

Modelling, Implementation and Evaluation of Basic Income

Exploring Basic Income in Scotland

*Edited by Cleo Goodman and Mike Danson
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Exploring Basic Income in Scotland

Exploring Basic Income in Scotland is a cross-disciplinary project, funded by Scottish Universities Insight Institute, that looked at the implications of a Basic Income for a variety of intersecting issues. The project was led by academics from the Heriot-Watt University, University of Edinburgh and Citizen's Basic Income Network Scotland (CBINS). It united policy makers, practitioners and academics to look at the intersection of a Basic Income with employment and entrepreneurship, housing, care and human rights and equality and the modelling, implementation and evaluation of the policy.



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INTRODUCTION

How to go about implementing a Basic Income - and how to evaluate its success - is an underappreciated aspect of thinking around the topic. While many writers, academics and advocates focus on the arguments for or against implementing the idea, few have performed the in-depth research into how a Basic Income might be implemented or piloted and what the associated consequences would be.

The need to model and evaluate how a Basic Income might function is of particular relevance in Scotland, where four local authorities - with support from NHS Health Scotland and the Improvement Service - are studying the potential feasibility of a Basic Income pilot and how it might be implemented in the country.

The feasibility study's commencement shows that, while conversations around whether a Basic Income is a good idea or not still need to be had, of equal importance is the planning and research required to successfully implement or pilot Basic Income if the green light is given. It is with this idea in mind that CBINS and SUII placed Modelling, Implementation and Evaluation as the focus for the final workshop in the series.

We explored the implications of evaluating and implementing a Basic Income, with particular reference to the feasibility study that is currently being undertaken in Scotland. To do this we looked at existing theory and evidence behind how a Basic Income can be implemented and evaluated in the following background paper - written by Professor Mike Danson - and hosted a facilitated workshop on the topic, which was attended by policy makers, practitioners and academics with relevant understanding. The insight gathered at this workshop can be found in the following workshop report.

☀ *Basic Income Definition:*

A basic income is a periodic cash payment unconditionally delivered to all on an individual basis, without means-test or work requirement.

That is, basic income has the following five characteristics:

Periodic: it is paid at regular intervals (for example every month), not as a one-off grant.

Cash payment: it is paid in an appropriate medium of exchange, allowing those who receive it to decide what they spend it on. It is not, therefore, paid either in kind (such as food or services) or in vouchers dedicated to a specific use.

Individual: it is paid on an individual basis—and not, for instance, to households.

Universal: it is paid to all, without means test.

Unconditional: it is paid without a requirement to work or to demonstrate willingness-to-work.

Source: Basic Income Earth Network

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'EXPLORING THE PRACTICALITIES OF A BASIC INCOME PILOT'

Some of the information shared in the workshop was further codified in a report entitled 'Exploring the practicalities of a Basic Income pilot'¹. Written for Carnegie UK, the report is authored by some of those involved in Scotland's feasibility study who also took part in the workshop.

The report provides a timeline for the feasibility study and centres on the early research-gathering phase of the study, elements of which were also discussed in the workshop. The report also gives us an implicit insight into the direction that the feasibility study - and any potential Basic Income pilot - is likely to take.

The first point of note is that there is institutional money and support behind the project. Although the pilots are being driven by the local councils, Scottish Government has provided a £250,000 fund (over two years) for the research into whether a pilot programme would be feasible. In addition, NHS Health Scotland and the Improvement Service are providing evaluation and research support to the local authorities.

Secondly, the Steering Group behind the pilots appear to be aware of - and responsive to the idea of piloting - a genuine, full Universal Basic Income. In earnest, the Steering Group appear to have settled on the Basic Income Earth Network (BIEN) definition of a Basic Income. According to the report, Basic Income must be the following: basic (a minimum payment, sufficient to meet basic needs); paid at regular intervals; universal (paid to everyone, based on rights of residency); unconditional (without conditions); non-withdrawable, irrespective of other sources of income; and individual (assessed and paid individually, including to children, rather than by household). The fact that the report establishes these criteria suggests the authors are at least aware of what a genuine Basic Income scheme would look like, making it less likely that a diluted Basic Income scheme is piloted rather than the full version.

The final area of insight is the length of time taken to undertake the feasibility study. The road to the potential pilots began in 2018, when project staff were put in place. This first phase included attending the Basic Income Earth Network annual conference in August of that year, to gain insight from the global academic and activist community. This is the start of the research and assessment process that will culminate in an interim report to the councils and Scottish Government in September 2019, followed by the presentation of the final business case to the Scottish Government in March 2020.

REFERENCES

<https://www.carnegieuktrust.org.uk/publications/exploring-the-practicalities-of-a-basic-income-pilot/>

Modelling, Implementation and Evaluation of Basic Income

by Mike Danson

INTRODUCTION

As we move through the feasibility stages of the proposals for BI pilots in four local authority areas in Scotland, so there is consideration of the important matter of how the experiments will be assessed. In the same way that the feasibility studies have several components: political, financial, psychological, behavioural and institutional, so the pilots will have a series of interlocking aims and objectives. These are expected to have associated performance indicators, targets, needs for data to be collected and analysed, reports, etc. In other words, like all other public sector interventions and projects, how the pilots will be evaluated, tested and measured will be important in the period up to their establishment, launch, implementation and delivery. This workshop will consider what are the sorts of approaches that might be introduced to gauge the success and challenges when BI experiments are implemented. It will draw upon research and previous work from across the world, and hear from those active in proposing pilots in Scotland and elsewhere. Both qualitative and quantitative methods are likely to be applied, with measurement of impacts complemented by modelling of different scenarios for different and diverse groups.

As Charlie Young has recently suggested: the fundamental question [Basic Income experiments] ... seek to answer is "can basic income make things better?" Simple as it sounds, it's worth finding out.

WHAT IS TO BE MEASURED?

Some elements of the pilots are envisaged to be concerned with direct payments to those on social security and in receipt of state pensions, others will receive a basic income when they had no other obvious source of income, many will already be in work, whether employed, self-employed or in some other economic status. To capture any short- and longer-term changes in citizens attitudes and behaviours when a basic income is introduced will require a range of research instruments to be applied, capable of identifying and measuring a broad range of potential impacts: labour market participation, spending, health and well-being, volunteering and training, and so on across a diverse and almost limitless set of aspects of modern lives. The need to agree benchmark statistics and other indicators, to ensure what data and information are required can be collected ethically and practically, that sample sizes are sufficiently large for meaningful results to be generated are just some of the complex and demanding issues to be addressed.

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While analyses of any changes in the work incentive, individual and household expenditure patterns, savings and investments can be envisaged and build upon from previous studies on BI experiments and incomes, there will be many areas of interest that cannot be directly observed in the pilots. These will include some of the effects that take an extended time to become apparent, while responses to tax changes will need to be addressed through other means.

☀ Key Insights - what is to be measured?

To capture any short- and longer-term changes in citizens attitudes and behaviours when a basic income is introduced will require a range of research instruments to be applied, capable of identifying and measuring a broad range of potential impacts

MODELS AND SYSTEMS

Some favour a systems-wide approach to gauging impacts using such instruments as the UN Sustainable Development Goals, the derivative indicators in the Scottish National Performance Framework or the Oxfam Scotland Humankind Index. However, most of these have extensive and expensive data requirements to allow comprehensive application. As with more traditional measures - such as GDP, unemployment rates and incomes – there are challenges in identifying and separating out the impacts of BI on different social and economic factors. NHS Scotland have examined the use of ScotPHO 'Informing Interventions to reduce health Inequalities' tool (the Triple I tool) as a framework for assessing impacts of such initiatives including BI2.

Within the UK, long term advocates of BI have written on possible models with Annie Miller in her recent (2017) publication *A Basic Income Handbook*, Edinburgh: Luath Press setting potential levels of BI for different age groups to meet minimum standards of living and the tax rates needed to meet the direct costs of this provision; Malcolm Torry proposing basic income schemes, their feasibility and approaches to microsimulation to assess impacts and consequences in his book published this year: *Why We Need a Citizen's Basic Income*, Bristol: Policy Press.

In the Netherlands, there are plans for BI experiments in a number of cities and networks of academics, practitioners and policymakers as well as citizens are involved in discussing, debating and taking these forward with plans for evaluation of the trials. Some of their approaches are captured here:

<https://www.euromod.ac.uk/blog/2018/08/15/basic-income-%E2%80%93-testing-fascinating-policy>,

<https://www.euromod.ac.uk/publications/mechanics-replacing-benefit-systems-basic-income-comparative-results-microsimulation>,

<https://www.euromod.ac.uk/search/node/basic%20income>.

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CONSISTENT AND COMPARABLE INSTRUMENTS?

Other recent experiments have been conducted in Finland and Ontario with much media attention, as well as in developing countries and communities across the globe. Charlie Young has noted that the very diversity and varying scales of these pilots have both enriched the knowledge and understanding about the fundamentals of BI in implementation but also left a number of gaps. In a report which offers models and toolkits to help those considering establishing live experiments, he highlights in particular (2018, p5) to:

different experiment architectures: from saturation sites, where every member of the community has the option to receive basic income payments, to experiments with randomly distributed and chosen participants; from simplified flat payments that aren't withdrawn as earnings rise, to staggered payments for different subgroups, each which have distinct effective marginal tax rates (which have historically been up to 80 percent); from universal programs to those focused solely on those of certain income or employment status; and from payments made to individuals to those made on a household basis. Some of these experiments run for two years, others for over a decade.

It can also be recognised that the motivations for introducing BI experiments has differed across locations. Analysing work incentive effects has tended to be of major concern in the Dutch proposals but alleviating poverty has driven the developments within Scotland, for instance. Colleagues in the Netherlands have strongly followed a route of proposing and conducting Randomised Control Trials (RCTs), partly agreeing a common platform to meet national requirements and to make the scientific bases of the different experiments comparable for research and evaluation. There have been arguments in Scotland for the pilots here to be assessed in a similar vein, while there have been criticisms of RCTs as, while an objective methodology, it is neither possible to 'control' nor to 'randomise' for such experiments in the real world and as is was apparent in the Finnish and Dutch examples. Although RCTs are common in medicine and some other life sciences where it is possible to control for other effects and variables, this is not desirable nor feasible over a population or time period where people are mobile, complex and influenced by many different factors.

There is a very good meta-analysis of 28 studies of BI experiments and assessments by Wendy Hearty, with Marcia Gibson and Peter Craig Universal Basic Income – A Scoping Review of Evidence on Impacts and Study Characteristics³. This demonstrates that evidence was gathered across ten experiments on labour market participation, health, education, and a range of social and economic outcomes. They conclude that there was application of innovative quasi-experimental methods to provide robust evidence in situations where randomised controlled trials (RCTs) were

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impracticable., confirming that RCTs are the preferred approach *ceteris paribus*. They argue that in future evaluations the aim should be to include large samples and test a simple intervention. Focusing on economic aspects they continue: evaluation to assess any effects on service use and wider economic impacts would provide data on the net costs and benefits of basic income.

Key Insights - Consistent and comparable instruments?

It can also be recognised that the motivations for introducing BI experiments has differed across locations. Analysing work incentive effects has tended to be of major concern in the Dutch proposals but alleviating poverty has driven the developments within Scotland, for instance.

AGENT BASED MODEL AND MICROSIMULATION

Amongst the suggested means to evaluate the Scottish local authority pilots, Coryn Barclay, Research Consultant, Fife Council has examined the possibility of using an Agent-based model (ABM) in a paper for the Basic Income Coordination Scotland Steering Group. ABM is a simulation model which represents the interactions of autonomous agents, who can be individuals or collective entities (groups, institutions, etc.) The goal is to discover how these agents' actions and interactions drive macro-level patterns. By simulating the decisions and interactions of individuals a better understanding of complex social systems may be gained. Fife Council Research have proposed 'How Agent-based Modelling might help to explore Basic Income in Scotland'. They argue that 'An agent-based model could help us to:'

- Simulate the introduction of a basic income in the Scottish context
- Explore its effect on agent behaviour, such as decisions about work, caring, leisure, consumption, etc
- Explore the impact of different levels of a basic income, ie partial / meeting minimum income standards
- Develop predictions based on the model and explore and test hypotheses about the likely outcomes of introducing a basic income
- Explore social dynamics: individual, household and community effects
- Explore labour supply and demand interactions
- Explore impact on caring or volunteering
- Explore the impact of a basic income in a specific geographic community or across a wider geographical area
- Explore the impact of a basic income on different subgroups of the population / communities of interest

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- Explore impacts over a longer time frame than would be possible in a pilot
- Compare real outcomes to predicted outcomes to understand where unknown or new factors are present
- Explore unintended consequences / spillover effects
- Generate data that could help to shape and design a pilot

The paper from Fife Research also addresses how an Agent-Based Model differs from Microsimulation:

- Microsimulation and Agent-based Modelling have different purposes and uses
- Microsimulation takes a set of data about a population (people, households) and applies rules to reflect changes, enabling the modeller to look at the overall impact. Such an approach is particularly useful for modelling policy changes, for example, to see who is made better or worse off by tax changes.
- Microsimulation models do not have the behavioural modelling capability of Agent-based Models, the ability to explore how people will behave.
- Microsimulation only models one-way interaction, the impact of the policy on the individuals. It does not look at the impact of individuals on the policy and interactions between individuals. It is the interactions between agents that Agent-based Modelling is particularly good for modelling.
- The outcome of Microsimulation is often pre-determined by variables / rules, while Agent-based models can self-organise and result in often and unpredictable patterns and outcomes.
- Both still need to be informed by assumptions.

Key Insights - agent based model and microsimulation

ABM is a simulation model which represents the interactions of autonomous agents, who can be individuals or collective entities (groups, institutions, etc.) The goal is to discover how these agents' actions and interactions drive macro-level patterns

MACRO-ECONOMIC MODELLING

Modelling the tax side of the introduction of a BI is more complex as there are no proposals and it would not be feasible operationally to have tax rates and levels altered for members of any pilot community. Therefore, learning from labour economics and public finance literature and empirical research and simulations of the implications of varying income and other taxes rates will be necessary to inform any

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subsequent moves for a national BI. In that context and to offer a handle on the sorts of potential effects on incomes, expenditures, government revenues and spending, employment and other macroeconomic indicators, the Fraser of Allander Institute is preparing and undertaking preliminary modelling of a national BI in Scotland using their CGE (computable general equilibrium) model of the Scottish economy. As this model is globally recognised as a pioneer in the measuring the impacts of policy changes on the national economy, this is a most interesting development.

SUMMARY

As part of the feasibility stage of the planning towards launching the pilots in Scotland, there is ongoing exploration and debate over how the evaluation research will be designed and established. Alternative instruments and approaches have been proposed and discussed, some complementarities have been noted with tentative moves to an overall package of evaluations within a logic model discernible. This workshop will contribute to examining, comparing and contrasting these different philosophies, ontologies and techniques hopefully to inform the development of robust, rigorous and appropriate methodologies.

REFERENCES

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<http://whatworksscotland.ac.uk/publications/universal-basic-income-scoping-review-of-evidence-on-impacts/>

Workshop Report: Basic Income Modelling, Implementation and Evaluation

by Jack Perry

INTRODUCTION

The aims of the workshop were: to understand the different factors involved in implementing a Basic Income and to understand how to best evaluate a Basic Income, particularly within the Scottish context.

Our speakers for the session were Dr. Malcolm Torry, Mhairi Paterson, Neil Craig and Jennifer Broadhurst. Dr. Malcolm Torry is Director of the Citizen’s Basic Income Trust, a Visiting Senior Fellow at the Department of Social Policy at the London School of Economics and has authored several books on Basic Income. Mhairi Paterson is a researcher at North Ayrshire council and Neil Craig is a researcher at NHS Health Scotland, they are both members of the Basic Income Scotland Steering Group. Jennifer Broadhurst is a pre-doctoral researcher at Glasgow Caledonian University looking at the impact of a Citizen’s Basic Income on the lives of women from Black and Ethnic Minorities and women with disabilities.

Those attending the session, and the organisations they represent, all had relevant insight into the implementation and evaluation of Basic Income from a variety of angles:

Who?	Why?
Fife Council Local government of the unitary authority of Fife, one of 32 unitary authorities in Scotland	Fife Council is one of 4 councils involved in the work looking at the feasibility of a Basic Income experiment in Scotland.
Glasgow Council Local government of the unitary authority of Glasgow, one of 32 unitary authorities in Scotland	Glasgow Council is one of 4 councils involved in the work looking at the feasibility of a Basic Income experiment in Scotland.
Korea Institute for Public Finance Assist the government in formulating national tax policies	The Korea Institute for Public Finance perform policy-oriented research and analysis in all aspects of taxation and public finance, with an interest in the Scottish Basic Income feasibility work.
North Ayrshire Council Local government of the unitary authority of North Ayrshire, one of 32 unitary authorities in Scotland	North Ayrshire Council is one of 4 councils involved in the work looking at the feasibility of a Basic Income experiment in Scotland.

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<p>North Lanarkshire Council</p> <p>Local government of the unitary authority of North Lanarkshire, one of 32 unitary authorities in Scotland</p>	<p>Local authorities in Scotland provide a range of public services, including, social care and economic development, therefore local government is a key partner in any work looking at a Basic Income in the Scottish context.</p>
<p>Korea Institute for Public Finance</p> <p>Assist the government in formulating national tax policies</p>	<p>The Korea Institute for Public Finance perform policy-oriented research and analysis in all aspects of taxation and public finance, with an interest in the Scottish Basic Income feasibility work.</p>
<p>NHS Health Scotland</p> <p>The national Health Board working to reduce health inequalities and improve population health in Scotland</p>	<p>NHS Health Scotland are a key research partner to the feasibility studies. In general they work to provide evidence of what works to reduce health inequalities, work across all sectors in Scotland to put this evidence into action and support national and local policy makers to design and evaluate interventions that help build a fairer, healthier Scotland.</p>
<p>Scottish Government</p> <p>The Scottish Government is the devolved government for Scotland responsible for the economy, education, health, justice, rural affairs, housing, environment, equal opportunities, consumer advocacy and advice, transport and taxation.</p>	<p>Scottish Government are involved in the feasibility work looking at a Basic Income experiment in Scotland. Their remit of responsibilities makes them a key partner in any work looking at a Basic Income in the Scottish context.</p>
<p>Jennifer Broadhurst</p> <p>Pre-doctoral researcher at Glasgow Caledonian University looking at the impact of a Basic Income on women</p>	<p>Jen is located in the Women in Scotland's Economy WiSE Research Centre, where she is researching the impact of a Citizen's Basic Income on the lives of women from Black and Ethnic Minorities and women with disabilities. She has an MSc in Research Methods from GCU and is a member of the Scottish Women's Budget Group which contributes to Scottish and UK government and analyzes economic impacts of budget decisions on the lives of women in Scotland.</p>
<p>Paul Hare</p> <p>Emeritus Professor of Economics at Heriot-Watt University</p>	<p>Paul has particular expertise in transition economies and has also published work on public finance management reform and the Scottish Social Enterprise sector</p>
<p>Annie Miller</p> <p>Economist and co-founder of Citizen's Income Trust and Citizen's Basic Income Network Scotland</p>	<p>Annie provides insight into the economic aspects of Basic Income and the global Basic Income movement and debate drawing from her experience looking at the topics over the last 30 years.</p>
<p>Paul Spicker</p> <p>Writer and commentator on social policy, Emeritus Professor of Public Policy Robert Gordon University</p>	<p>Paul has an in depth understanding of social policy that can be applied to the discussions about Basic Income. A critical sceptic of Basic Income and author of several of this project's background papers.</p>

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<p>Malcolm Torry</p> <p>Director of the Citizen's Basic Income Trust and Visiting Senior Fellow at the Department of Social Policy at the London School of Economics</p>	<p>Malcolm has research interests in the reform of social security benefits; in the characteristics and management of religious and faith-based organisations; and in metaphysics. Much of the social policy research is done using EUROMOD, the microsimulation programme. He has written several books on Basic Income including <i>Money for Everyone: Why we need a Citizen's Income</i>.</p>
<p>Dave Watson</p> <p>Head of Policy and Public Affairs at UNISON Scotland until 2018, now working on policy development projects</p>	<p>Dave has worked in government and the private sector and has authored chapters in a range of books and publications. He is a Board member at the Reid Foundation, Secretary of the Keir Hardie Society, Secretary of the Socialist Health Association Scotland and Past Chair of the Scottish Labour Party.</p>

HOW TO TEST A BASIC INCOME SCHEME FOR FEASIBILITY

The first talk of the workshop, by Dr. Malcolm Torry, focused on how to test Basic Income for feasibility. Torry established the difference between a Basic Income and a Basic Income scheme: the former is an unconditional income paid to each individual; the latter is a Basic Income with specified levels for each age group and a specified funding mechanism, alongside other details like frequency of payment. While Basic Income always has the same definition and the same effects, different Basic Income schemes can have very different characteristics, and therefore very different impacts.

As a result, Torry emphasised the fact that it would be a Basic Income scheme that would be implemented, not simply a Basic Income, so the question of the talk centred on whether there might be a feasible Basic Income scheme. This itself is multi-faceted: any Basic Income scheme would need to be feasible in a financial, psychological, administrative, behavioural and political sense. Torry suggested that microsimulation - using software to model the tax and benefits system - would provide some idea of a whether any Basic Income system could be financially feasible.

☀ Key Insights - How to test a Basic Income scheme for feasibility

Basic Income as a concept and individual Basic Income schemes are not equivalent. To be considered feasible, a Basic Income scheme should be financially, psychologically, administratively, behaviourally and politically feasible.

As part of the presentation, Torry proposed an illustrative Basic Income scheme which is revenue neutral and that lifted more people (although not everyone) off means-tested benefits. The talk concluded with a series of areas for exploration within the context of the Scottish feasibility study, as well as questions for implementing a Basic Income scheme on a more general level.

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The resulting discussion centred on Torry's suggested revenue-neutral Basic Income scheme, which would not lift everyone off means-tested benefits. Concerns were raised about the trade-off between making the scheme revenue-neutral and providing a Basic Income at a level sufficient for everyone to live on. Torry defended the illustrative scheme, suggesting that the proposition was based on a three percent increase in income tax, which could be raised if it was considered politically feasible to do so.

BACKGROUND TO THE SCOTTISH FEASIBILITY STUDY

Mhairi Paterson's talk provided an update on the Scottish Basic Income feasibility study to date, as well as the resulting evidence review findings and next steps for research. Paterson began by giving a background to the feasibility study, before going through the project timeline. The timeline began in April 2018 - August 2018, when project staff were put in place and the team visited the 18th BIEN Congress in Finland. During this first phase of the project, the team also conducted an evaluability assessment.

The evaluability assessment consisted of hosting two evaluation workshops, which achieved the following: clarification of the outcomes of interest of a proposed Scottish Basic Income pilot; generation of model options for Basic Income pilots to meet the outcomes of interest; identification of the intended and unintended consequences of the pilot options; and exploration of research questions to be tested through the pilots. These areas were discussed in the following talk by Neil Craig.

The final element of phase one of the project consisted of a systematic scoping review of past or existing unconditional payments, such as the Alaska Permanent Fund and the Basic Income pilot in India. The review uncovered results in areas related to labour market activity, young people and health effects. The review concluded that the effects of an unconditional income on labour market participation were small; that there were strong positive effects on time in education; and that there was room for future research to make improvements to our overall understanding of the effects of implementing an unconditional income.

Key Insights - Background to the Scottish feasibility study

Much can be learned from previous pilots, trials or policies of unconditional payments, including in areas such as labour market activity, young people and health effects. However, they leave a lot of questions unanswered, which will require further research or new trials.

The presentation concluded with an overview of the remaining phases of the feasibility study project. During the period between September 2018 and March 2019, the team will commission research and modelling, agree on preferred pilot options,

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and engage with the Department for Work and Pensions (DWP) and Her Majesty's Revenue & Customs (HMRC), with options provided for funding and payment mechanisms. Between April and September 2019, the team will commission any additional research and agree funding and payments mechanisms before submitting an interim report to the relevant councils and Scottish Government in September. From October, the team will collect baseline data and start the pilot implementation preparation. The final business case will be submitted to the Scottish Government in March 2020.

HOW TO DESIGN AND EVALUATE A BASIC INCOME PILOT

Neil Craig's talk focused on how best to evaluate a Basic Income, particularly within the context of a pilot. In doing so, he covered the possible impacts of implementing a Basic Income, the questions that the feasibility study intended to cover and the possible pilot options resulting from those questions.

Craig distinguished between possible intended outcomes and unintended outcomes, as well as any outcomes which could be gauged over short-term (2-3 years), medium-term (4-10 years) and longer term (10-20 years) periods. Short-term intended outcomes include reduction of barriers to labour market participation, improved individual and household incomes, and decreased need for food banks and welfare funds. Medium-term intended outcomes include increased labour market participation and improved household health and wellbeing. Longer term intended outcomes were identified as inclusive economic growth, reduction in poverty and improved health and wellbeing across the entire population. Possible unintended outcomes include the overall impact on labour market participation, wage levels, incomes for specific groups and inflationary effects.

From the above possible outcomes, the team alighted upon two study questions: "Which of these outcomes and impacts is it most important to measure?" and "Which of these is it most feasible to measure (in the context of a 2-3 year pilot)?"

Craig's presentation then moved onto focus on the different pilot options, centring on the choice between a "saturation model" (in which the pilot focuses on particular geographical areas) or a "stratification model" (in which the pilot targets specific groups, such as those of a particular age, particular occupation or have a particular income level). Craig emphasised that this choice was an important one, as the duration, scale and size of the Basic Income pilot would affect the potential impacts and, therefore, the questions that would be answered.

The direct link between the design of the pilot and the questions that the researchers wanted to answer was illustrated in the opposition between the saturation and stratification models. While the collective impact of a Basic Income on a particular area could be assessed within a saturation model, this would not be possible in a stratification model; likewise, the impact on specific groups could be judged within a stratification model, but not in a saturation model. The design of the Basic

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Income pilot is therefore inextricably linked to the questions one wants to answer, as illustrated in this dynamic.

Craig concluded his talk with the next steps for the feasibility study. The team will commission research and modelling work; identify pilot funding and payment mechanisms; assess evaluation options; and agree preferred pilot options. These would be reported in a progress report in March 2019, an interim report in September 2019 and the full business case in March 2020.

Given the unique subject matter, several issues were raised in response to Craig's talk. Paul Spicker raised the issue that many people are only periodically or temporarily in poverty, which may make it difficult to measure within the context of a Basic Income pilot with a set timespan. Craig acknowledged this, suggesting that there was a limited range of questions that could be assessed within a two-to-three year pilot, and that was why it was important to hone the design of the pilot.

Key Insights - How to design and evaluate a Basic Income pilot

The design of a successful Basic Income pilot depends on the questions you would like to answer, which is in turn dependent on knowledge of the possible intended and unintended consequences of introducing a Basic Income.

Much discussion was also had on the question of whether to use a stratification model or saturation model. Dave Watson suggested that focusing the Basic Income pilot on particular geographical areas would allow the team to make fewer compromises in terms of the amount of Basic Income provided and the number of people it was given to. Others had concerns about the saturation model, asking whether there would be a mechanism to deal with someone who moved out of the area midway through the pilot's timeframe.

THE POTENTIAL IMPACT OF BASIC INCOME ON POVERTY AND GENDER INEQUALITY

Jen Broadhurst's talk focused on the potential effects a Basic Income would have to reduce poverty and gender inequality. Broadhurst suggested the current social security system negatively impacted those who care for a loved one, particularly in terms of their mental health and their subsequent ability to care. In contrast, a Basic Income would provide greater financial security and a degree of financial autonomy.

Broadhurst also addressed the criticisms by the Institute for Public Policy Research (IPPR) that having a Basic Income would make people - particularly women - feel pressured to look after infant, disabled or elderly relatives. Broadhurst rebutted this claim, suggesting that this is a matter of agency, and that Basic Income would in fact give people the autonomy to choose what was best for themselves and their families.

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In the resulting discussion, questions were asked about the evidence that Broadhurst used in her thesis. The evidence was anecdotal interviews of around 1,000 respondents, via a series of focus groups and one-to-one interviews. Many people interviewed knew about Basic Income, but few were wholeheartedly in favour of the idea. Broadhurst suggested that people needed to be taken on a mental journey from where their life is now to how it could be if they had a Basic Income.

⚙️ *Key Insights - The potential impact of Basic Income on poverty and gender inequality*

A Basic Income would provide financial autonomy to many people in caring roles, the majority of whom are women. To best comprehend the impact of Basic Income, people need to realise the impact that it would have on their own lives.

BASIC INCOME MODELLING, IMPLEMENTATION AND EVALUATION

KEY QUESTIONS

- Is it possible to implement a financially feasible Basic Income scheme while still fulfilling the aims of a Basic Income?
 - Are there feasible Basic Income schemes that enable means-tested benefits to be abolished?
 - How many financially feasible schemes are there to choose from?
- What can pilot projects tell us about the longer-term feasibility of a Basic Income?
 - Can pilot projects tell us about the employment market effects of a Basic Income scheme?
- Which outcomes of a Basic Income is it most important to measure in a potential Basic Income pilot?
 - Which Basic Income outcomes is it most feasible to measure in the context of a pilot?
- What can be learned from pilots of unconditional payments around the world?
 - How helpful are Basic Income trials elsewhere to designing a pilot within the Scottish context?

All outputs from the project can be found at www.cbin.scot/resources/



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