefits.
- It should be noted that all of the results are partial, because the evaluation only includes the data obtained in the first year and excludes administrative information that is still not available (health, education, social security, property, etc.). Likewise, it is necessary to circumscribe the results to the starting position of the participating people and households (users of social services) and the characteristics of their residential neighbourhoods, which makes it very difficult to extrapolate the results to other populations or areas.