

‘Getting-by’, Coping and Resilience in Difficult Times: *Initial Findings*

Summary

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Recession, Resilience and Rebalancing Social Economies in Northern Ireland's Neighbourhoods: A Research Project funded by the Office of the First Minister and Deputy First Minister

Getting-by, Coping and Resilience in Difficult Times: Initial Findings (Summary)

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1. Context

In recent times the population of Northern Ireland has been confronted by a number of developments which have had an adverse effect on their lives and their ability to 'get-by', with residents living in disadvantaged neighbourhoods being particularly hard hit. These include: declining real income levels; rising unemployment and declining employment opportunities; the consequences of declining public spend at the neighbourhood level; and rising food, transport and energy costs. However, for many residents it is likely that their lives will become even more challenging in the future with the (potential) introduction of welfare reforms. How well they are currently coping, and how they may fare in the future, is the focus of this report, which also provides an insight into their capacity to 'get-by' i.e. how *resilient* they are.

This report draws on data garnered from an on-going longitudinal study of resilience and neighbourhood change which is being funded by Office of the First Minister and Deputy First Minister, which began in March 2012 and which concludes in March 2015. It is the second of the study's five written outputs. Centred on four case study neighbourhoods, the study is employing a range of quantitative and qualitative research instruments. This report mines qualitative material gathered from in-depth interviews with the 75 residents that comprise the study's **longitudinal resident panel** and quantitative material from a '**Baseline**' Survey of 939 residents. The statistical technique, logistic regression modelling, is used extensively to interrogate the latter data.

Two of the case studies, because they are interface areas, comprise two distinct neighbourhoods. Three of them may be defined (using deprivation indices) as being 'disadvantaged':¹

- [Inner East Belfast](#), which comprises [Short Strand](#) and [Lower Castlereagh](#)
- [Waterside in Derry / Londonderry](#), which comprises Top-of-the-Hill (which is also known as Gobnascale) and Irish Street; and
- [Sion Mills](#), a village located close to Strabane.

The fourth case neighbourhood - [Erinvale](#), in the south-west of the Greater Belfast conurbation - is not disadvantaged and was chosen to act as a 'better-off' comparator to the disadvantaged neighbourhoods.

2. Findings

The report's key findings are:

'Getting-by'

- Data from the Baseline Survey revealed that a large proportion of households in the disadvantaged neighbourhoods have relatively low incomes: 41 per cent reported a household income of less than £200 per week.
- Nearly a quarter (23 per cent) were behind with at least one bill or payment. When the results were broken-down by specific bills / payments, the most commonly cited were: 'rent or mortgage', which was cited by five per cent of respondents; 'electricity bill' (four per cent); 'credit or store card' (three per cent); and 'Social Fund Loans' (three per cent). Perhaps surprisingly given the growth of pay day lenders in recent years, only one per cent of respondents reported that they were behind with a pay day loan.

¹ See:

<http://www.ninis2.nisra.gov.uk/public/InteractiveMapTheme.aspx?themeNumber=137&themeName=Deprivation>

- More than a third of respondents in the disadvantaged neighbourhoods reported that they had 'very' or 'fairly' often run out of money in the last year. And only a third (36 per cent) reported that they had any savings.

I have no savings at all. Whatever I get every week, I portion it out for oil, food, bread money. Everything. (Ruby, 25-29, not working, Irish Street)

- The following question was used to provide an overall assessment of how well residents were 'getting-by' financially: Taking everything into account, how well or poorly are you (and your partner) managing financially these days? Nearly two-thirds of respondents in the disadvantaged neighbourhoods reported that they were managing 'well'. But, significantly, 16 per cent reported that they were managing 'fairly' or 'very' poorly.
- Qualitative data suggests that residents can be categorised into three loose categories in terms of their ability to 'get-by': those who are managing their household finances fairly easily; those who are managing but are having to make adjustments to do so; and, those who are finding it a real struggle to keep their 'heads above water'.

We do without. You have to sacrifice. That's just the way life is. You have to do without certain things. (Rita, 45-64, unemployed, Irish Street)

...when I was working I could have walked around the supermarket and picked up anything I wanted and I didn't look at the price. Now I look at the price and say: 'no I can't have that'. He's with me saying: 'I want this, I want that'. [I say:] 'No, we can't afford it. We just can't do it'. And I hate having to say no to him but it's just the way it is. (Emily, 16-24, unemployed, Short Strand)

Ryan's story

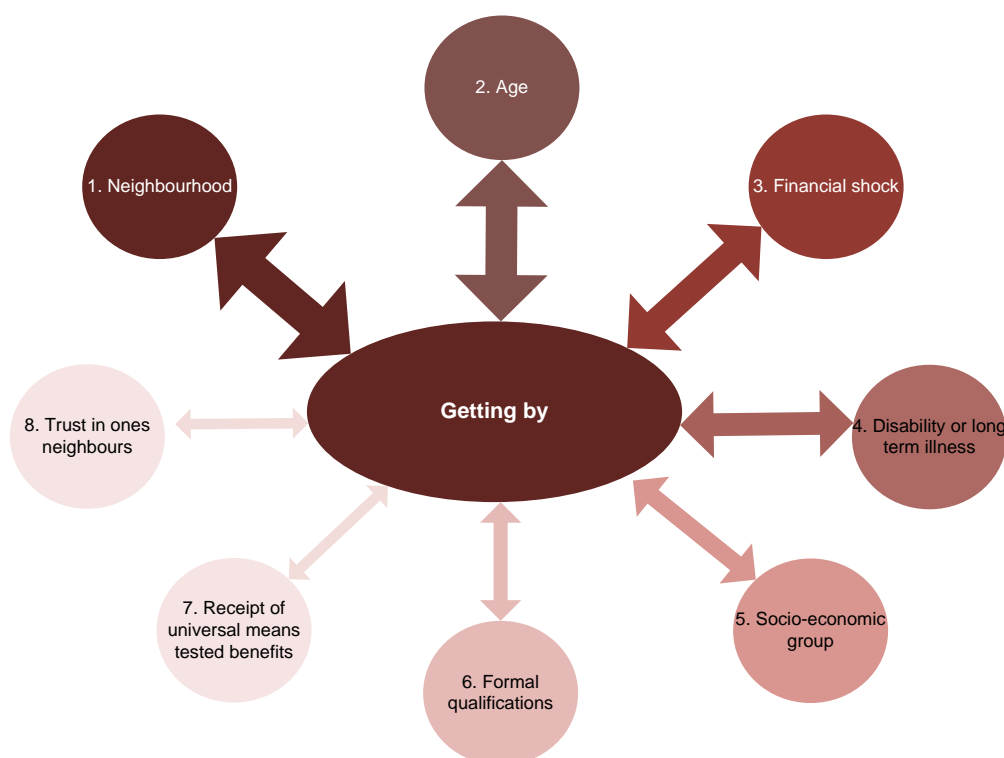
Ryan, who falls within the age category, 35-44, lives in Lower Castlereagh. He works part-time. He is finding it difficult to make ends meet and finds he is 'robbing Peter to pay Paul'. He used to have credit cards but, due to his inability to make repayments on them, his credit score is now low, with credit card companies not being prepared to give him a card. He commented on the size of his debt: *"My two credit cards they will be paid off in 200 years"*. When asked how he would respond to any pressure from his credit card companies to repay his debt, his response was: *"I just won't pay cos they hassle us too much and I'm like: 'what are you going to do to us'? If you don't have the money you can't pay them"*. He felt he would not be able to get credit from other sources, such as catalogue companies or crisis loans, and would look to his family to support him in the case of a financial 'emergency'.

Understanding 'getting-by'

- Logistic regression modelling was used to provide an insight into those factors that influence residents' ability to 'get-by'. As highlighted in the Figure 1, residents with the following characteristics were found to be less likely to be 'getting-by': a disability or a long-term illness; being a member of the socio-economic group, C2DE²; having no formal qualifications; and, being in receipt of a universal means tested benefit. Place was also found to be important: residents who did not trust their neighbours were less likely to be 'getting-by' as were those from Lower Castlereagh. Finally, residents whose income had reduced in the last year were also less able to 'get-by'.

² That is: skilled manual workers; semi and unskilled manual workers; and people not in work.

Figure 1: Factors with a statistically significant association with 'getting-by' and their relative importance (Aggregate Sample)*



- Interviews with resident panel members highlighted a number of factors which appeared to make it more difficult for them to 'get-by'. The most commonly cited, and for many residents, the most problematic, was high heating costs. Other factors which were found to be affecting residents' ability to 'get-by' were rising food and fuel prices and a recent fall in income.

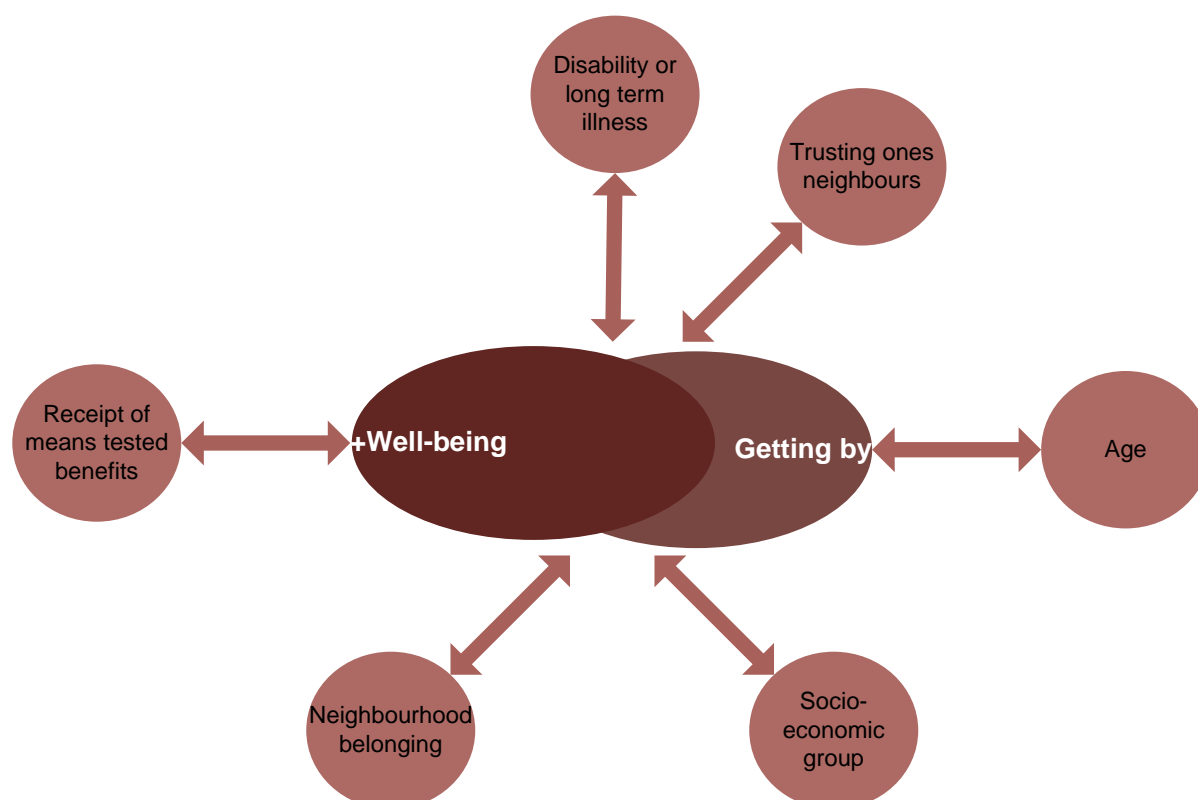
Oh, yes, the price of meat and everything's gone up. Everything's going up. (Michael, 65+, retired, Top-of-the-Hill)

We're on oil. Oil is unbelievably expensive at the minute. You could have filled a tank five years ago for half the price of what you are now. (Daniel, 35-44, working full time, Short Strand)

- Respondents to the Baseline Survey were asked why their income had reduced. The most commonly cited reason was 'loss of income due to other reasons', which was cited by 18 per cent of respondents. Matching data garnered from the Baseline Survey with that from resident panel interviews suggests that falling pay, whether because of less overtime and / or reduced hours, was the principal reason for respondents responding in this fashion. Other factors were: 'loss of income due to sickness or disability' (15 per cent); 'loss of income due to redundancy' (12 per cent); and 'loss of income due to changes in benefit payments' (12 per cent).
- Logistic regression modelling was used to explore how residents who had experienced an income reduction had fared, in order to gain an early insight into resilience. It found that place (i.e. neighbourhood) appears to impact on residents' ability to respond to a financial shock. And the analysis revealed that residents in Lower Castlereagh appeared to be less resilient than their counterparts in the other areas. This suggests that they may be more susceptible to future shocks, like welfare reform.

- As highlighted in Figure 2, the analysis found that residents in receipt of a universal means tested benefit and with a long-term illness or disability, were amongst those groups that appeared to be less 'resilient'. This is particularly important in the context of welfare reform, as it is precisely these residents that will be most affected by it. Interestingly, and in contrast to the model for 'getting-by', positive social and emotional attributes, notably neighbourhood belonging and (to a lesser extent) trust, were found to be important influences in the financial shock model. This again lends support to the argument that place influences resilience.

Figure 2. Factors with a statistically significant association with indicators of 'resilience' (respondents in receipt of a financial, shock; Aggregate Sample)



Emily's story

Emily, who is in the age category, 16-24, lives with her two children in Short Strand. In order to help her children with their schoolwork and potentially improve her qualifications, she is taking a course at the local community centre as well as taking maths and English GCSEs. Emily is claiming benefits and reports that she is not good at money management, something which she feels contributes to her problems with 'getting-by'. However, she reports that she puts £20 per week into a credit union account.

She relies heavily on help from her grandmother who often buys food for the family. Emily also relies on her grandmother and aunts for financial loans and is always indebted to them. She finds she is always *"catching up with myself"*. She is worried that in any future financial 'emergency' she would have nowhere to turn, as her family and friends (and grandmother, in particular) are finding it increasingly hard to manage: *"I was relying on my Granny but in the past few weeks she's been finding it hard herself she said to me that she's finding it hard"*. She worries about her future: *"I keep thinking next week it'll be better.....Most days I would just sit here and break down for nothing just cos you're worried about the next time you need money"*.

Strategies for 'Getting-by'

- As outline in Figure 3, residents employed a range of strategies to help them 'get-by':
 - One was the use of credit cards. Their use by resident panel members was widespread. They tended not to be used to help them 'get-by' on a day to day basis but instead were used in 'emergencies', such as when a broken down car needed to be repaired.
 - A number of panel members reported that they had put aside money to ensure that sufficient funds were available for them to pay for key expenditure items and any 'emergencies'.

I have a tin and I have an envelope and this is all personal stuff ... but I write it out. And say £20 of it goes into one, £10 for this goes into that envelope and it gets divided out. And I date it so that then you remember that you've paid it. It works very well ... and it means we don't have a big bill for oil say. Say the fridge breaks down, we have money there. (Aiden, 35-44, working part time, Short Strand)

- Most panel members who were in receipt of multiple benefit payments welcomed the fact that these payments were received at various points over a month, as it allowed them to budget on a weekly or two weekly basis. And it appeared that for many, staggered, multiple payments helped them to budget more effectively and 'get-by' more easily. The scope of low income households to use multiple benefit payments as an aid to help them budget could be removed at some point in the future with the introduction of Universal Credit, which will see most³ of them receiving a single monthly benefit payment (or 'wage').
- In addition to panel members adopting a weekly / two weekly approach to budgeting, a number also reported that they also budgeted on a seasonal basis to reflect the fact that their outgoings were greater in the winter because of higher heating bills.

But now me mother's given me a wee trick: she says in the summer when you don't use your heating, take £5 and buy £5 worth of canned soup, beans, peas, vegetables or frozen stuff and put them in your freezer and fill your freezer for the winter. ...I've started doing that now. I have a big box and I would put a couple of tins of beans and a couple of tins of soup and peas and carrots every week. ...I would buy it in the summertime and dip into it in the winter. (Dave, 45-64, long term illness, Top-of-the-Hill)

- A number of resident panel members reported that they prioritised the payment of some items over others. Specifically, the following outgoings were prioritised: food; rent or mortgage; heating bills; and (for panel members with families) expenditure relating to their children.

[I] just always make sure I've electric and I've oil. (Emily, 16-24, unemployed, Short Strand)

- A number of panel members reported that the tightness of their budgets meant that they had to be thrifty when it came to food shopping and using the food they bought. And a number reported that they had substituted top-end, well known brands, with cheaper, supermarket-own, ones.

³ In Northern Ireland, it has been agreed, that if "special circumstances" exist, Universal Credit payments will be paid twice every month rather than monthly - see: <http://www.northernireland.gov.uk/news-dsd-221012-tailoring-welfare-reforms>.

Figure 3. Strategies for 'getting-by'



- A common strategy employed by panel members to help them 'get-by' was to make budgetary 'sacrifices'. They went without: (what were described as) 'luxury' food items, such as biscuits and cakes; other 'luxuries', such as going for a meal or to the pub; day trips and holidays; and heating for the home. Furthermore, for panellists with children, there was another aspect to this 'getting-by' strategy: they made 'sacrifices' for their children and went without so that they did not have to.

We do without. You have to sacrifice. That's just the way life is. You have to do without certain things. (Rita, 45-64, unemployed, Irish Street)

We don't really go anywhere. We just stay here 24 hours. We don't go out to the pub or anything like that. We couldn't afford it. (Edward, 65+, retired, Sion Mills)

- Of all the factors and coping strategies that helped residents to 'get-by', it was the financial support of friends and family that appeared to be the most important. And without this support, it appeared that some would not cope. Friends and family provided financial support in three ways: by giving our panel members money; by lending money to them; or by providing 'in-kind' support.
- One approach used by residents in our case study neighbourhoods to 'get-by' was to access financial advice: nearly a quarter (24 per cent) of respondents to the Baseline Survey reported that they had done so. In terms of the type of support accessed, it is interesting to note the important role played again by family and

- friends in terms of helping our panel members 'get-by': they were the most common source of advice, being cited by eight per cent of respondents. The next most popular sources were: an 'independent advice agency, such as the Citizen's Advice Bureau' (six per cent); credit union (five per cent); and the internet (three per cent).
- Respondents that had sought advice were asked why they had done so - exactly three in ten reported they had done so because their household income had reduced in the last year. These respondents were asked how useful they found the support provided to them - significantly, more than three-quarters (77 per cent) reported that they found it 'very' or 'quite' useful.
 - Many panel members appear to be standing at the edge of a (financial) 'precipice'. It appeared that another financial shock would push them over it as they simply did not have the scope to make further cuts. One such (potential) shock is welfare reform and the quantitative and qualitative evidence we have collected suggests that it is likely to have a profound effect on the ability of many residents in our case studies to 'get-by', potentially 'tipping some over the edge'.

Monica's story

Monica lives in Sion Mills. She works full time. However, at the time of her interview she had been off work for three months because of illness. Despite receiving full pay during her illness, her income had fallen by £600 per month because of the loss of overtime pay. She was finding it increasingly difficult to cope, financially:

I've found it really tough and I still have my full basic pay, so I don't know how people cope. ...I haven't been off work in seven years and I'm going back on Monday and I've been off three months and it's hard.

Monica explained that she had her husband were having to make 'sacrifices' as they were concerned about what the future held for them:

My husband would say to me: 'I must order such and such'. If he wanted a football top he just goes on and orders it and this last couple of months I've been saying to him 'no you can't'. ...you don't know at the minute. What if something happened and you didn't have anything spare [to pay for] and groceries and electricity and coal and heat?

3. Conclusion

- Some academics have argued that positive 'benefits' may accrue to households who have to 'get-by' in very challenging circumstances and that resilience is a positive phenomenon. Analysis of qualitative material garnered from resident panel members revealed no evidence to support these arguments. That is not say that residents did not exhibit a bundle of positive characteristics that helped them 'get-by'. These included: *ingenuity* (many residents are highly creative, ingenious and effective money managers); *stoicism*; *resourcefulness*; *selflessness*; and high levels of *endurance*. But for our panel members being resilient was not about 'bouncing back', 'flourishing' and 'thriving' in the face of adversity - it was about not being overcome, 'getting-by', enduring, surviving, just 'getting on with things', and 'keeping their 'heads above the water'.

You just get on with it and do what you have to... We've had to do without the oil for a couple of months or something to pay for it. So you have to do without something else to pay for it. That's life - you have to do it. (Julia, 45-64. working part-time, Sion Mills)

There's always somebody worse off than yourself. That's always what I tell myself anyway otherwise you wouldn't get out the door to do anything. ...I don't want to have pocketfuls of money. I just want to keep my head above water and maybe have a couple of good weeks now and again. They're a thing of the past. (Keenan, late 40s, unemployed, Sion Mills)

- Measuring how well households are 'getting-by' is highly problematic and one should be careful not to overstate the importance of quantitative, self reported assessments. Most panel members, who despite living in very challenging circumstances and having very low incomes, reported that they were 'getting-by'. And as they had done so for a long period of time, they could be described as being (financially) resilient. However, qualitative data garnered from them revealed that they were only doing so by making significant 'sacrifices' and 'going without' - for example, some were not eating properly; never ate out or went on holiday; and had cutback on (or did not use) heating. And, in fact, from an objective perspective they could be described as not 'getting-by'. However, it is important not to get 'hung up' on this issue because, ultimately, what matters is that research is undertaken into the experiences of households living in poverty and challenging circumstances, with a view to informing policy development.
- In terms of the next steps for the study team, over the remainder of the study it will focus on unpicking the issues raised in this report. In doing so, it will seek to make sense of some of the statistical relationships it has identified in terms of the drivers of 'getting-by' and resilience to a financial shock. For example, it will explore the nature of the relationship between place and resilience - does place influence resilience? And if it does, how?
- A number of implications for policy were highlighted:
 - The disadvantaged neighbourhoods house a sizeable proportion of residents who are already struggling to 'get-by' and who, as a result, may be susceptible to future stressors, such as welfare reform or any continuation of the economic downturn.
 - Place (i.e. neighbourhood) appears to impact on the ability of residents to 'get-by' and to withstand a financial shock, with residents in Lower Castlereagh appearing to be less resilient. However, it is important to note that, to date, we have only established a statistical relationship between place and 'getting-by' and resilience, and have not established causality i.e. the nature of relationships. And this applies to all the variables that were found to be statistically significant. Therefore, exploring the nature of relationships and establishing (any) causality will be one of the primary foci of our subsequent research activities, particularly our qualitative fieldwork with residents.
 - Notwithstanding this, one can say at this juncture with some degree of confidence that one place based attribute that does appear to positively impact on the ability of residents to 'get-by' is: the support of family and friends, who, in the case of our disadvantaged case studies, invariably lived locally. And for many residents, it was this support which allowed them to 'get-by'. Therefore, initiatives to encourage mobility amongst low income households, such as the Removal of the Spare Room Subsidy, may have a detrimental impact on them as they disconnect them from this important resource (Hickman, 2013⁴). And it appeared that many of our panel members would not cope if they were forced to live elsewhere.
 - In addition to place, a number of other factors were related to financial resilience. A number of population groups were found to be less resilient. These included residents in receipt of a means tested benefit and those who were disabled or had a long term illness, two groups which, as noted earlier, were finding it more difficult to 'get-by'. Coupled together, these findings suggest that these two groups are likely to be more susceptible to welfare reforms. In addition to being two of the

⁴ Hickman, P (2013) [Getting on their Bikes? The Labour Market as a Driver of the Residential Mobility Decisions of Residents in Deprived Neighbourhoods](#). *Journal of Urban Regeneration and Renewal*, 6 (3), pp. 293-308.

groups most affected by them (Beatty and Fothergill, 2013⁵), our analysis revealed that they are already 'closer to the edge' than their counterparts and less well placed to cope with any future financial shocks. Establishing how in practice these groups fare over the next couple of years will be one of the primary objectives of the research.

Matthew's story

Matthew lives with his wife and child in Erinvale. He is in his early thirties. He and his partner own their home and both work full time. They pay their gas and electricity on a pre-payment card and ensure their mortgage is paid. Despite both being in work, they reported that their disposable income had decreased as the cost of living had increased:

Everything's gone up in price. If you want to get a bit of work done around your house you more or less take a loan. You don't have disposable income. So to get a bit of work done you're paying off a loan. By the time you pay your mortgage and petrol what you have left isn't very much.

Matthew is concerned about the precarious nature of employment and describes how he and his wife are already making preparations for harder times.

Changing the spending habits has been a more recent thing. Even in work you're not sure if you're going to have a job. I've luckily enough survived three big layoffs. So you're not spending as much cos you don't know maybe two or three months down the line you mightn't have a job so that would affect your spending habits.

They have already begun to give up some 'luxuries', such as holidays, and have begun to think twice about where they shop and what they buy. And things had become increasingly tough over the last couple of months:

[We could cut-out] A holiday maybe; groceries. We had a discussion about that the other day - stop going to Marks' and stop buying stuff we can cut back on. ...Though I have an overdraft on the account. I hate going into it. I think it's only in the past couple of months we've went into it, so if that's what you call running out of money, yes.

Further Information

A copy of the full research report, *Getting-by, Coping and Resilience in Difficult Times: Initial Findings (Research Paper 1)*, by Paul Hickman, Elaine Batty, Chris Dayson, and Jenny Muir can be downloaded from: <http://www.ofmdfmi.gov.uk/getting-by-coping-resilience-initial-findings-january-2014.pdf>

For further information about the research, please visit the **study's website** (<http://www.shu.ac.uk/research/cresr/ourexpertise/recession-resilience-and-rebalancing-social-economies-northern-irelands-neighbourhoods>) or contact **Professor Paul Hickman** (0114 225 3073/ p.g.hickman@shu.ac.uk) or **Dr Jenny Muir** (j.muir@qub.ac.uk/ 028 9097 4835)

⁵ Beatty, C. and Fothergill, S. (2013) *The Impact of Welfare Reform on Northern Ireland: a Research Paper*. Sheffield: NICVA/CRESR.

'Getting-by', coping and resilience in difficult times: initial findings - summary

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