

March 2019

**Key words:** Childhood, child poverty,  
family aid, evaluation

## The extraordinary fund for emergency social aid for children aged 0 to 16 in Barcelona. Results of the evaluations of 2015 and 2016

Jaume Blasco<sup>1</sup> i Federico A. Todeschini<sup>2</sup>

**In 2015, Barcelona City Council launched a call for emergency social aid for children in poverty, consisting of a grant of 100 Euros per month for a child aged 0 to 16, which consisted specifically of a payment card for spending on food, school supplies, hygiene and clothing. In this article, we describe the characteristics of this aid and we evaluate the results for the 2015 and 2016 announcements. Based on our own calculation of the poverty threshold in the city of Barcelona, based on tax data obtained by the City Council, we estimate the coverage of the aid on the group of children at risk of poverty and severe poverty, the reduction of the number of children at risk of poverty and the reduction of the poverty gap. Likewise, we describe the attributes of the recipients and analyse the territorial distribution of the aid among districts and neighbourhoods of the city.**

### Introduction

In Catalonia, the risk of child poverty is among the highest in Europe, with 24.0% of children and adolescents living under the poverty threshold in 2016, meaning that they live in households with an income of less than 60% of the Catalan median. The risk of child poverty is notably higher than that of the population aged between 18 and 64 (19.0%), and above all, than that of people over 65 (15.0%). The rate of the risk of poverty in single parent households with one or more dependent children is up to 40.4%<sup>3</sup>.

In the city of Barcelona, this situation was manifest in 2015 with 31.2% of children under 16 at risk of poverty, and 14.1% at risk of severe poverty, which corresponds to 65,833 and 29,728 children, respectively, using reference thresholds of 60% and 30% of the median net income of the city. For single-person households, these thresholds are at 10,450.0 Euros and 5,025.0 Euros annually<sup>4</sup>. For a family of two adults and two children under 14, the thresholds are 21,945.0 Euros and 10,552.0 Euros net.

However, these indicators of relative poverty risk reflect the inequalities in the distribution of income, rather than the percentage of households that cannot achieve minimum standards of living. To complement them, the AROPE rate combines income criteria with other criteria of

---

<sup>1</sup> Public policies analyst

<sup>2</sup> Catalan Institute of Public Policy Evaluation (Ivàlua)

<sup>3</sup> Based on data from Idescat, Living Conditions Survey 2016.

<sup>4</sup> Calculated based on the “matrix of households in Barcelona by type of household and section of available net income” which the Tax Agency provided to the Barcelona City Council Area of Social Rights, with information collected, by type of household, from the net income of all the households in the city in the fiscal year of 2015.

material need and social exclusion. According to this indicator, it is estimated that in 2016 there were 25.1% children and adolescents in poverty in Catalonia. Among these minors, 6.0% of the total are in a situation of severe material deprivation, a category that refers to children that do not have 4 or more items on a scale of 9, which includes basic items such as not being able to cover unexpected expenses, not being able to keep housing at an adequate temperature during the colder months, or not being able to have a holiday away from home for at least one week a year.<sup>5</sup>

The 2014 Barometer of Children and families in Barcelona, the most recent to be carried out, also includes the set of questions AROPE is based on. It is notable that 27.9% of minors in the city lived in households which state that it is “difficult or very difficult to reach the end of the month”, a percentage that topped 49% in one-parent families. Specifically, 13.4% of households with children admitted in the survey to having been behind in making the monthly payment for rent or mortgage the previous year (20.5% in the case of single-parent households). The Barometer indicated, likewise, that Barcelona had the highest prevalence of child poverty in Catalonia. Specifically, 14.2% of minors under 16 in the city were living in households with severe material deficiency, compared with 8.7% in Catalonia and 9.6% in Spain (data from 2014).

From the results of the 2014 Barometer, it should also be noted that 1.4% of minors in the city were living in households which could not afford a meal of meat, fish or chicken (or the equivalent for vegetarians) every two days, and 6.6% stated that they could not afford to buy clothing that was not second hand. More recently, the report “*Health and its determining factors in adolescent students in Barcelona*” from 2016 reveals that 10.4% of students in the 2nd year of high school in the city and 12.6% of those in the 4th year of high school confess that they “sometimes” or “always/often” go to school or to sleep hungry because there is not enough food in their home.

These high rates of child poverty (compared with other age groups and with other countries) are explained, on the one hand, by the high levels of unemployment and unstable and precarious employment (the 2014 Barometer showed that in 8.1% of households with children in Barcelona neither of the parents were in work). On the other hand, by a childhood protection system that is not universal (unlike other European countries), and is based on benefits that only cover families with very low income thresholds (and, therefore, leave much of the population at risk) and which generally provides inadequate aid to help households out of poverty. The data from the 2015 Living Conditions Survey show that social transfers (which include both contributory benefits and non-contributory aid) have little impact on the reduction of the rate of child and adolescent poverty risk in Catalonia, in comparison with other age groups. Thus, the reduction in poverty achieved by social transfers in the 0-17 age group is at 6.1 percentage points, for 14.3 percentage points in the 18-64 age group and 73.2 percentage points for people over 65 years of age.

### **Barcelona City Council emergency social aid**

With the aim of “alleviating situations of vulnerability for children and adolescents in need, so that the family situation does not involve impediments to covering basic essential needs for food, hygiene and school supplies”, in December 2014, Barcelona City Council approved a “social rescue plan” with an endowment of 20 million Euros in the 2015 budget, of which 9.2 million were allocated to an aid call for children in poverty, which initially had a scope of 7,500 children and young people aged 0 to 16 at risk of social exclusion.

The fund consisted of a subsidy of 100 Euros per month for a period of one year, instrumented via a non-nominative payment card that can be used to pay for food, school supplies, hygiene and clothing expenses. The card could be used specifically in shops with CNAE (National Economic Activities Classification) for food, which included large shopping centres. In certain shops, moreover, discounts and promotions were offered specially to card users. The families were obliged to save their receipts for periodic inspections of the nature of the expenses, which was ultimately made into a presentation for the beneficiaries. The cards were granted to children at risk

<sup>5</sup>Based on data from Idescat, Living Conditions Survey 2016.

of exclusion, so the family itself could accumulate as many cards as they have dependent children. The subsidy was complemented with other aid, such as school lunch grants or minimum income.

During the first year, the selection criteria for beneficiaries were determined according to the need to start the fund as a matter of urgency, and, therefore, aimed to reduce the time period for checking the economic means of the candidates. For this reason, two criteria for immediate verification were selected that indicated the risk of social exclusion and low income: firstly, the existence of a social report by municipal social services that identified the household's risk of exclusion, and secondly, that the child was a recipient of a school lunch grant, which in turn implied an income below a certain threshold (for example, lower than 16,451 Euros a year for a family of 4). Though relatively efficient criteria, some disadvantages had already been shown from the beginning of the implementation of the aid: firstly, the households with social reports were those that combined the risk of social exclusion with having voluntarily approached social services, which constituted a subgroup of the total households at risk of social exclusion. And, secondly, that there were situations in which children of families below the income threshold of food subsidies would not have been recipients of the grant: for example, children aged 0 to 3 and not in school, high school students, or those who ate lunch at home.

The search for candidates for the programme was carried out by addressing a letter to 6,600 beneficiaries (corresponding to 4,500 families) identified by cross-referencing the data bases of municipal social services, on the one hand, and food subsidies, on the other. Although 18% of the children identified did not apply for aid, possibly because they had changed their address, others who were not initially identified did apply. Essentially, it was siblings aged 0 to 3 and 12 to 16 out of the children initially identified, or children from other households who fulfilled the criteria but who, due to error, or because they were not social service users, had not received the letter. Various families, on discovering the existence of the aid, requested the social report in order to find out about it and, therefore, became new social service users. The 40 social services centres in Barcelona identified approximately 2,500 children from families in a report by social services who fulfilled the criteria for receiving the food subsidy but who were not receiving it, of which a proportion asked to receive the aid. The 7,500 planned grants were used up in this process, and some families applying remained waiting for an eventual increase in the programme's budget, which was ultimately produced once the new city government had been formed, in September 2015. As a whole, with the funding calls and increases of 2015, the aid reached 11,015 children.

In 2016, the grant was called again with an initial 10.8 million Euros, although the initial entry was expanded to cover the full demand of those who met the requirements of the aid, reaching 22.6 million Euros and 19,213 beneficiary children. The amount of the aid was maintained at 100 Euros per month per dependent child and/or adolescent and, despite the fact that the call was delayed for half a year, the aid was granted retroactively from the start date of January 1 2016, if the requirements to receive it were met on that date. Unlike the previous year, the amounts corresponding to the months before the aid was granted were portioned out over the following months. The obligation to use the aid for food, school supplies, hygiene and clothing was maintained, and eventually the granting of a transport ticket to 15-year-old teenagers was incorporated, which allowed them to make an unlimited number of free journeys on all modes of public transport, within 90 consecutive days from the first use (T-jove) and within the fare zone in which they lived.

The first change relating to the 2016 call was in the access apparatus as instead of linking eligibility for emergency social aid to the reception of a school lunch grant, the call established income bands for each family unit (although they coincided with those of the food subsidies), so that, when requesting the aid, the applicants had to authorize the verification of their tax data, which the Municipal Institute of Social Services (IMSS) made through the interoperability gateway with the Spanish Tax Agency.

On the other hand, there was an attempt to simplify the procedure for applicants and to reduce the administrative load on social service professionals, by doing a preliminary survey of the social services computer system in order to detect *ex ante* family units that complied with vulnerability criteria, therefore not requiring any additional assessment to be able to receive the aid.

Approximately 12,000 families with minors received a letter informing them of the aid call and the documents and the envelope with postage was provided for them to apply through ordinary mail. The call was also open to people who were not previous users of social services, although they previously had to obtain authentication of the situation of family vulnerability from social services. These families could present their applications to any Barcelona City Council Citizen Attention Office from 27 June until 25 July (30 calendar days). The result of the application was sent by SMS or email, together with information on where to collect the card.

The main requirements of the 2016 call for being able to receive the aid were to be registered in the city of Barcelona on January 1 2016 and to have resided there throughout 2016 without interruption; and to have a social assessment verifying the situation of need carried out by the social services of Barcelona that, as already mentioned, for those who were users of social services prior to the announcement of the aid, had been conducted through a consultation of the computer system. Non-users who fulfilled the income criteria could apply for the evaluation to be processed in the framework of social attention, within the time period of one month between the announcement of the aid and the deadline to submit applications. The document for the social evaluation was composed of the following items: family composition and structure; employment situation; residential situation; health and other special circumstances. Once “the data were analysed and the situation of the unit living together was evaluated” the social service professions had to authorise or not authorise “that the person applying, and therefore the dependant minors were in a situation of social fragility.” Thirdly, the children had to be part of a family unit with a personal income level below a certain level. The maximum available income threshold for the minimum family unit (one adult and one child) was set at 1.5 times the income sufficiency indicator of Catalonia (IRSC), that is, 11,951.60 Euros per year. This cap increased by a fixed quantity of 2,987.89 Euros (0.25 times the cap of the minimum family unit) for each additional computable member (child or adult). This criterium is the same as that followed in the call for school lunch grants.

### **Coverage of the grants**

The first matter that we are considering in this article is how many children and adolescents received emergency social aid, to clarify what percentage they represent in relation to the group of children and adolescents at risk of poverty in the city.<sup>6</sup>

Specifically, in 2016, 19,213 emergency social grants were awarded. This implies an increase of 74.4% compared with the 11,015 provided in 2015.<sup>7</sup> The children who were beneficiaries in 2016 represented 8.4% of the total number of minors under 16 who were registered in Barcelona on 1 January 2016.<sup>8</sup> In 2015 they had constituted 5.1% of registered children. The 2016 grants were distributed between a total of 11,061 different family units (with an average of 1.74 grants per household), while in 2015 6,479 family units benefited (1.70 grants per household). Therefore, in terms of the family units benefiting, there was a 70.7% increase.

On average, the 2016 aid was 1,168.8 Euros annually per child and 2,030.2 Euros per family units, with a total expenditure of 22,455,860.0 Euros. In 2015, the expenditure had been approximately 11.2 million Euros, an increase of 100.5%, which implies that, as well as the number of grants, the

<sup>6</sup> This article is based on the evaluations carried out by Ivalua on the grant calls for in 2015 and 2016. The full text of these evaluations is available at [www.ivalua.cat](http://www.ivalua.cat).

<sup>7</sup> The 2015 data came from the 2015 aid evaluation report, based on the administrative records of the grant. However, in City Council press releases, it was reported that the total grants provided in 2015 came to 10,921, that is, 80 fewer grants.

<sup>8</sup> Data from the census extracted from [www.bcn.cat/estadistica](http://www.bcn.cat/estadistica).

average amount per child had also increased (from 995.6 Euros to 1,168.8 Euros). This is due to the fact that in 2015 there was a discontinuity in the granting of the aid, since the initial grant had been exhausted, it could not be extended until the constitution of the new City Council, already in the last quarter. For this reason, many beneficiaries received grants that did not cover the 12 months of the year.

In order to estimate the coverage in relation to the target population, that is, the group of children and adolescents at risk of poverty and material deprivation, it is necessary to first determine how many under-16s are in this situation. To do this, we have calculated the poverty risk threshold of the city based on the “matrix of households in Barcelona by type of household and section of available net income” which that Tax Agency provided to the Barcelona City Council Area of Social Rights, with information collected, by type of household, from the net income of all the households in the city in the fiscal year of 2015.

Following the conventional criteria whereby the “poverty risk threshold” (that is, incomes below which a household is considered to be at risk of poverty) is at 60% of the median equivalent city rent and the “risk threshold of severe poverty” is 30%, we estimated that these thresholds were at 10,450.0 Euros and 5,025.0 Euros per year, respectively. These thresholds correspond to households made up of a single adult, and must be multiplied by a correction coefficient according to the number and the age of members who live in the family unit. Applying the modified OECD equivalence scale, the poverty risk threshold for a family of two adults and two children under 14, for example, is 21,945.0 Euros net.<sup>9</sup> It should be noted that this threshold is slightly higher than the one Idescat estimates for Catalonia as a whole based on the Living Conditions Survey (9,667.3 Euros per year in 2015, for one person).

On the basis of these thresholds, we estimate that in 2016 there were 41,806 family units with children under 16 at risk of poverty in the city of Barcelona, in which 65,833 children and adolescents were living. Among these, there were 18,377 at risk of severe poverty, in which 29,728 children and adolescents were living.<sup>10</sup> This implies that 31.2% of children and adolescents in the city were at risk of poverty, and 14.1% were at risk of severe poverty (table 1).

**Table 1. Number of children and households at risk of poverty, 2016**

	Children	%	Family units
Total	211,025	100.0	-
At risk of poverty (<60% median)	65,833	31.2	41,806
At risk of severe poverty (<30% median)	29,728	14.1	18,377

Next, we have determined the proportion of emergency social grants that were effectively assigned to family units and children who were in each of the categories of poverty risk. Given that the emergency aid is conditioned to an income cap linked to the income sufficiency indicator of Catalonia (IRSC), the correspondence to the poverty risk threshold is very high (which is higher than the IRSC): 99.9% of child beneficiaries fulfil these criteria. Moreover, 77.4% of children were at risk of severe poverty (table 2).

<sup>9</sup> Specifically, they are multiplied by a factor of 1 +0.5\* (members aged 14 or older-1) +0.3\* (members under 14).

<sup>10</sup> The matrix of households in Barcelona by type of household and available net income band contains information for children up to 13 years of age and adolescents from 14 to 18. We have used the Living Conditions Survey (ECV) to estimate the proportion of children aged 0-16 as regards the total of 0-18.

**Table 2. Efficiency of the focalization of the emergency social aid (percentage of beneficiaries who fulfil the various definitions of poverty), 2016**

	Children	%
Beneficiaries	19,177	100.0
At risk of poverty (<60% median)	19,174	99.9
At risk of severe poverty (<30% median)	14,841	77.4

Combining both estimations (the number of family units and children who were at risk of poverty in Barcelona, according to the two thresholds, and the proportion of beneficiaries of the grant who fulfilled each of the poverty criteria), we estimate that the emergency social aid of 2016 provided coverage to 29.1% of children at risk of poverty in the city and 49.9% of children at risk of severe poverty in the city (table 3).

**Table 3. Coverage of the emergency social aid (percentage of the population under 16 at risk of poverty who receive the emergency social aid), 2016**

	Children who receive aid	Children in Barcelona	Coverage %
At risk of poverty (<60% median)	19,174	65,833	29.1
At risk of severe poverty (<30% median)	14,841	29,728	49.9

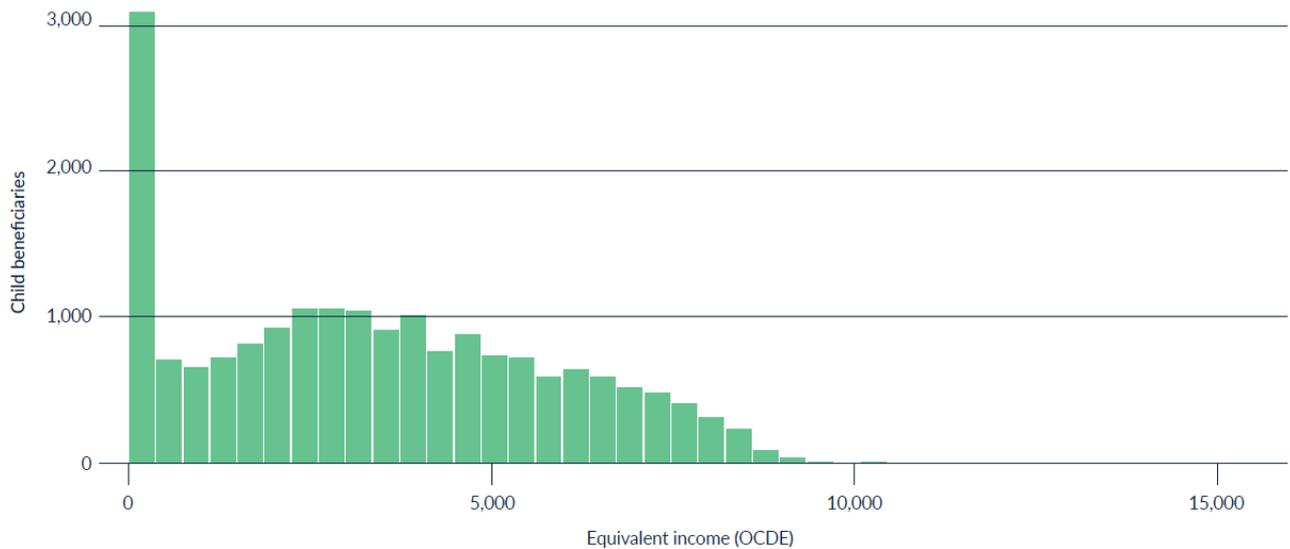
Although the aid reached a considerable proportion of the child population in poverty, up to practically 50% in the case of under 16-year-olds in absolute poverty, it is important to note the efficiency of the focalization of the aid is limited: approximately 15,000 children remained at risk of severe poverty without receiving the aid, while there were 4,300 children in less severe poverty who did receive it. Given that in 2016 aid was granted to all the applicants who fulfilled the requirements, this was due to the fact that a proportion of the eligible population at risk of severe poverty did not find out about the existence of the aid or chose not to apply for it.

### **What were the recipients of the 2016 emergency social aid like?**

In this section, we set out to make use of the aid registration to describe the characteristics of the recipient population of emergency social aid. We highlight three attributes:

First, income: on average, the family income of the recipients in 2016 was 7,065.5 Euros per year, and the equivalent income of 3,337.1 Euros per person (6,482.8 Euros and 3,147.7 Euros respectively in 2015). What is particularly interesting, however, is the distribution of income, with a peak in values close to zero (in 2016, 2,266 beneficiary children lived in households without income, and 3,360 lived in homes with an equivalent income of under 500 Euros per year), followed by a bell-shaped distribution with a maximum between 2,600 and 3,350 Euros (graph 1).

Graph 1. Histogram of the equivalent income of child beneficiaries (2016)



Secondly, we highlight the most relevant variation in the socio-demographic composition of beneficiaries between 2015 and 2016: the nationality of the children. While 73.2% of the beneficiaries were of Spanish nationality in 2015, there were 89.5% Spanish beneficiaries in 2016, which is probably explained by the change in the access apparatus, based on the school lunch subsidies in 2015 and the previous survey of social service users in 2016.

Thirdly, age: the child recipients of emergency social aid in 2016 were 7.9 years old on average, and 8-year-olds (as of December 31 2016) were the most common age. On comparing the distribution of the beneficiaries' ages with that of children registered in Barcelona, the low number of children of 0 years among the beneficiaries particularly stands out, which is explained by the fact that at the time of the call they may not have born and because, if it is their first child, the parents are less likely to know of the existence of the aid. There is also a notably smaller proportion of children aged 13 and over among beneficiaries, which may be explained by the connection between emergency aid and school lunch grants in 2015 (school lunch grants are very rare among high school students). Therefore, students who did not access emergency social aid in 2015 via lunch subsidies the previous year could have been less likely to know about the existence of the emergency aid in 2016.

#### **Territorial distribution of recipients of emergency social aid in 2016.**

The child beneficiaries of emergency social aid are distributed unequally through the city. By district, in 2016, 23.0% of the beneficiaries were living in Nou Barris, followed by Sant Martí, Sants-Montjuïc, Ciutat Vella and Sant Andreu, with between 15% and 10% of the beneficiaries. Lastly, Eixample, Gràcia, Les Corts and Sarrià-Sant Gervasi accounted for between 6.0 and 1.4% of the grant recipients (table 4). By neighbourhood, the highest concentration of beneficiaries was produced in the Raval (1,711 children, 8.9% of the total recipients), Besòs i el Maresme (895: 4.7%) and El Poble-sec (828: 4.3%). At the extreme opposite of the range, Tres Torres and Pedralbes stood out due to being the only neighbourhoods (among those with more than 1,000 children under 16) in which there were fewer than 10 children granted aid.

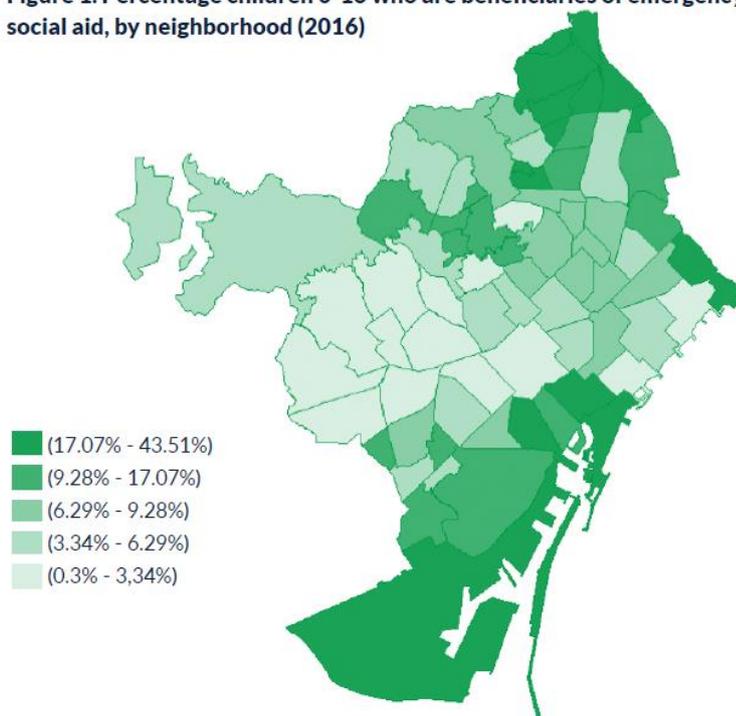
The territorial distribution of the number of grants corresponds, partly, to the number of inhabitants of each district or neighbourhood. Therefore, it is more relevant to find out the percentage of children and young people aged 0 to 16 registered who receive the aid. The coverage reaches a maximum of 21.6% in the district of Ciutat Vella, followed by 18.1% in Nou Barris and 11.3% in Sants-Montjuïc. The districts of Sarrià-Sant Gervasi (1.0%, Les Corts (2.4%) and Eixample (3.5%) are those that have a lower proportion of child recipients (table 4).

**Table 4. Percentage of registered children who are beneficiaries of emergency social aid, by district (2016)**

District	% of child beneficiaries in the district in relation to the total beneficiaries in the city	% of child beneficiaries in relation to the total number of children in the district
Sarrià - Sant Gervasi	1.4	1.0
Les Corts	1.5	2.4
Eixample	6.0	3.5
Gràcia	3.9	4.7
Sant Martí	15.0	8.1
Horta-Guinardó	10.4	8.6
Sant Andreu	11.3	9.7
Sants-Montjuïc	14.0	11.3
Nou Barris	23.0	18.1
Ciutat Vella	13.5	21.6
Barcelona	100.0	8.4

By neighbourhood, particularly notable are the five in which more than one third of the children and young people up to 16 years of age who are registered are beneficiaries of an emergency social grant. These are Torre Baró (43.5%), Can Peguera (38.4%), Ciutat Meridiana (35.3%) and Vallbona (34.1%) in the district of Nou Barris, and Baró de Viver (35.1%) in the district of Sant Andreu. In contrast, Pedralbes, Tres Torres, Sant Gervasi-la Bonanova, Sant Gervasi-Galvany (in the district of Sarrià-Sant Gervasi) and Vila Olímpica del Poblenou (in Sant Martí) are the only ones with less than 1% of the children and young people aged 16 and under, in receipt of the grant (figure 1).

**Figure 1. Percentage children 0-16 who are beneficiaries of emergency social aid, by neighborhood (2016)**



We then ask to what degree the territorial disparities of the coverage of the grants are explained by the differences of income between neighbourhoods. In graph 2, we show the association between the available family income index (RFD, by neighbourhood and for the year 2015) and the percentage of children and young people registered in the neighbourhood who are in receipt of emergency social aid in 2016. It can be observed that, for values of the family income index above

110, the percentage of recipients of the grant is always less than 5%.<sup>11</sup> However, among the neighbourhoods with an RFD index lower than 100 the variation in the coverage of the grants is very high. The case of La Guineueta, for example, stands out, with an available family income index of 55.9 and a coverage of only 4.7%, while in Baró de Viver, with an RFD index of 60.2, the aid coverage was 35.1%. In Marina del Prat Vermell, with an RFD index of 36.9, the aid coverage is 18.9% while in Torre Baró, with a higher available family income index (47.1), the coverage is 43.5%.

**Graph 2. Association between the 2015 RFD index and the percentage of children 0-16 who are beneficiaries of emergency social aid, by neighborhood (2016)**

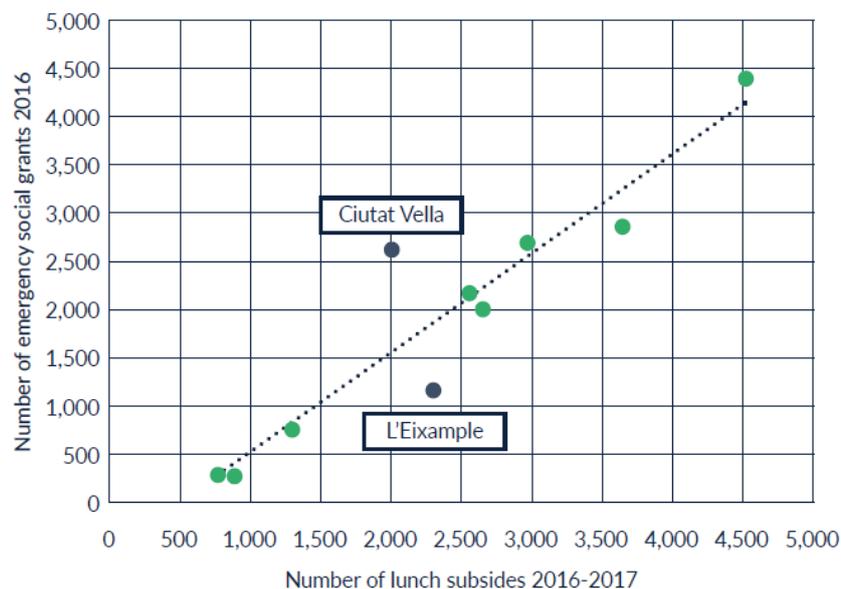


There are many possible explanations for this variability. On the one hand, the RFD index captures the average income for the neighbourhood, so the same value can reflect a homogeneously low income or a heterogeneous distribution that ranges from very low to very high incomes. For example, the Barri Gòtic, with an RFD index of 108.5, has an emergency social aid coverage of 14.8%, quite a lot higher than that of neighbourhood with much lower RFD, because in Ciutat Vella there are families with a very diverse range of incomes, including many with very low incomes. On the other hand, there is also the possibility that part of the variability can be explained by the differences between neighbourhoods and access to the aid, motivated, for example, by the different levels of use of social services in advance of the aid or of the informal dissemination—word of mouth— between families of the aid.

Finally, in graph 3 we show the association, by district, between the number of lunch subsidies granted in the 2016-2017 school year and the number of emergency social grants in 2016. As both grants are designed for the child population and are fundamentally based on criteria of economic need, and with identical income caps, the correlation was expected to be high. Effectively, the  $R^2$  is 0.88 but it is notable that two districts are moving away from the regression line: Ciutat Vella, which has a lot more emergency grants than expected, given the number of lunch subsidies, and Eixample, which has fewer. Unfortunately, we do not have this same information disaggregated by neighbourhoods.

<sup>11</sup> Source of data on the RFD: [www.bcn.cat/estadistica](http://www.bcn.cat/estadistica).

**Graph 3. Association between the number of lunch subsidies granted for the 2016-2017 school year and the number of beneficiaries of emergency social aid by districts (2016)**



### The impact of emergency social aid of the risk of child poverty in Barcelona

In this section, we ask about the impact of the aid on the risk of child poverty in the city, both in terms of the number of children in poverty and the intensity of the poverty of those in this condition.

Firstly, emergency social aid has an impact on the number and the proportion of children at risk of poverty. In absolute terms, emergency social aid in 2016 meant that 46 children moved from a situation of at risk of poverty to one free of poverty (which implies a reduction of 0.2% in relation to the total children at risk of poverty who receive the aid), while 2,225 children moved from a situation of at risk of severe poverty to a risk of poverty (reduction of 15.0%) (table 5). Therefore, the category jumps are concentrated among the poorest children, that is, those who pass from a situation of severe poverty (below 30% of the median in Barcelona) to a moderate one (income from between 30 and 60% of the median). However, for both situations of poverty, the majority of the children remain at the same level of poverty as they were before the aid, even though the intensity of the poverty is reduced, logically, in all cases.

**Table 5. Poverty jumps of child beneficiaries of emergency social aid according to the poverty threshold, 2016**

	Before the aid	After the aid	Reduction (children)	Reduction %
At risk of poverty	19,174	19,128	46	0.2
At risk of severe poverty	14,841	12,616	2,225	15.0

Note: Information on 19,177 children who receive the grant, as there are 36 who live in family units about which there is no income information in the database. The gross income of the beneficiaries of the grant has been converted to net income (in order to be able to contrast them with poverty thresholds) using a regression model based on data from the 2016 Living Conditions Survey, which contains gross and net income information for the same family units.

In relation to the whole target population, in other words, all children and adolescents at risk of poverty who live in the city, recipients of aid or not, the reduction achieved by emergency social aid is 0.1% of the child population at risk of poverty, and 7.5% of the child population at risk of severe poverty.

A second way of estimating the impact of the aid is by using the poverty gap. This indicator adds the distances between income and the poverty threshold (weighted according to the number and age of members of the family unit) of each of the family units that are below the poverty threshold in a population. It is therefore a measure that captures the reduction in the intensity of poverty of

the beneficiaries and/or the target population, unlike the reduction in the number of children in poverty, which only measures how many children exceed a specific threshold.

In the case of family units who received emergency social aid in 2016, the poverty gap was 159.4 million Euros before receiving the emergency social aid. Therefore, it would be necessary to allocate this amount so that all families receiving aid that had an income below the poverty threshold could reach the poverty threshold. After adding the amount of emergency social aid effectively received, the poverty gap of the recipients was reduced to 137.0 million Euros, that is, a total of 22.4 million Euros, which is equivalent to a reduction of 14.1% (table 6).<sup>12</sup>

If we take the severe poverty risk threshold as a reference, the magnitude of the gap is substantially lower, as there are fewer family units under this threshold and the distances of the incomes from the threshold are also lower. Specifically, the severe poverty gap is 53.7 million Euros before the aid and 37,7 million Euros after the aid, which implies a reduction of 16.0 million Euros, or rather, 29.9%.

**Table 6. Reduction of the poverty gap in family units who receive emergency social aid according to the poverty threshold, 2016**

	Before the aid (€)	After the aid (€)	Reduction (€)	Reduction %
At risk of poverty	159,430.681	137,030.497	22,400.184	14.1
At risk of severe poverty	53,702.668	37,653.625	16,049.043	29.9

Note: Information on 11,035 family units who receive the grant, as there are 26 about which there is no income information on the database.

If, instead of taking the beneficiaries of the grant as a reference, we take the whole target population, that is, all the families with children in Barcelona who are beneath the different poverty thresholds (table 7) we find that:

- The poverty gap for all the family units in Barcelona at risk of poverty is 478.8 million Euros. Emergency social grants for 2016 represented a contribution of 22.4 million to the reduction of the gap, equivalent to a reduction of 4.7%. An additional allocation of 456.4 million Euros would be required in order to eradicate child poverty in Barcelona.
- For families with children at risk of severe poverty, we estimate that the total gap for Barcelona is 119.6 million Euros. In this case, the gap reduction of 16.0 million provided by the aid represents 13.4% of the total, with which an additional 103.6 million Euros are needed to cover the city's severe poverty.

**Table 7. Reduction of the poverty gap provided by emergency social aid according to the poverty threshold, 2016**

	Total poverty gap (Barcelona) (€M)	Contribution of the aid to the reduction of the gap (€M)	Reduction of the gap provided by the aid %	Remaining gap (€M)
At risk of poverty	€478.8	€22,4	4.7	€456.4
At risk of severe poverty	€119.6	€16.0	13.4	€103.6

<sup>12</sup> It should be noted that the amount of reduction of the poverty gap is 55,000 Euros lower than the total amount of emergency social aid in 2016. This is due to the 21 family units who jump from a lower income than the poverty threshold before the aid to a higher one after the aid (and in which, therefore, the emergency aid does not place them just at the poverty threshold but slightly higher); to the 26 families on which we do not have income information, and, finally, to the 3 family units that receive the aid even though they already had an income higher than the poverty threshold before receiving it.

Finally, it is equally relevant to find out what it would cost to extend aid equivalent to the current amount (1,200 Euros/year) to all children who live in households below the various poverty thresholds and who did not receive it in 2016 (table 8):

**Table 8. Cost of extending the emergency social aid to all the target population (in children), according to the poverty threshold, 2016**

	Target population covered	Estimated target population	Target population not covered	Cost of extending the aid (€)
At risk of poverty	19,174	65,833	46,659	€ 55,990,800
At risk of severe poverty	14,841	29,728	14,887	€ 17,864,400

The additional cost would be 56.0 million Euros to cover all the children at risk of poverty currently not attended to, and 17.9 million Euros for all the children at risk of severe poverty who currently do not receive aid.

It is necessary to highlight that throughout this section we have assumed that the impact of the aid on the income of the family units is mechanical, so that if a family has an income of X and receives aid of amount Y, they then have an income of X+Y. In practice, however, the aid can introduce changes in people's behaviour, so that the mere fact of receiving aid, or even anticipating that they will receive it in the future, may lead to a change in the employment behaviour, therefore affecting their income. It is possible that some people would work less if they obtained the money in the form of aid that previously they would have had to obtain by working, or if they fear that they might lose the right to aid if their income from work increases. The opposite effect is also possible, in other words, that the coverage of certain basic needs with emergency social aid would provide them with time to look for a job, or to look for a better one, or even to obtain some qualification that allows them to progress in employment, thus the aid could lead to an increase in income. This type of indirect effect on income is more probable the longer the aid is provided for. In order to discuss the existence, direction and magnitude of this type of effect, a comparison group similar to that of the beneficiaries would need to be available, in which the employment behaviour and income obtained can be measured and compared to that of the beneficiaries. Unfortunately, this type of exercise exceeds the scope of this study.

Another relevant question for evaluating aid is to find out its effects on families' patterns of consumption, given that the objective is to cover basic needs of food, school supplies, hygiene and children's clothing. The fact that the use of the card is limited to this type of goods (and that the family can be subjected to an inspection of bills and receipts to verify it) does not necessarily imply that the beneficiary families increase consumption, since they can use the card to acquire exactly the same type and quantity of goods that they already acquired before the aid, and dedicate the released income to buy other goods and services that are not related. In fact, there is not even a guarantee that the aid implies an increase in spending on the children in the family unit. Again, the effect of aid on consumption and the welfare of children and the rest of the family unit would require an impact assessment with a comparison group, as well as an instrument to measure the families' consumption.

As regards this issue, we have the perceptions of the social service professionals that participated in 2016, in three discussion groups, to evaluate the first year of the aid application. The majority highlighted an ambiguous effect of the aid: for certain users, it had relaxed the relationship with social services and had allowed them to focus on a mid- and long-term work plan, beyond economic emergencies. For others, however, the aid had negatively affected their work plans, since families had interrupted the relationship with social services once they had obtained the money they needed without conditions.

### **The future of the aid: some opportunities for improvement**

Based on the results described in the previous sections, in this section we suggest three proposals for the design and management of the aid that we understand would contribute to improving its function and impact:

**1) To harmonise the criteria for determining the family income of the applicants, so that they are consistent with those of other targeted subsidies designed for the same target population, especially school lunch subsidies.** On the one hand, harmonising criteria with other calls for grants would avoid disorientating potential beneficiaries due to the diversity of criteria in the granting of aid from the same administration aimed at similar target populations. On the other hand, harmonization would help reduce administrative burdens for citizens and for the administrations themselves, since verifying eligibility for one of the grants could be used for the other without having to repeat the procedure. In the call for school lunch subsidies for the 2017-2018 school year, it is established that the reception of emergency social aid is a reason to access the maximum food allowance without any additional verification. This access mechanism would make sense if the reception of emergency social aid depended on objective criteria of social need beyond income, but in fact, the opposite is true: the criteria of social need are taken into account in the access mechanism for lunch subsidies and for emergency social aid. Therefore, it would seem more appropriate for the reception of the maximum amount of school lunch subsidies to give the right to emergency social aid, and not vice versa. As the system is currently established, it could be the case that a family unit that receives emergency social aid accesses the maximum lunch subsidy solely because it is the beneficiary of emergency aid when, according to its income, it should have a 50% grant, while a lower income family with a detected vulnerability attribute, but without emergency aid, receives only a 50% dining allowance. In any case, we suggest that there be common criteria in both calls for income measurement and that the caps for accessing emergency social aid be equal to or lower than those for lunch subsidies. In addition, a household's access to a maximum school meal allowance could be used as a criterion for access to emergency social aid.

**2) To increase diffusion by improving focalization.** A key part of improving the efficiency of focalization is communication with potential beneficiaries to guarantee that the given population eligible to receive the aid and that the total target population originally defined is covered. The specialised literature highlights how important it is for the population eligible to receive the aid to be aware of the measure, the requirements and the timetable for accessing it, which must be easily understood. We have identified differences in coverage between neighbourhoods that are not explained by the difference in income, which seem to indicate that forms of informal transmission (especially word of mouth) and the use of social services vary between territories and influence access to the aid. For this reason, a communication strategy for the target population seems necessary (informational campaigns, leaflets, etc.) to try to reach the entire target population and, where appropriate, restrict the access criteria in order to contain the cost of the aid and focus it on the population with a higher risk of poverty.

**3) To find non-linear mechanisms to reduce the cost of aid.** The 2017 call incorporated a linear reduction of 25% of the grant, and established a 900 Euro annual cap for all grants, regardless of income or other characteristics of the family unit receiving them. We believe that there are more suitable alternative mechanisms to adjust the amount of aid to the different levels of need for family units, which can result in a similar reduction in the cost of the aid programme. The most obvious is to reduce the amount of aid per additional child, as, between 2015 and 2017, each additional child increased the amount of aid by a fixed amount of 100 Euros per month, even though the costs for each additional child decrease, given economies of scale in the household. This has already been corrected in the 2018 call. Similarly, there is the possibility of restricting the size of the target population and concentrating the transfer among the most vulnerable families, setting an income cap to be able to access the lowest aid or introducing deprivation indicators that help focus the resources on families who are in severe poverty. A final possibility is to introduce a system of variable amounts for income sections: that is, to move from a single cap and quantity

system such as the current one, to one of multiple caps and amounts, so that the amount of aid decreases as income increases, up to a maximum cap in which families no longer have the right to any aid. Therefore, the amount is adjusted to need, the cost is contained without reducing the number of beneficiaries, and abrupt discontinuity in the access criteria is eliminated.