

Economic Resilience in Our Communities: A perceptual survey of households in the Cardiff Capital Region

Working Paper

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Executive Summary

Building resilient communities is now a strong objective of policy-making in Wales. Fundamental to this is the resilience of communities to economic shocks and setbacks, that is their ability to either withstand an economic shock or be able to recover quickly from it. Most studies of economic resilience focus on the tangible assets available to households and communities (such as income levels) as a guide to their capacity to cope with shocks and change. However, the significance of households' own subjective perceptions of their circumstances is increasingly being recognised as a critical factor shaping resilience outcomes.

This understanding of how households and communities perceive their own circumstances, and that of the surrounding economy, is often overlooked in the policy debate. This Working Paper seeks to strengthen our understanding of the perceptions held by households across the Cardiff Capital Region, and how these might influence behaviour and action. Strengthening this understanding is also important in thinking about the approach to be taken to sub-national economic development strategies, such as currently being developed in the Cardiff Capital Region. In the absence of such an understanding, strategies may prove to be founded on unrealistic assumptions regarding behaviour and values.

In May 2017, a survey was undertaken of a representative sample of 1,000 residents of the Cardiff Capital Region. This was designed to elicit an understanding of how residents perceive their economic circumstances, their perceptions of their local area and how they felt they might respond to a future economic setback. The findings provide an important insight into the beliefs of residents in the Cardiff Capital Region, which may influence their actions and behaviours. It provides a valuable source of information that can be used to inform appropriate policy approaches.

The survey demonstrates the pervasive sense of worry and uncertainty regarding economic welfare across the Cardiff Capital Region, heightened by the outcomes of the referendum on UK membership of the EU. Residents generally do not believe that the benefits of economic growth are visible in the areas where they live, and few believe that the situation will improve in the next 12 months. Almost half of all households believe that they have less money to spend now than they did five years ago.

However, despite the sense of uncertainty residents are more positive regarding their own economic prospects. Those in work generally feel their job is secure, and most residents are confident they will be able to maintain their standard of living.

Whilst most households are saving money and have something put aside against an unexpected event, around 29% do not. Households report a variety of strategies they would consider in the event of an economic setback, but most rely on themselves, friends and family for support. Whilst community organisations are regarded as being there in times of need, local authorities and government are perceived to be a primary source of support in the case of economic setbacks.

Despite a broadly held view that there are few job opportunities available in the local area, most residents are highly attached to the place that they live, valuing its accessibility, proximity to friends and family and the surrounding environment. Residents also highlighted the importance of values beyond their earnings, including health; time to spend with family and friends, and the future opportunities for their children.

The findings of this study demonstrates that in their day-to-day actions, residents of the Cardiff Capital Region are making decisions to protect against the economic uncertainty they perceive around them. As such, resilience is not solely an abstract question of risk-management and response by governing authorities, nor of the tangible resources and assets held, but is, rather, a social process emerging from the collective manifestation of individual choices.

Our work demonstrates that building resilient communities requires a deeper understanding of households' and communities' own subjective perceptions of economic welfare and wellbeing. It also suggests the value of developing local employment opportunities rather than simply improving connectivity to opportunities emerging elsewhere in the Cardiff Capital Region. Developing this understanding, and crafting practical responses, will enable a more nuanced approach to economic strategy-making in the Cardiff Capital Region and, subsequently, lead to communities that have a stronger intrinsic capacity for resilience to potential economic setbacks in the future.

1. Introduction

In February 2017, the late Carl Sargeant, as Cabinet Secretary for Communities and Children, set out a ‘new approach to building resilient communities’¹, a concept that now forms a central feature of Welsh Government policy making. Initially articulated in the *Well-being of Future Generations Act* (2015) references to community resilience can now be found in the 2017 Programme for Government, *Prosperity For All: The National Strategy*, and the associated *Prosperity for all: Economic Action Plan* (2017).

Although the concept of resilience is increasingly popular, it often means different things to different people. The Economic Action Plan for example speaks of developing a strong, resilient and diverse economy; supporting the resilience of local businesses, and supporting people to develop the resilience they need to adapt to the changing world of work. This emphasis on a resilient economy for the benefit local communities differs slightly from that set out in the Future Generations Act, which bounds resilience more narrowly with the environment, and the capacity to adapt to Climate Change. The common dimension to both of course is the underlying suggestion that resilience relates to the ability of actors (whether these are firms, individuals or organisations) or systems (such as the national or local economy) to respond and adapt to changing circumstances.

For this work, we have adopted an economic conception of resilience, referring to the ability of communities to either withstand an economic shock or be able to recover quickly from it. Studies assessing the economic resilience of communities commonly focus on available measures of the capacities and resources in a community and its wider economy. These include indicators such as the local industrial structure, characteristics of the labour market and overall levels of employment and prosperity. Using common indicators, the assessment tends to consider the vulnerability of a place or a community to a potential shock, or to consider how it has responded to an actual event, such as the financial crisis of 2008/09.

Whilst useful, this approach tends to overlook the subjective dimension to resilience, where the perceptions of households regarding the nature of a shock or crisis and their own ability to cope with this and to adapt influence their actions and the actions of those around them. When aggregated together, such individual perceptions and actions can have a substantial impact both in their own right and through their influence on others; and so affect the ability of a

¹ <http://gov.wales/newsroom/people-and-communities/2017/new-approach-to-building-resilient-communities-announced/?lang=en>

community to cope with shocks and adapt accordingly. In this paper we explore this subjective dimension to resilience and begin to shine a light on this under-explored theme through consideration of the situation in the Cardiff Capital Region.

The evocation of economic resilience across communities in the CCR is also a matter of great salience in a context of considerable economic uncertainty and flux. Currently, two major sources of economic uncertainty are pre-eminent: firstly, the evolving and emergent implications of BREXIT, and secondly, the considerable changes in economic governance within Wales, most notably the formation of a Cardiff Capital Region and subsequent agreement of a City Deal for the region. The City Deal for the Cardiff Capital Region emphasises the creation of new employment and an uplift in GDP over the coming 20 years, as the key measures of its success². This is built on a strong analysis of underlying social and economic conditions, led by an Independent Commission of experts. However, owing partly to limits on data availability and to the novelty of community-focused resilience-based approaches, their analysis includes little about the experience and expectations of the constituent communities themselves in the Cardiff Capital Region.

This means that there is little knowledge of how residents perceive their current situation and how this affects how they might act in the face of different economic circumstances, of how their choices might affect economic outcomes. One determinant of the capacity of households, or individuals, to respond to economic shocks relates to the resources and assets that they have available, such as levels of savings/wealth, employment or credit, and which can act as a temporary buffer during times of needs. These assets may be held individually, or may take a more collective form, held as social capital or by a third party, such as a local authority.

In making choices, we know that individuals often rely on heuristics to guide their behaviour, relying on lessons learnt from past experience and their expectations of the future to inform their decision-making and of what resources they feel they have or can draw upon in the face of economic turbulence or crisis. Evidence suggests that people tend to stick to their past behaviour and vary it only slightly as long as it produces satisfying results, although their actions can also be swayed through the collective actions of peers or other groups with whom they identify. As different individuals often hold very different views of what the future might bring, as well as different values and experiences of the past, understanding these viewpoints and potential coping strategies can play an

² <http://www.cardiffcapitalregioncitydeal.wales>

important role in building a fuller picture of how collective choices might affect the development of the wider economy.

Understanding the values held by individuals can also help to build a better picture of the choices that people might take in practice, as well as what policy-outcomes they believe to be important. This is particularly significant as we look into the future and consider the balance between different possible outcomes. Wales is in the vanguard of approaches that seek to embed longer-term thinking into the actions of public bodies, particularly through the *Well-being of Future Generations Act*. This asserts that prosperity is not solely about material wealth, but also the quality of life experienced by individuals, the quality of their surroundings and the extent to which the opportunities of future generations are enhanced by our actions today. Similarly, understanding how residents value the place where they live may give a fuller appreciation of behaviour than approaches that implicitly regard residents' as tied to a particular place or alternatively as free to move at will.

One area which is less well-understood is how people deal with an uncertain economic environment. This is particularly apposite as debates about the potential effects of the decision to leave the European Union swirl back and forth. Mounting evidence suggests that humans tend to be risk-averse and will choose options that minimise their potential for loss, particularly where such risks are unquantifiable, rather than seeking to maximise their potential gains. Such behaviour may act to influence the economic choices made by individuals which may, in turn, impact upon economic outcomes across the Cardiff Capital Region in practice. For example, if residents anticipate continuing economic security into the future, they are more likely to continue to spend their income and invest resources, so promoting local economic prosperity. If, however, they expect economic insecurity then they are more likely to reduce their expenditure and so, through collective actions, may bring forward the very event they anticipated.

In practice this means that we have sought to explore residents' own perceptions of economic circumstances, their expectations of the future and the resources that they feel are available to help them cope with economic shocks. In doing so we explore the capitals that communities have access to which influence their ability to respond to an economic shock and, more uniquely, seek to understand the perceptions of communities to prevailing economic circumstances and how this might influence their actions and behaviours. The empirical data was gained

through a telephone survey of a representative sample of 1,000 residents of the Cardiff Capital Region. The fieldwork was undertaken in May/June 2017³.

The rest of the paper is structured into six sections. Section 2 contains a short description of the methodology used. Section 3 sets out the broad perceptions of prevailing economic conditions and how this is expected to change. Section 4 considers households' assessment of their own situation and their outlook for the future. Section 5 outlines the resources households have available to cope with potential economic shocks and their strategies for dealing with such shocks, and Section 6 illustrates the outcomes which households claim to value relative to other options. A short conclusion of the main findings is set out in Section 7.

2. Method

In March 2017, City Region Exchange commissioned Opinion Research Services to undertake a telephone survey of 1,000 residents living in the Cardiff Capital Region. The sample was drawn from residents of Blaenau Gwent County Borough, Bridgend County Borough, City of Cardiff, Merthyr Tydfil County Borough and Monmouthshire County. Respondents were asked to comment upon their personal circumstances and their local economy. Respondents were able to define their local economy according to their own perceptions of what 'local' means, rather than be constrained by neighbourhood, town, travel time or other definitions.

The returned sample was checked against comparative data for unitary authority, age, gender, working status, ethnicity, household tenure and WIMD (Welsh Index of Multiple Deprivation) quintile. Returns were then subsequently weighted by these characteristics to provide a response that is representative of the population of these five Local Authority areas and, by extension, the city region as a whole. Respondents were permitted to withdraw from the survey at any time, and to decline to answer any question. Descriptive information on the key profiles of the sample are included at Annex 1.

The fieldwork was carried out between 4th May and 12th June 2017. This period was selected to correspond with the first anniversary of the UK's referendum on membership of the European Union. It also followed the triggering of Article 50 of the TFEU by the UK Government on 29th March, 2017 giving greater certainty that 'BREXIT' would occur, although there remained uncertainty as to the form it might take. The timing of the fieldwork also proved to coincide with the snap

³ We gratefully acknowledge financial support provided through the Economic and Social Research Council Impact Accelerator Award scheme and by funding from Cardiff University's City Region Exchange.

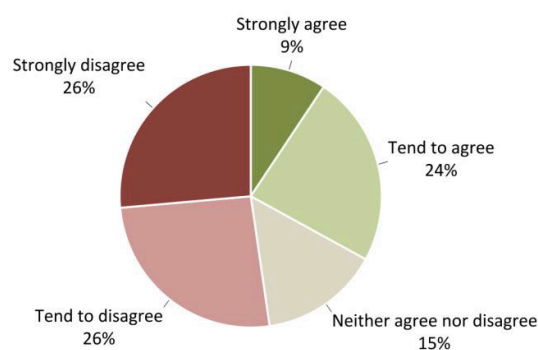
election campaign triggered by Prime Minister Theresa May on 18th April, 2017, with the poll taking place on the 8th June.

The survey deliberately avoided questions associated with particular interventions or policy themes. As such it forms a valuable baseline on which further research could potentially build.

3. Perceptions of the surrounding economy

How people perceive their local economy can greatly influence their own actions and behaviour. Overall, residents are divided as to whether the benefits of economic growth are visible in the area where they live (Figure 1). More than half (52%) feel that the area where they live does not exhibit visible benefits of economic growth, highlighting a sense of dislocation from any economic gains that have been made. Set against this, a third of residents (33%) do feel that they can see the benefits of economic growth in the area where they live.

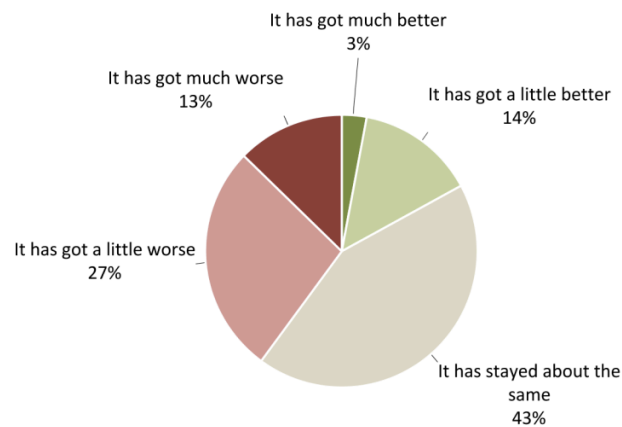
Figure 1: The benefits of economic growth can be seen in the area where I live



Base: 976, Confidence Interval $\pm 3\%$ at 95% confidence

What is very clear from this survey is how few residents feel that their economy has improved in the past year (Figure 2). Whilst the largest proportion (43%) feel that local economic circumstances remain the same as 12 months previously, almost the same proportion (40%) feel that their local economy has worsened. Less than a fifth of residents feel that it has got better (17%), even by a little.

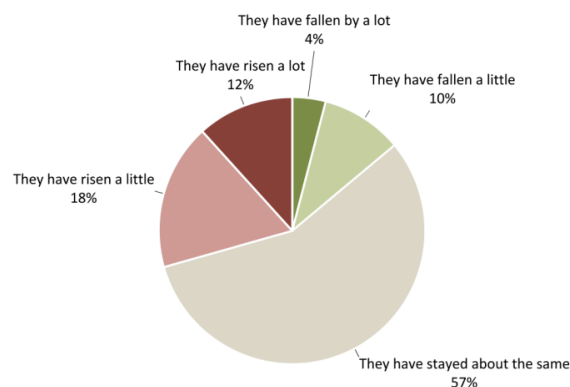
Figure 2: Thinking about your local economy, would you say it has got better or worse in the past 12 months?



Base: 963, Confidence Interval $\pm 3\%$ at 95% confidence

Perhaps reflective of the limited change perceived in their local economy, most residents (57%) felt that levels of poverty have remained about the same compared to the position the previous year (Figure 3). However, again, rather more felt that levels of poverty have increased (30%) rather than reduced (14%).

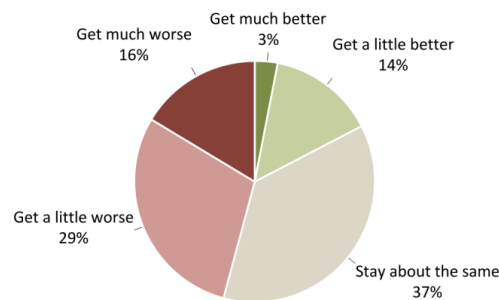
Figure 3: Have levels of poverty in your local area fallen, risen or stayed the same in the past 12 months?



Base: 956, Confidence Interval $\pm 3\%$ at 95% confidence

There is a strong sense of pessimism amongst residents regarding the short-term prospects for their local economy. Overall, almost half of residents in the city region believe that their local economy is likely to get worse over the coming 12 months (to June 2018), with 16% expecting economic circumstances to get much worse. Just 17% feel that it will improve.

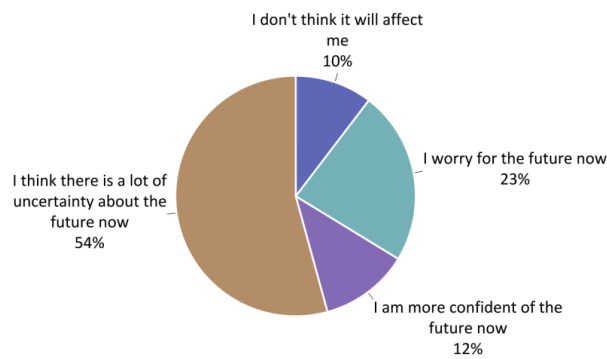
Figure 4: Thinking about the next 12 months, do you expect the local economy to get better or worse?



Base: 931, Confidence Interval $\pm 3\%$ at 95% confidence

From the survey, it is very clear that the result of the EU Referendum is contributing to a sense of uncertainty regarding future economic prospects (Figure 5). Whilst a small minority of residents (10%) feel that the decision to leave the EU will not affect them, the majority feel that there is now a great deal of uncertainty as what the effects of this might be (54%). Perhaps tellingly, whilst 12 percent of residents feel that the decision to leave the EU has made them more confident of the future, almost twice this number (23%) now worry for the future.

Figure 5: which of the following statements most accurately captures your views regarding the UK's decision to leave the European Union?



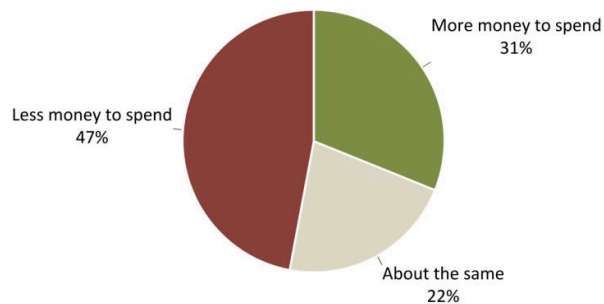
Base: 987, Confidence Interval $\pm 3\%$ at 95% confidence

4. Households' own circumstances

Moving to residents' own experience (Figure 6), almost half feel that they now have less money to spend as a household than they did five years previously (2012). Of those that gave reasons for this, the overwhelming concern was that a rising cost of living was making everything more expensive (reported by 33%), to this some added the fact that their wages had fallen, were stagnant or had not increased sufficiently to compensate (7%). Also significant was the number of respondents who reported that they had retired during this period and now had less money than before (14%). Other reasons given included the loss of employment, changes in personal circumstances (such as childbirth, taking on caring responsibilities or bereavements in the family) and, for some, low interest rates, which have cut into their savings and capital.

In contrast, around a third of residents (31%) feel that, as a household, they now have more money to spend. The most significant reason for this was ascribed to progress in the labour market (reported by 29%), either due to promotions or pay rises awarded. Almost a tenth (9.5%) ascribed their increase in income as due to rising pensions over this period. Other reasons included changing circumstances, particularly where children have become financially independent, as well as decisions taken to take on more work. Others reported that their business was doing well or investments had prospered.

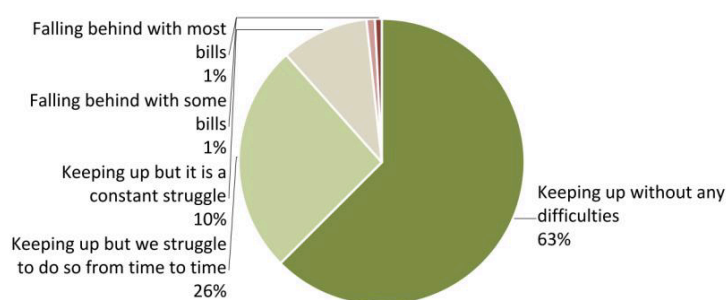
Figure 6: as a household would you say you have more or less money to spend now than you did five years ago?



Base: 992, Confidence Interval $\pm 3\%$ at 95% confidence

Although almost half of residents feel that they have less money to spend, this has not transmitted to real difficulty in keeping up payments for household bills or other credit payments (Figure 7). Two-thirds of residents report that they are managing to keep up payments with no difficulties. However, almost a quarter report that they struggle to make payments from time to time, whilst a further tenth acknowledge that keeping up payments is a constant struggle. A small minority (2%) report that they are falling behind with some or all of their bills.

Figure 7: To what extent is your household able to keep up with your household bills or credit payments?

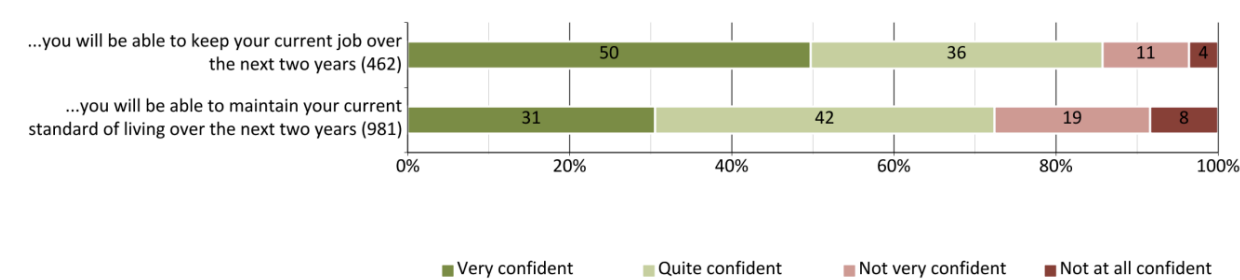


Base: 995, Confidence Interval $\pm 3\%$ at 95% confidence

Similarly, overall, most residents are confident that they will be able to maintain their current standard of living over the next two years. In part this reflects a strong sense of confidence by those in employment that they will be able to

retain their current job, alongside an important proportion of residents who do not depend on earned income, many of whom are of retirement age (Figure 8). However, this should not overlook the fact that more than a quarter of the population (27%) feel that they will not be able to maintain their current standard of living. Comparison of these responses suggests that residents' confidence in their future standard of living depends on factors beyond whether they feel they will be able to keep their current job.

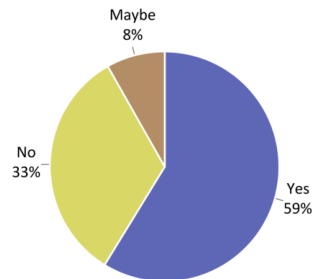
Figure 8: Looking to the future, how confident are you that...?



Base in brackets, confidence Interval $\pm 3\%$ at 95% confidence

One qualitative measure of a person's confidence in their economic future, or that of their household, is their willingness to undertaken discretionary spending such as to pay out for a holiday. When asked about their willingness to pay out for a holiday (at the time of the survey), most (59%) reported they were willing to do so (Figure 9). However, it is noticeable that a third stated that they were not willing to do so and a further 8 percent were hesitant to do so, suggesting that for a sizeable proportion of the population of communities in the city-region finances are either relatively tight at the current time, or that they are concerned for the future.

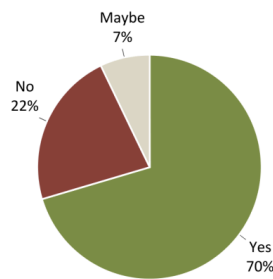
Figure 9: I'm willing to pay out for a holiday at the moment.



Base: 967, Confidence Interval $\pm 3\%$ at 95% confidence

Whilst most residents are confident in the future, this does not mean that they are not also cautious. Perhaps linked to the sense of pessimism previously identified (see Figure 4), the vast majority of residents report that they are saving money 'just in case' (Figure 10). However, this still means that almost a quarter of residents report that they are not doing so, although the reasons for this were not explored as part of this survey.

Figure 10: I'm saving money when I can just in case.

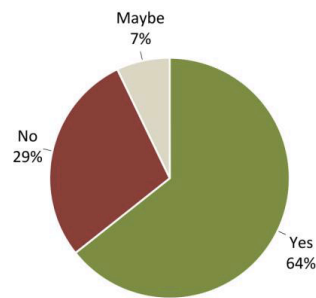


Base: 968, Confidence Interval $\pm 3\%$ at 95% confidence

5. Coping strategies and available resources

One of the drivers for this survey was to understand the resources households in the Cardiff Capital Region have access to in the face of economic uncertainty and how they mobilise these to help cope with economic setbacks. One of the most direct sources of funds to tide households over an economic setback is access to savings. As Figure 11 illustrates, two-thirds of residents report that they currently have money set aside as insurance against an unexpected event. This provides an important buffer for households in the Cardiff Capital Region. However, around one in three of the population (29%) report that they do not have money set aside, which suggests that they would be immediately vulnerable to an economic setback of some form.

Figure 11: I/my household have money put aside to tide us over an unexpected event.

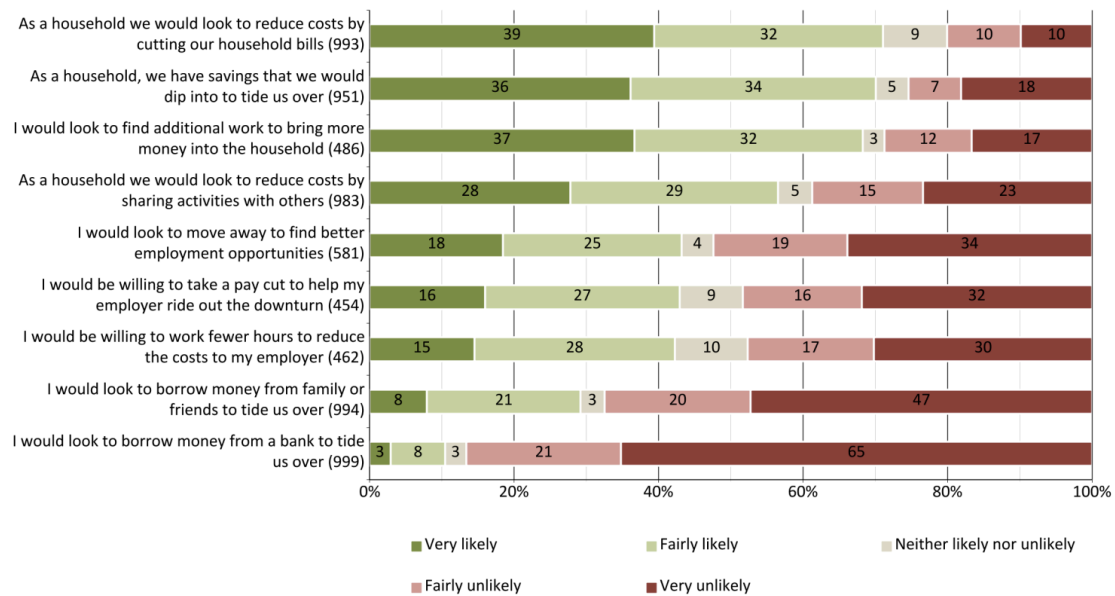


Base: 962, Confidence Interval $\pm 3\%$ at 95% confidence

As part of the survey residents were asked how they might respond to an economic setback, based on their past experience (Figure 12). Residents were able to respond to each question individually. A number of questions related to strategies for reducing household costs, suggestive of the household experiencing an economic shock. Most residents identified that they would seek to reduce costs by cutting household bills, although a fifth felt that this was unlikely. Just over half (57%) felt that they might seek to reduce their outgoings by sharing activities with others, again, though, many (38%) felt that this was unlikely.

Residents were also asked to consider additional sources of income that they could draw upon in the event of a crisis. In line with the response reported above (Figure 11), most (70%) suggested that they had savings that they could dip in to, to tide them over the setback. The survey did not seek to quantify the extent of these savings, nor how long this buffer might be expected to last. A similar proportion also suggested that they would seek additional work in order to bring more money into the household. Relatively few residents would be willing to borrow money to tide the household over, either from family or friends (29% would look to do so) or, even less likely, from a bank (11% would look to do so).

Figure 12: Thinking about possible economic setbacks in the future, and based on your past experience, how likely or unlikely is it that you would consider the following actions?

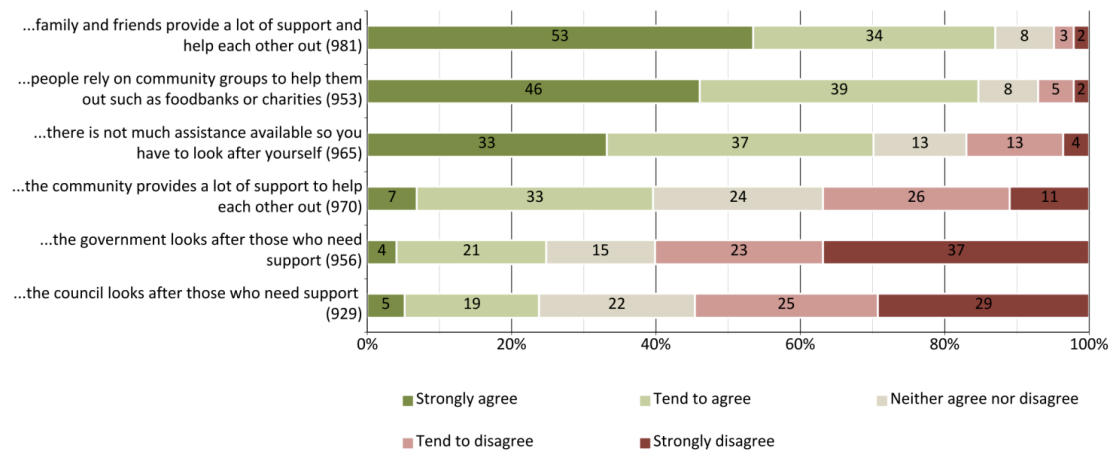


Base in brackets. Confidence Interval $\pm 3\%$ at 95% confidence

Not all residents are active in the labour market. Of those who are, around two-fifths of residents suggested that, in the face of an economic setback, they would look to move away from the area in order to find better employment opportunities. This could be within the city-region or outside of its boundaries. One of the features of the financial crisis of 2008/2009 was the extent to which workers were willing to accept reductions in their salary or in working hours in order to protect their employment. Our survey suggests that around two-fifths of residents would consider this option in the face of a future economic setback, although a third of respondents felt that it was very unlikely that they would do the same.

The advent of an economic setback can leave individual households struggling to cope. In these circumstances, they may rely on support from outside of the household in order to make ends meet. From the responses of residents it is clear that most believe that support is to be found near to home (Figure 13). Broadly, support is felt to come from family and friends or community-based organisations. For many, there is a feeling that there is little assistance available, and that it is left to the individual to look after themselves. There is little faith placed in the propensity of the state (government or local councils) to provide help. The most mixed response was found in the suggestion that the community itself provides support to help each other out, suggesting very variable experiences.

Figure 13: Based on your own experience and the community around you, how strongly do you agree or disagree with the following statements? When the local economy suffers a setback...



Base in brackets. Confidence Interval $\pm 3\%$ at 95% confidence

6. Relative values and desired outcomes

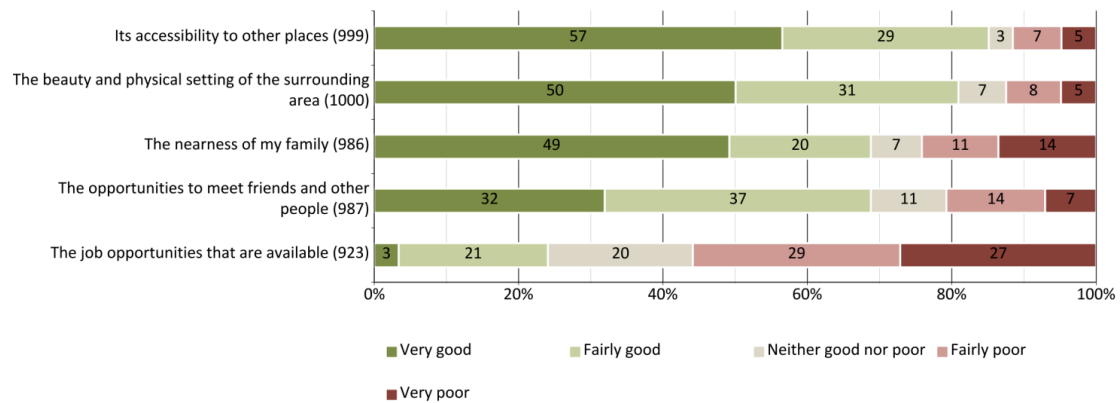
6.1 Relative values

It is well known that the values that people hold can have a strong bearing on shaping their behaviour. In the present work, we sought to identify what residents valued about where they lived, as a means of understanding their sense of attachment to a place, as well as asking about their likelihood to move away in the near future (which might influence their strategy for dealing with an economic shock). We also sought to explore the relative value of different outcomes, ranging from higher earnings through to better health, as a means of understanding the drivers that might underlie possible coping strategies.

The results are striking. Residents particularly value the physical setting of where they live in the Capital Cardiff Region (Figure 14). Residents are most positive about the accessibility of where they live to other places. Based on their own subjective assessment of what places are important to them, more than half rated this as very good (57%) with a further 29% stating that their accessibility to other places was good. The beauty and physical setting of the areas surrounding where residents live in the Cardiff Capital Region, is also highly valued, with more than four-fifths (81%) regarding this as good or very good. Just 13 percent feel that this is poor (or very poor).

Residents are also positive about the social environment in which they live, with 69% feeling that the opportunities to meet friends and other people are good or very good. Similarly, proximity to family is also highly regarded, suggesting close-knit familial networks.

Figure 14. Residents' valuation of different aspects of their local area

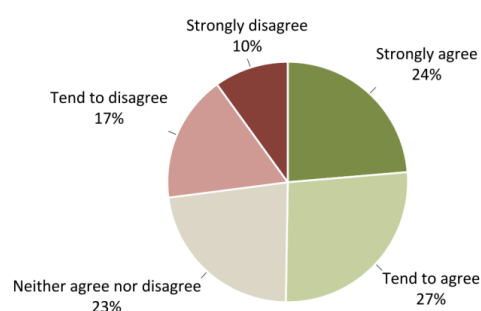


Base in brackets, confidence Interval $\pm 3\%$ at 95% confidence

Residents are less positive about the job opportunities that are available to them (Figure 14). More than half of residents in the city region (56%) feel that the availability of job opportunities are poor or very poor, with just one quarter (24%) feeling that they are good or very good. The suggestion here being that residents may be focused on retaining the jobs that they currently occupy rather than seeking to develop new opportunities.

Perhaps reflecting the sense of place revealed by the survey, more than half of residents (51%) feel that the place where they live is unique and distinctive, with just one quarter (27%) stating that this is not so (Figure 15).

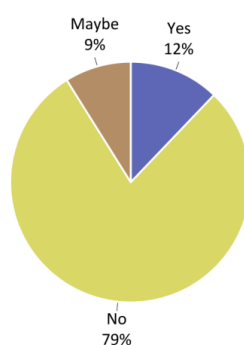
Figure 15: The place where I live is unique and distinctive



Base: 996, Confidence Interval $\pm 3\%$ at 95% confidence

As Figure 16 illustrates, most residents are attached to the area where they live in the city-region with little intention to move away in the coming 18 months. Just one in ten felt that it was likely that they would move away. Whilst it is not possible to identify any single reason underlying this, a strong sense of place emerges from the responses provided by residents, alongside a stable population.

Figure 16: Residents likely to move away in the coming 18 months (%).



Base: 972, Confidence Interval $\pm 3\%$ at 95% confidence

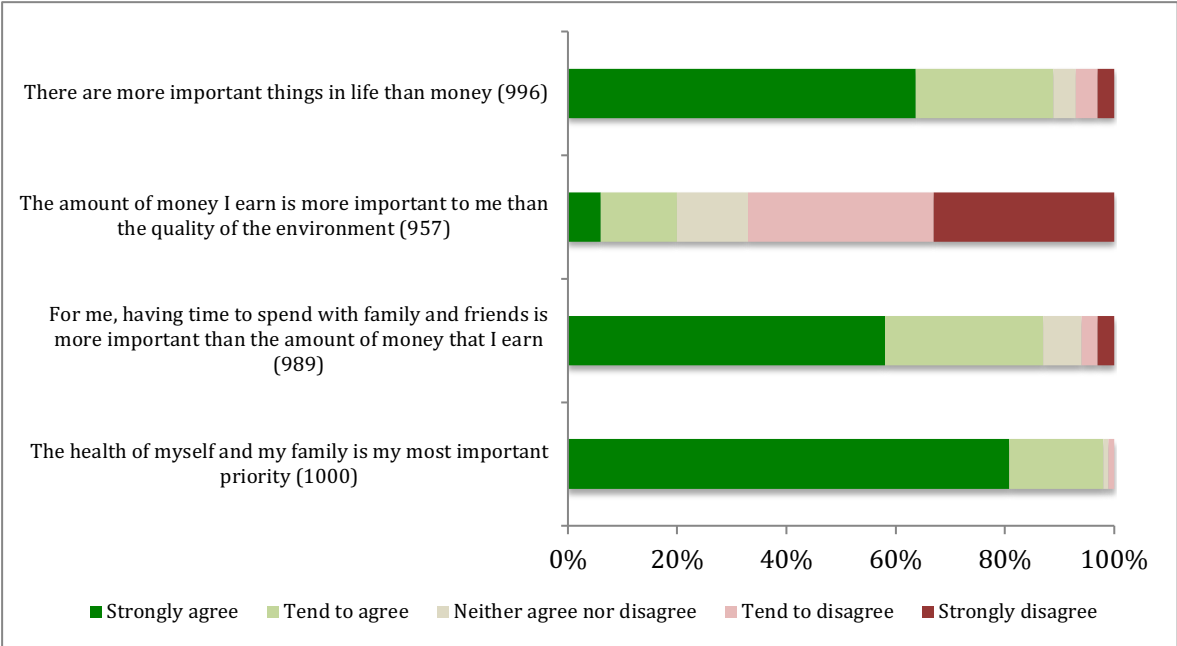
6.2 Desired outcomes

When considering economic futures, there is a tendency to seek economic measures of success or failure. However, this is not always the most appropriate measure. As our survey has identified, people value their locality not just for the employment opportunities it presents (and even despite these in some cases). An important aspect of the survey was to enquire after what outcomes residents

most value. Whilst this is a notoriously difficult question to gain robust responses to, the answers elicited provide some useful insights.

Perhaps unsurprisingly, most residents do not regard money as the chief determinant of life-satisfaction (Figure 17). More precisely, two-thirds of residents valued the quality of the environment over the amount of money they earned, with only a fifth of residents taking the opposing view; 87 percent agreed that having time to spend with family and friends was more important than the amount of money they earned, and there was almost unanimous agreement with the claim that their health, or that of their family, was more important than the amount of money they earned. Whilst this is not to downplay the significance of economic outcomes, taken together with the sentiments expressed earlier in this report, suggests that economic outcomes should not be emphasised to the exclusion of other considerations.

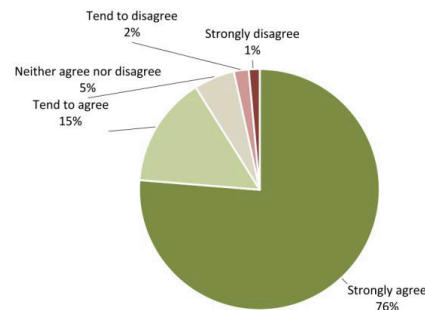
Figure 17: To what extent do you agree or disagree with the following statements?



Base in brackets, Confidence Interval $\pm 3\%$ at 95% confidence

Looking to the future, most respondents also took a longer-term perspective in that they agreed that their children’s future was more important to them than their immediate circumstances (Figure 18). Whilst academic studies have found it difficult to substantiate such perceptions in practice, it is worth noting at the very least the strength to which this belief is held, with more than three-quarters agreeing with the statement very strongly.

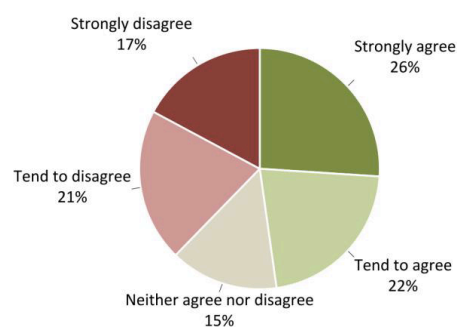
Figure 18: To what extent do you agree or disagree with the following statements? My children’s future is more important to me than my immediate circumstances



Base: 791, Confidence Interval $\pm 3\%$ at 95% confidence

Finally, and again looking to the future, there are mixed views as to whether residents feel that their children will be more financially secure than they are (Figure 19). A sense of optimism prevails amongst almost half (48%) of residents, who believe that their children will be more financially secure than they are currently. However, set against this, a sizeable minority take a more pessimistic perspective, with almost two-fifths feeling that their children will be less financially secure.

Figure 19: I expect that my children will be more financially secure than I am currently



Base: 763, Confidence Interval $\pm 3\%$ at 95% confidence

Such a superficial consideration of values can only be taken as a broad guide. However, it does suggest that the broader outcomes set out in Wales’ Future Generations Act are broadly in tune with opinion across the city-region and that we should be wary of targets which are solely based upon economic outcomes.

7. Conclusions

This paper has explored how residents of Cardiff Capital Region perceive their current, and prospective, economic circumstances. In doing so, it has also sought to better understand the strategies considered by households in dealing with possible economic shocks, and the resources available to help them deal with such shocks. The findings reveal a valuable insight into the subjective dimension of community resilience.

A pervasive sense of worry and uncertainty emanates from the survey's findings. Residents generally see their surrounding economy as stagnant and with either few signs of growth or few signs of the benefits of growth. The prevailing sense of uncertainty has been heightened by the outcome of the referendum on membership of the European Union. In consequence residents are very cautious about the economic future in the city-region, with almost half believing that the economy will worsen in the next 12 months.

Despite the sense of uncertainty residents are more positive regarding their own economic prospects. Those in work generally feel their job is secure, and most residents are confident they will be able to maintain their standard of living. This apparent paradox highlights the significance of the subjective dimension to resilience but may also illustrate the fragility of present, and potentially myopic, confidences. It is certainly true that most residents claim to have less money now than five years ago, with a significant minority also actively struggling to keep up with household bills and credit payments.

In the face of economic uncertainty many households are adopting strategies to secure their futures. Around two-thirds of residents have money set aside to tide them over an unexpected event, with 70% of residents claiming to be actively saving 'just in case'. However, this does suggest that more than a quarter of residents do not have any such buffer in place to help them cope if economic conditions do worsen. Residents also highlight a number of different potential strategies for coping with an economic downturn, ranging from reducing costs, through increasing income opportunities to accepting a reduction in pay to maintain employment. Further research focusing on the options available to the more vulnerable and the links between subjective resilience and inequality is certainly merited.

In their consideration of the resources available to them, it is noticeable that there is a strong sense amongst residents of having to look after oneself. Other sources of anticipated support rely heavily on families and community groups. Organisations of the state, such as local authorities and central government, are

not considered to provide support to help people cope at times of need. How these perceptions may affect the economic actions and strategies of households and communities is an important question for further research. Deepening this understanding is also essential if policies are truly to be developed to strengthen the resilience of our communities.

One of the tensions that emerges from the study is that whilst the attachment of residents to the place where they live is strong, this may not sit well with actions that could enhance their economic buffers to economic shocks, especially in light of the perceived lack of jobs in local areas. However, for many, it is clear that economic goals are not the most important measure of well-being and happiness. Satisfaction comes more from good health, a good environment and positive social surroundings. The reality of this is that many communities may appear to be resilient whilst demonstrating a willingness to settle for lower levels of economic outcomes. This may present a real challenge to policy-makers, especially in terms of the distribution of economic opportunities. In this context, efforts to promote local employment opportunities may well prove more beneficial than developing opportunities in more distant locations, particularly if it also helps to build confidence in the local economy. As such, a place-sensitive policy approach founded on the strong attachment to place exhibited by local communities may well bring stronger returns than one which is aspatial or overly-concentrated on developing agglomeration economies in particular locations.

Finally, our work demonstrates that in their day-to-day actions, residents of the Cardiff Capital Region are making decisions to protect against the economic uncertainty they perceive around them. As such, resilience is not solely an abstract question of risk-management and response by governing authorities but is, rather, a social process emerging from the collective manifestation of individual choices. Recognising this offers new ways of thinking for the long-term development of the Cardiff Capital Region and suggests that policy-makers need to be cognisant of the values residents hold, how they deal with uncertainty and how residents might act in the face of potential economic setbacks. In doing so, a more nuanced approach is also called for which recognises how these elements may vary within and between communities.

Annex 1: Profile Information

Area Profile

AREA	Number of respondents (Unweighted counts)	% of respondents (unweighted valid)	% of respondents (weighted valid)
Blaenau Gwent	146	15	10
Bridgend	156	16	20
Cardiff	403	40	48
Merthyr Tydfil	140	14	9
Monmouthshire	156	16	13
Total	1,001	100	100

Age Profile

AGE	Number of respondents (Unweighted counts)	% of respondents (unweighted valid)	% of respondents (weighted valid)
18-24	68	7	13
25-34	93	9	19
35-44	88	9	15
45-54	184	18	18
55-64	207	21	15
65+	361	36	20
Total	1,001	100	100

Gender

GENDER	Number of respondents (Unweighted counts)	% of respondents (unweighted valid)	% of respondents (weighted valid)
Female	559	56	51
Male	442	44	49
Total	1,001	100	100

Ethnic Group Profile

ETHNIC GROUP	Number of respondents (Unweighted counts)	% of respondents (unweighted valid)	% of respondents (weighted valid)
White	968	97	93
Non-white	72	3	7
Not known	1	-	-
Total	1,001	100	100

Tenure Profile

TENURE	Number of respondents (Unweighted counts)	% of respondents (unweighted valid)	% of respondents (weighted valid)
Owned	859	88	70
Rent from a social landlord	72	7	14
Rent from a private landlord	49	5	16
Not known	21	-	-
Total	1,001	100	100

Employment Status Profile

EMPLOYMENT STATUS	Number of respondents (Unweighted counts)	% of respondents (unweighted valid)	% of respondents (weighted valid)
An employee in a full-time job (31 or more hours per week)	316	32	38
An employee in a part-time job (less than 31 hours per week)	111	11	11
Self-employed (full or part-time)	66	7	7
In full-time education at school, college or university	35	3	7
Unemployed and available for work	24	2	5
Permanently sick or disabled	19	2	3
Wholly retired from work	394	39	22
Looking after the home	33	3	6
Doing something else	3	-	-
Total	1,001	100	100