

# Scottish Citizens' Basic Income Feasibility Project

**Cross Party Group on Health Inequalities**

**30<sup>th</sup> April 2019**

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THE CITY OF EDINBURGH COUNCIL

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**North Ayrshire Council**  
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**NHS**  
Health  
Scotland

  
**The Scottish  
Government**  
Riaghaltas na h-Alba

**is.**  
improvement service

# Scottish Citizens' Basic Income (CBI) Feasibility Project

- £250,000 Scottish Government fund
- Additional financial commitment from local authorities
- NHS and Scottish Government analytical support
- Programme of feasibility research over 4 phases and 2 years – building a business case

A Basic Income is an unconditional, non-withdrawable income for every individual as a right of citizenship (Citizen's Income Trust, 2017)

Key elements of a Basic Income are that it is:

- **Basic:** A minimum payment, sufficient to meet basic needs
- **Universal:** Paid to everyone, based on rights of residency
- **Unconditional:** Without conditions, and non-withdrawable, irrespective of other sources of income
- **Individual:** Assessed and paid individually (including to children) rather than by household

# Why explore CBI in Scotland?

- Growing political and academic interest
- International pilots
- Civil society organisation and think tank reports
- Combination of factors attracting support for exploring CBI:
  - growing inequality
  - economic insecurity
  - Potential labour displacing technological changes

# Why explore CBI in Scotland?

Arguments for CBI	Arguments against CBI
Promote social justice and equality	Encourage labour market withdrawal
Reduce poverty & income inequality	Promote state dependency
Increase liberty	Unaffordable
Remove work disincentives	Require raising tax levels to an untenable level
Reduce bureaucracy	Divert funds from those most in need
Devote time to caring, education, volunteering etc	Provide justification for removing other social programmes
Increased entrepreneurship	Potentially costly
Address job insecurity and in-work poverty	
Address job loss due to automation	

# Project timelines

May 2018 – Autumn 2019

- Defining outcomes & objectives
- Scoping evidence & contemporary pilots
- Commission research
- Exploring practicalities

Interim  
Feasibility  
Report  
Autumn  
2019

Autumn 2019 – March 2020

Finalising pilot  
options & evaluation  
Assessing overall  
feasibility

Business  
case  
submitted  
March 2020

Post-March 2020

- Decision on progress to pilot
- Implementation planning

Progress to  
Pilot?

# Research & Evidence

## Learning from:

- Systematic scoping review
- International learning report

## Commissioned:

- Benefits-CBI Interaction research
- Economic modelling

# Systematic Scoping Review

Comprehensive scoping review of basic income interventions:

- Any BI intervention (unconditional payments; could be targeted, affected by other income or below subsistence)
- Middle/high income countries worldwide
- Identified 28 studies of 10 interventions
- All met some of the BI criteria to varying degrees
- Very diverse contexts but consistency of findings increases transferability

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

WHAT  
WORKS  
SCOTLAND

Evidence review

September 2018

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Universal basic income

A scoping review of evidence on impacts  
and study characteristics

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Marcia Gibson, Wendy Hearty, Peter Craig

# Review conclusions

- Effects on labour market participation were small
- Strong positive effects on time in education
- Some strong positive impacts on health and social outcomes
- Future research should include:
  - simple interventions and large samples
  - economic evaluation
  - quasi-experimental methods
  - spillover and community level effects/effects of large-scale interventions
  - dynamic modelling studies to aid understanding of macroeconomic and emergent effects.



# Exploring the practicalities of a basic income pilot



Insights from around the globe:  
An international learning report  
from BIEN 2018 Congress

  
CarnegieUK  
TRUST

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# Report conclusions

- Different contexts, different framing
- Importance of connecting constituencies of support
- Understanding the political cycle
- Understand influences on pilot design
- No detriment/unconditionality important
- Evaluation and measuring success
- Public relations lessons

# Benefits/CBI Interaction Research

How might CBI impact on the pilot participants' eligibility for other welfare benefits and associated 'passport' benefits?

- Taxes paid
- Benefits received – UC, legacy benefits, housing, disability, passported benefits
- Local arrangements i.e. services

Child Poverty Action Group in Scotland undertaking research and report now submitted for consideration by the Steering Group

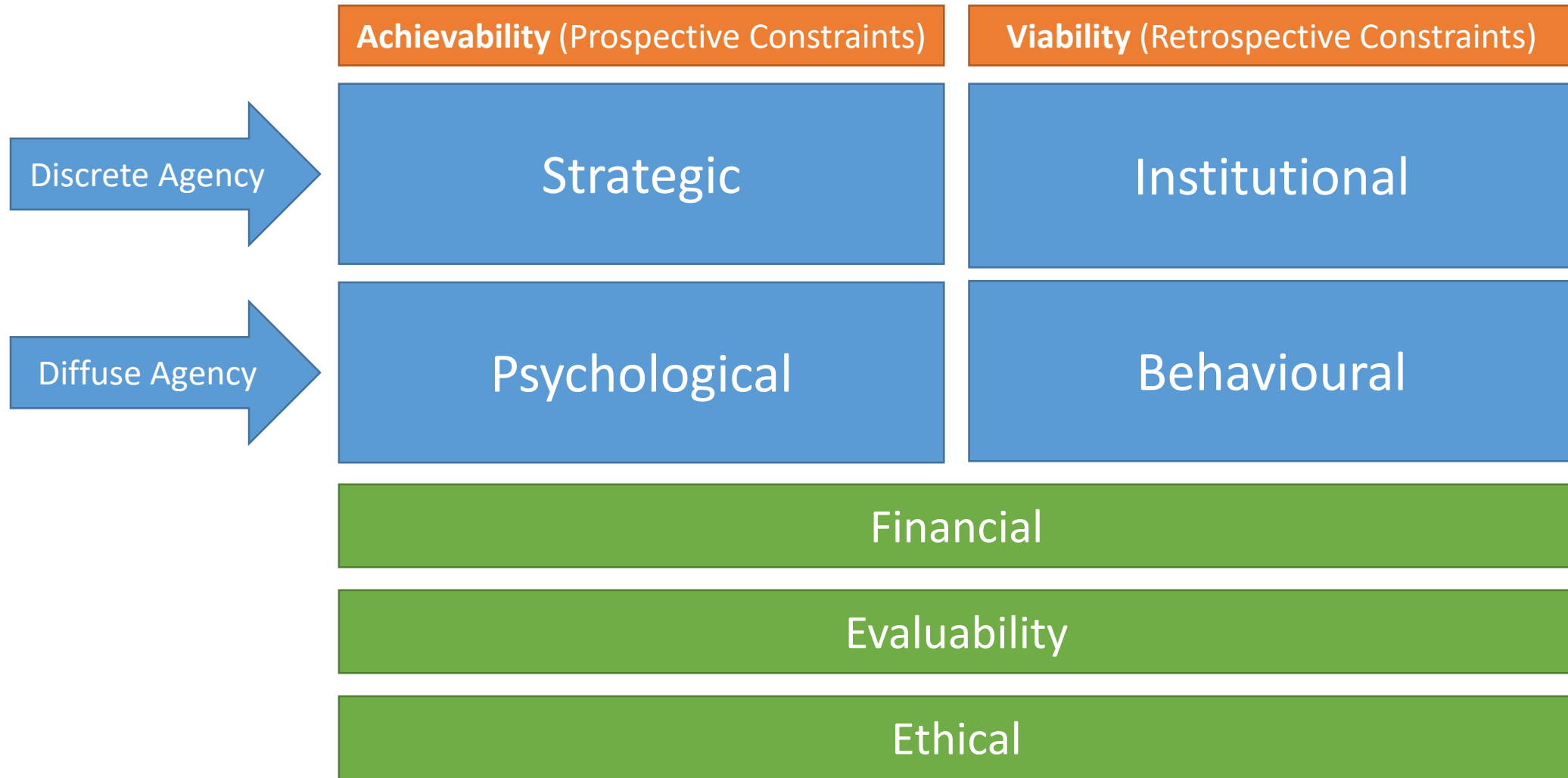
# Economic modelling

Purpose is to estimate the economic impacts of a CBI if it were implemented in Scotland. Steps:

1. Identify evidence on the impact of different levels and structures of CBI on:
  - changes in behaviour, such as labour supply decisions
  - the immediate distributional implications of a CBI
2. Use this evidence to inform models estimating the economic impacts of a CBI

Fraser Of Allander Institute undertaking research and interim results due August 2019

# Feasibility Framework



# Next steps

- Reporting from research projects
- Further engagement with relevant agencies
- Exploration and agreement of funding and payment options
- Agree CBI model options (to be tested against feasibility framework – in development)
- Develop evaluation plan
- Interim feasibility report to Scottish Government Autumn 2019
- Full feasibility report to Scottish Government March 2020

# Questions?

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