

## CASE EXAMPLE 2 – BARCELONA

**1 Title:** «B-MINCOME. Municipal innovation on guaranteed minimum income and active social policies in deprived urban areas of Barcelona».

### 2 Case example Summary

In recent years there has been a growing interest in implementing more effective public policies to improve the living conditions of people in vulnerable situations. In particular, more attention needs to be given to the evidence-based process of informing the design and implementation of these policies. This need has given rise to B-MINCOME, a pilot project developed by Barcelona City Council addressing poverty and inequality in the Eix Besòs area, comprised by ten neighbourhoods of the north-eastern part of the city (Bon Pastor neighbourhood is located in this area). With 114,000 inhabitants, Eix Besòs is one of the most deprived and poorest areas of the city, i.e.: unemployed population rate is 12.3% (Barcelona's is 8,6%), the family income rate is around 40-50% of the average of the city, the rate of uneducated population is 13.5%, when the average rate of the city is 7%). In contrast to other similar projects based on money transfers (in Finland or the Netherlands, for example), B-MINCOME consists in testing the efficiency and effectiveness of combining a cash benefit with active policies of socio-economic inclusion.

### 3 Solutions offered by the case example

The project is based on the city's decision to implement a guaranteed minimum income (GMI) to supplement income of 1,000 households of the Eix Besòs. It also combines during two years the offered GMI with one of the following four active policies: 1) Training programme and employment experience in local projects coproduced with social organisations, 2) Social economy projects promotion programme, 3) Housing refurbishment programme and 4) Community participation programme to promote common-interest projects and foster community networks. By doing so, it monitors and evaluates on a comparative basis which of the GMI combinations proved to be most effective in breaking the vicious circle of poverty. The project aims to improve the socio-economic situation of the target group, their employability and their capacity for generating income while looking for the improvement of their local environment.

The project, led by the Social Rights Area of the City Council, is being implemented by the following partners running different tasks:

- A set of municipality bodies (such as the Social Rights Department, the Municipal Institute of Social Services (IMSS), Barcelona Activa local development agency, the Direction of Community Action, the Barcelona Education Consortium, the Barcelona Municipal Housing Trust and the districts of Nou Barris, Sant Andreu and Sant Martí) are responsible for the implementation of the active policies and the GMI.
- The Young Foundation is in charge of the ethnographic research adapted to the project.
- IVALUA (Catalan Institute of Public Policy Evaluation) evaluates how the project impacts on poverty and employability of the treatment group, analysing different types of participation, trying to determine which is more effective and efficient.
- IGOP-UAB (Institute of Government and Public Policies and the Autonomous University of Barcelona) evaluates the impacts of the project on governance, management services and

community spaces, and on living conditions, social inclusion and empowerment of the beneficiaries (especially those involved the community participation programme).

- UPC (Polytechnic University of Catalonia) has designed and implemented a mobile app to interact with participants and collect and provide information.
- Novact (International Institute for Non-violent Action) is in charge of the design and implementation of a citizen currency to cover a part of the GMI.

#### **4 Building on the sustainable and integrated approach**

B-MINCOME illustrates coherence with the idea that poverty has many faces. The project includes a passive policy (a monetary transfer) and various active policies (social and labour market insertion). Altogether, this represents an integrated plan that attempts to go beyond the silos existing in public administration, and establish integrated links between sectoral departments offering various kind of support to combat poverty situations. In addition, a team of social workers has been set up specifically to attend the 1,000 households that participate. Local social entities are having an active role in the implementation (co-design and co-production) of relevant aspects of the active policies, which are not 100% top-down approached. Evaluation and monitoring is realized through 3 surveys (start, mid-term and end of the project to all participants and to a control group of around 500 households) and through the analysis of administrative data (about labour, income, health, education). Also, a qualitative data from 240 families (33 from Bon Pastor) is being collected through a series of semi-structured interviews and discussion groups.

The integrated approach of the project leads to public policy dilemma: in order to reverse the situation of urban poverty, what should public intervention focus on? On the individual —and their household— or on their areas of residence, which are neighbourhoods that have physical and social conditions that are in equally deteriorated conditions? Overall, the project aims to invest both in the people and in their communities and local areas, which are the ultimate beneficiaries of activities associated with implemented active policies.

#### **5 Based on a participatory approach**

In B-MINCOME there are four types of participation: conditioned, non-conditioned, limited and non-limited. Conditionality means that requirements are needed to receive the benefit. Limitation means that a variation in additional household income implies that the GMI is reduced in the same proportion (or extinguished if this extra income exceeds the threshold established). Benefit is received in these modalities combined with participation —conditioned or not— in one of the four active policies mentioned before. In this way, what it is provided is a set of monetary and non-monetary resources aimed at improving living conditions. With the policies 1, 2 and 4 the aim is strengthening and developing the social-community fabric, which is currently fragile in the Eix Besòs. Inspired by the logic of co-production, community and social and solidarity economy organisations collaborate in the design and implementation. Employment projects, community and social economy training activities are being carried out together with them through an appropriate contractual formalisation. It is considered that this collaboration would allow to better respond to the needs and aspirations of participants and guarantees them closer ties since it seems very difficult —if not impossible— to achieve this just with public bodies intervention.

#### **6 What difference has it made? How did the result indicator shift?**

The conclusive results for the B-MINCOME project will not be available until beginning of 2020. It is expected that participants could increase their freedom and autonomy and their economic and relational resources to leaving poverty and exclusion throughout their own strategies and decision making. It is also expected the reduction of participants' dependency on either public or private external benefits.

## 7 Why should other EU cities use it?

Due to its experimental nature, B-MINCOME puts into practice an innovative minimum income design that goes beyond the common "minimum or guaranteed income" policies implemented in Europe. To do so, it carries out analysis to extract conclusions about efficiency and effectiveness. Evidences will lay the foundations for thinking the social welfare of our time; characterised by the redefinition of rights and policies and the role of cities and local stakeholders. B-MINCOME will help to make better decisions to address the public budgets investment for the reduction of poverty and inequalities. It also stimulates the debate on other policy proposals such as the implementation of a minimum city salary or a basic income. Although it is too early to draw conclusions, some noteworthy challenges have emerged from the implementation of a project that is both a scientific study and a public policy intervention. Its architecture is extremely complicated, specially caused by the effects and impact of the random assigning of types of participation and the singularity of the target group. Lastly, it is important to mention that the B-MINCOME is not implemented in a vacuum. It is carried out in neighbourhoods where there are other municipal and social organisations programmes, and therefore the capacity for interaction and integration has been a major challenge from the outset.

## 8 Key Facts and Figures:

**8.1 Start and end dates of case example:** B-MINCOME will run for two years and is split into two distinct periods. From November 2017 to October 2019, all the participants will receive the various kinds of income, combined or not with active social and employment policies. That will be followed by a results-evaluation period from October to December 2019.

**8.2 Date of preparation of this case example:** February-March 2019.

**8.3 Who prepared the case example?** Sebastià Riutort with information also provided by other members of the B-MINCOME project team Bru Laín and Albert Julià (Social Rights Area of the Barcelona City Council).

**8.4 Budget:** approximately €17 million (2017-2019), of which nearly 5 million will come from the UE. The City Council will allocate about €12 million to pay the cost of the benefit (a little over €1 million for 2017, €7 million for 2018, and €4 million for 2019). The collaborating partners provide 157.000 additional euros.

## 9 Extra information and hyperlinks

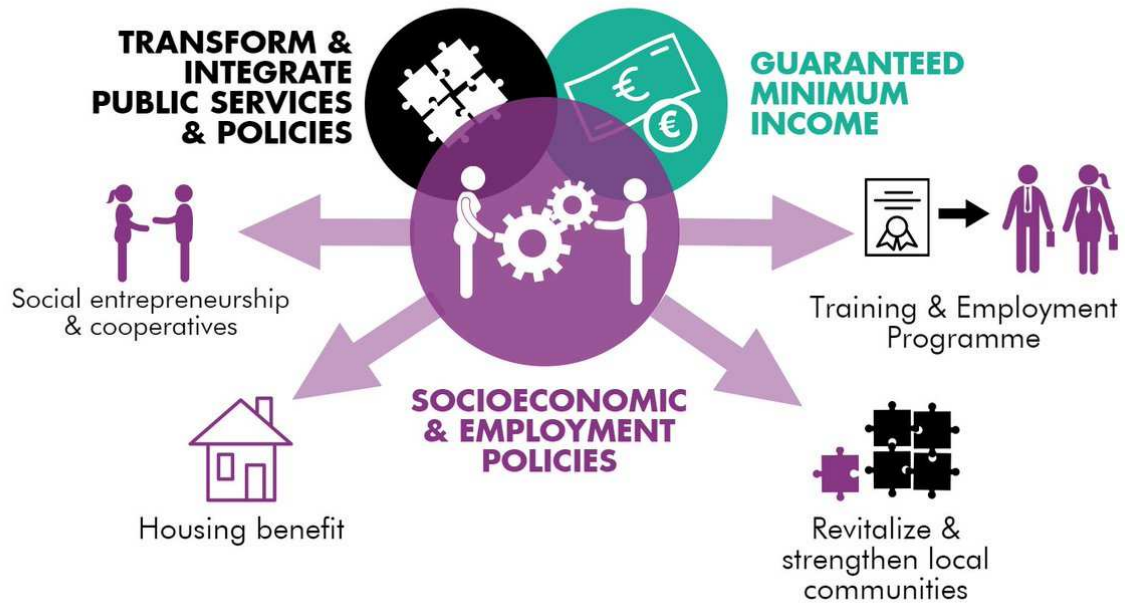
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<https://www.uia-initiative.eu/en/uia-cities/barcelona>

<https://www.ccma.cat/tv3/alicarta/30-minuts/viure-de-renda-basica/video/5837927/>

10 Annex at least 2 good quality photos

## B-MINCOME: A pilot study of guaranteed minimum income in Barcelona



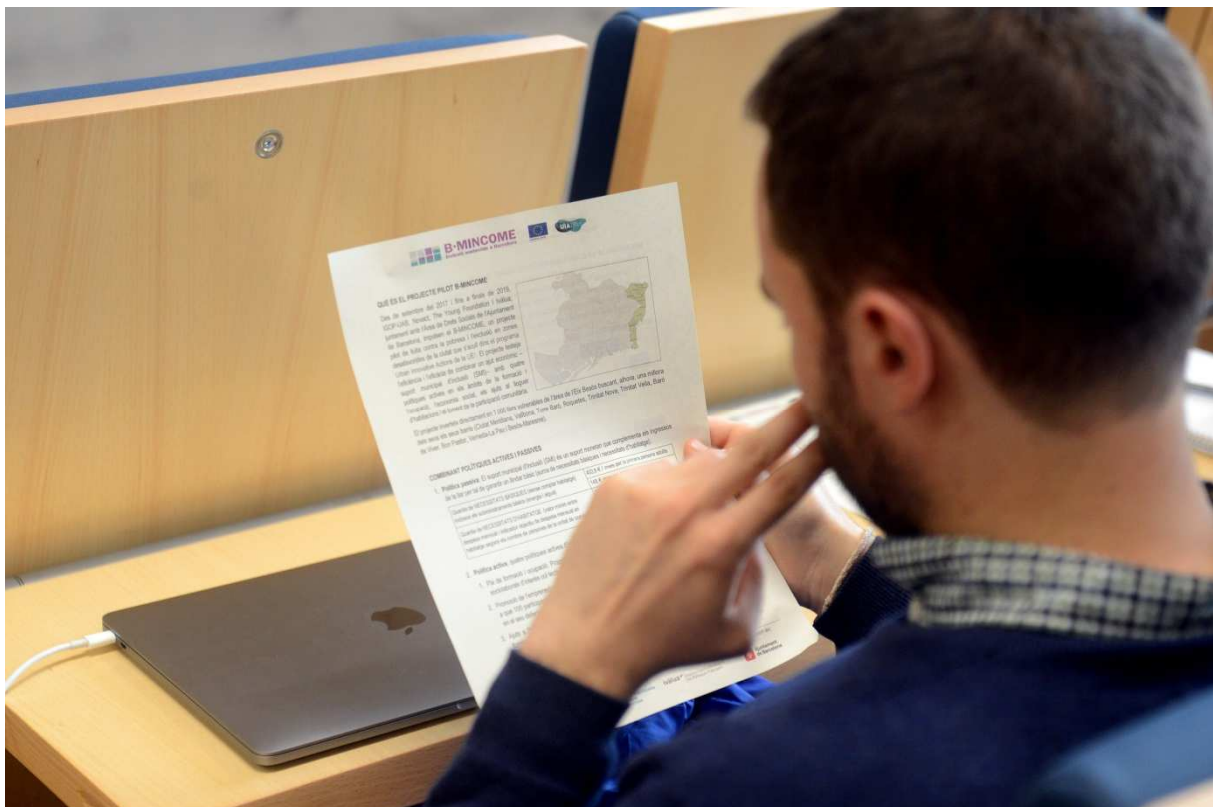
B-MINCOME scheme with GMI and active policies.  
Infographics: Social Rights Area, Barcelona City Council.



Seminar – workshop session "Design, research and partial evaluation of the B-MINCOME pilot project", 12/03/2019.  
Picture: Social Rights Area, Barcelona City Council.



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Picture: Social Rights Area, Barcelona City Council.



Workshop with B-MINCOME's participants from the active policy "Community action program", 20/02/2019.  
Picture: Direction of Community Action, Barcelona City Council.



Press conference with Ms Laia Ortiz, Deputy Mayor of Barcelona City Council, and two B-MINCOME's participants.  
29/05/2018.  
Picture: Bru Laín, Social Rights Area, Barcelona City Council.



Workshop "1<sup>st</sup> B-MINCOME technical implementation session" 29/06/2018.  
Picture: Pere Sala, Social Rights Area, Barcelona City Council.