

# Briefing paper 2:

## Community tourism outside and in the Slate Valleys

### Contents

1. Introduction.....	2
2. Brief history of community tourism .....	3
2.1. Community tourism in low income countries .....	3
2.1. Community tourism in Europe .....	4
3. Understanding the tourism ecosystem .....	6
4. Financing and organising community tourism (in the Slate Valleys) .....	8
5. Policy implications (for Gwynedd Council and Welsh Government) .....	10

In this briefing paper we explore the potential of a more socially and ecologically responsible community tourism as a lever for the sustainable renewal of the slate valleys in Gwynedd. Community tourism is a project with multiple objectives and readers should remember that any practical development will involve some kind of balance and compromise between four different objectives.:

1. Community-benefitting tourism, where the tourism economy creates diffused benefits for households and local firms without reducing the liveability of the place, e.g. by increasing rents or overloading public services.
2. Community-led tourism, where local stakeholders – including marginalised groups like low income households - have agency in determining the future development of tourism and its impact on their communities.
3. Community-owned tourism with assets and employment controlled by locally grounded businesses whether cooperatives, social enterprises or for-profit firms, all paying decent wages and generating a surplus for reinvestment.
4. Community-focused tourism, where local culture in all its forms – including history, festivities, values, language, relation to nature, lifestyle, etc. – are part of the tourist experience and not just a scenic backdrop.

Tourism is attractive because it brings in money from outside the district. What economists call export earnings can be earned by selling goods or services outside the district or by persuading outsiders like tourists to spend on services inside the district. This is especially relevant in a deindustrialised district like the Slate Valleys which lacks a strong base of exporting firms and cannot achieve prosperity only by stopping demand leakages. In the three valleys tourism has replaced slate as the source of export earnings

But, if tourism brings in outside money, there is no guarantee that tourism ‘as it is’ will bring broadly distributed benefits to the host community of households and firms. Research into the large single site developments like Zip World would show mixed outcomes with modest employment creation set against increased pressure on the local housing stock. Hence this briefing explores the issue of whether and how community tourism could in the Slate Valleys improve liveability for ordinary households, build the stock of local firms and thereby underpin local culture and social cohesion.

## 1. Introduction

The concept of community tourism has no strict definition and is used in a flexible way as a label for many different but related developments which variably combine social and ecological responsibility with economic benefits, community empowerment and local culture preservation and enhancement. In general, it refers to 'tourism experiences hosted and managed by local communities which generate direct economic benefits and are sustainable and responsible'<sup>1</sup>. Community tourism is part of the broader family of sustainable tourism but 'CBT is unique in prioritizing the locals' empowerment in defining their own future'<sup>2</sup>.

As part of the broader turn towards sustainability and greater awareness of social and environmental issues, there has been a convergence between community tourism and other approaches to sustainable tourism. This especially applies to eco-tourism, with the latter defined as 'responsible travel to natural areas that conserves the environment, sustains the wellbeing of the local people, and involves interpretation and education'<sup>3</sup>. Exhibit 1 gives an overview of the principles and practices which are associated with community tourism and eco-tourism where the major overlap is visible.

Exhibit 1

Principles of community tourism <sup>4</sup>	Principles of eco-tourism <sup>5</sup>
<ol style="list-style-type: none"> <li>1. Environmentally sustainable (CBT can support environmentally sustainable projects eg help local people move away from damaging activities like logging)</li> <li>2. Empowering – opportunities to generate and retain income in the local economy (often supporting women, diversifying income sources). Also allows 'local people' to share their culture: with the benefit that language and culture are strengthened, especially through providing opportunities for young people.</li> <li>3. Cross-cultural understanding – coming together in a respectful environment</li> <li>4. Authentic experiences – getting beyond 'a traditional packaged tour'; being ability to 'experience a country with your heart, not just your mind'</li> <li>5. Also mentions paying 'fairly', seeking projects that are 'genuinely managed by the local community themselves'</li> </ol>	<ol style="list-style-type: none"> <li>1. Minimize physical, social, behavioural, and psychological impacts.</li> <li>2. Build environmental and cultural awareness and respect.</li> <li>3. Provide positive experiences for both visitors and hosts.</li> <li>4. Provide direct financial benefits for conservation.</li> <li>5. Generate financial benefits for both local people and private industry.</li> <li>6. Deliver memorable interpretative experiences to visitors that help raise sensitivity to host countries' political, environmental, and social climates.</li> <li>7. Design, construct and operate low-impact facilities.</li> <li>8. Recognize the rights and spiritual beliefs of the Indigenous People in your community and work in partnership with them to create empowerment.</li> </ol>

<sup>1</sup> <https://www.cbi.eu/market-information/tourism/community-based-tourism/market-potential>

<sup>2</sup> <https://onlinelibrary.wiley.com/doi/10.1002/sd.2257>

<sup>3</sup> <https://ecotourism.org/what-is-ecotourism/>

<sup>4</sup> <https://www.pronititravel.com/what-is-community-based-tourism-and-why-does-it-matter/>

<sup>5</sup> <https://ecotourism.org/what-is-ecotourism/>

If community tourism's ambition is to 'put local people at the centre of the decision-making process to produce a tourism offering which benefits the whole community, not just a few organisations'<sup>6</sup> it must be clear from the start that community tourism faces challenges and limitations.<sup>7</sup>

One challenge is that community tourism can sometimes idealise communities without recognising differences in material interests, viewpoints and power which may lead to division and conflicts among households and firms within the one place. For example, every community in a UK tourist destination includes both local 'house-capitalists' renting via Airbnb and the struggling private-renting households squeezed out by short lets. These lines of division are unclear in the slate valleys and need to be researched.

The major limitation is that, if community tourism can be an important part of a district's tourist offering, complete community control of the tourism sector is usually neither possible nor desirable. Local communities have limited powers to prevent or control large single site developments like Surf Snowdonia or Zip World as long as they are facilitated by the financial system and higher level government. And community enterprises cannot themselves sponsor such high risk developments which do not fit with the ecological and social objectives of community tourism.

Nonetheless, if the challenges and limits are recognised, community tourism can be part of thinking and doing tourism in a different way which strengthens bottom-up control, expands responsible practices and draws in external purchasing power which benefits local households and firms. Furthermore, this approach highlights the need and opportunity to develop more ecologically responsible tourism in a time of nature and climate emergency. While achieving scale through developing a cluster of both community and family-owned businesses is the obvious way of spreading benefits so as to manage internal community differences.

## 2. Brief history of community tourism

### 2.1. Community tourism in low income countries

Community tourism emerges as a movement in the 1990s<sup>8</sup> in low income countries where indigenous communities are particularly vulnerable to the incursion of mass tourist industries<sup>9</sup>. The importance of low

---

<sup>6</sup> <https://sencot.net/community-tourism/>

<sup>7</sup> For some basic insights into the challenges of community tourism across high and low income countries see the following sources:

[https://www.researchgate.net/publication/31504718\\_A\\_critical\\_look\\_at\\_community\\_based\\_tourism](https://www.researchgate.net/publication/31504718_A_critical_look_at_community_based_tourism)

<https://www.tandfonline.com/doi/abs/10.1080/15575330.2022.2144921>

<sup>8</sup> See Peruvian community tourism handbook, p.2.

[https://www.apec.org/docs/default-source/Publications/2010/6/Effective-Community-Based-Tourism-A-best-practice-manual-for-Peru-June-2010/210\\_twg\\_EffectiveCommunityBased-Tourism\\_PeruVersion.pdf](https://www.apec.org/docs/default-source/Publications/2010/6/Effective-Community-Based-Tourism-A-best-practice-manual-for-Peru-June-2010/210_twg_EffectiveCommunityBased-Tourism_PeruVersion.pdf)

<sup>9</sup> A quick online search on community tourism handbooks gives mainly results from outside Europe/North America. Below are some examples:

- Caribbean community tourism handbook:  
<https://www.competecaribbean.org/wp-content/uploads/2020/04/CTO-Community-Based-Tourism-Handbook-Online-v2.pdf>
- APEC (Asian Pacific Cooperation) community tourism handbook  
[https://www.apec.org/docs/default-source/Publications/2009/12/Handbook-on-Community-Based-Tourism-How-to-Develop-and-Sustain-CBT-December-2009/09\\_twg\\_developCBT.pdf](https://www.apec.org/docs/default-source/Publications/2009/12/Handbook-on-Community-Based-Tourism-How-to-Develop-and-Sustain-CBT-December-2009/09_twg_developCBT.pdf)
- Thai community tourism handbook  
[https://www.academia.edu/26736239/Community\\_Based\\_Tourism\\_Handbook](https://www.academia.edu/26736239/Community_Based_Tourism_Handbook)
- Vietnamese community tourism handbook

income countries in developing community tourism as an approach and practice is also reflected in the Routledge Handbook of Community Based Tourism Management, the first of its kind, which was published in 2021 and edited by an Indian professor based Jalanda University in Punjab, India<sup>10</sup>.

On the visitor demand side, there is undoubtedly enthusiasm for something different with regard to global tourism. Community tourism is almost everywhere referred to as a type of 'niche' tourism<sup>11</sup> and opposed to mass tourism. But community tourism— as well its cousin eco-tourism<sup>12</sup>— is growing as part of a broader market shift to more sustainable forms of tourism<sup>13</sup>. Reports and articles recurrently cite a 1/3 growth over recent years. Destination Travel, which claims to be 'the world's largest and most reliable resource for destination organizations'<sup>14</sup>, states:

'Over the past few years, our industry has experienced tremendous change. We have seen consumer interest, behaviours, expectations, and considerations around travel also go through continuous change, though a few emerging trends look to have staying power. One key area is consumer desire to have more meaningful and conscientious travel experiences. Whether searching for and booking more sustainable options, looking for ways to lessen the environmental impact on the destinations and communities they visit, or visiting lesser-known destinations, intent for sustainable travel is strong.'<sup>15</sup>

But, on the supply side, community tourism enterprises often struggle to find a business model of cost recovery which makes them financially viable and secure. There is a painful contrast here with ecologically irresponsible tourism, like cruise ships in the mass market, which have a business model of sustained profitability from market revenue which has allowed expansion. Annual cruise passenger growth of nearly 10% per annum since the early 1980s has created a global market worth 7.7 billion dollars in 2022 which is now projected to double by 2028<sup>16</sup>.

Community tourism quite obviously does not want to compete with cruising in the Caribbean and take profit and growth as its measure of achievement. And some community tourist activities like improving infrastructure like walking trails will never turn a profit. But, at district level, the community tourism sector, needs a business model which makes the group of firms financially sustainable after start-up in that, after paying decent wages, the firms recover their costs from operations and generate a surplus for reinvestment. From international evidence, this is not easy but absolutely essential, Because without a business model, new community tourism projects are grant dependent and old community projects are fragile so expansion beyond a small niche is very difficult.

## 2.1. Community tourism in Europe

In Europe community tourism as a concept is a recent import which is gaining currency, where it is known as *turismo di comunità* in Italy, *turismo comunitario* in Spain, *tourisme communautaire* in France and

---

<https://vietnamtourism.gov.vn/esrt/FileDownload59.pdf>

- [Alaska community tourism handbook](#)

[https://www.agmrc.org/media/cms/ruraltourism\\_F34E6CB8BDCFA.pdf](https://www.agmrc.org/media/cms/ruraltourism_F34E6CB8BDCFA.pdf)

<sup>10</sup> <https://www.routledge.com/The-Routledge-Handbook-of-Community-Based-Tourism-Management-Concepts/Walia/p/book/9780367223915>)

<sup>11</sup> <https://www.cbi.eu/market-information/tourism/community-based-tourism/market-potential>

<sup>12</sup> <https://www.grandviewresearch.com/industry-analysis/ecotourism-market-report>

<sup>13</sup> <https://www.travelagentcentral.com/your-business/stats-sustainable-tourism-grows-one-third-2022>

<https://www.weforum.org/agenda/2017/08/the-growth-paradox-can-tourism-ever-be-sustainable/>

<sup>14</sup> <https://destinationsinternational.org/>

<sup>15</sup> <https://destinationsinternational.org/growing-demand-%E2%80%93-and-opportunity-%E2%80%93-sustainable-tourism>

<sup>16</sup> <https://www.travelpulse.com/news/cruise/global-cruise-market-expected-to-be-worth-15-billion-by-2028.html#:~:text=Not%20only%20is%20the%20global,market%20research%20and%20intelligence%20company.>

*Gemeinschaftstourismus* in German-speaking countries. But, if we consider community tourism as a practice, it has been established in Europe for much longer, at least since the 1990s<sup>17</sup>, but flagged with other labels such as slow tourism, responsible tourism, ecological tourism and sustainable tourism.

Arguably this late discovery of the concept is because Europe typically does not have the classic low income country situation of an outside corporation exploiting an indigenous rural community which gains little to nothing from outside visitors. In most cases across Europe local communities and businesses have been involved in and benefitted from mainstream tourism alongside larger corporation, frequently encouraging overtourism in delicate natural/cultural heritage areas, such as Alpine villages. The extent of family business integration into 'tourism as it is' is something to be researched in the three valleys.

But tourism has changed in Europe over the past decades too as big tourist operators displace smaller family-owned businesses, unregulated overtourism creates local overload in major destinations like Barcelona and platforms like Airbnb everywhere disrupts local rental markets<sup>18</sup>. Community tourism benefits from this growing sense of exclusion from the benefits of tourism and then local residents and businesses which demand more democratic control of the sector. Thus, in a recent session the Scottish Rural Parliament argued that,<sup>19</sup>

'At national level, the community voice frequently gets drowned out by big tourism operators. Turning this around and securing the right investment in community-led tourism would be a gamechanger. Properly supported and marketed community-led initiatives will contribute significantly to increasing visitor spend. They will also support the transition of the tourism sector towards net zero.'

In the context of the post-pandemic, where the importance and capabilities of communities have been reinforced along with the need to encourage visitors, community tourism is growing from a low base across the UK. SCOTO, a Scottish peer network of community tourism enterprises, currently has 116 members representing 363 'tourism, heritage and festivals' social enterprises in Scotland<sup>20</sup>. The network focuses on knowledge transfer, project development and broader awareness building around community tourism. Community tourism is also getting traction in Ireland, with projects like the Burren Ecotourism Network<sup>21</sup>, while recently Fáilte Ireland – the National Tourism Development Authority – has designed a business toolkit specifically for community tourism<sup>22</sup>.

Scotland is an interesting and cautionary case of worthy ambition on the basis of fragile and small scale developments. The cases on the Scoto peer network website highlights two kinds of developments: (a)

---

<sup>17</sup> A 2016 master thesis on Italian community tourism finds first Italian examples in the mid-90s <http://dspace.unive.it/bitstream/handle/10579/10106/855702-1204086.pdf?sequence=2>

<sup>18</sup> <https://www.tandfonline.com/doi/full/10.1080/13032917.2022.2040915>

<sup>19</sup> This was in response to the Scottish Tourism Strategy launched in 2020 (Scotland Outlook 2030 <https://scottishtourismalliance.co.uk/scotland-outlook-2030-overview/>)

<sup>20</sup> See SCOTO Roadshow Presentation, slide 8. <https://www.scoto.co.uk/b2b/resources/scoto-network/>

The SCOTO website has case studies, including:

- Callander Hostel (including work and training for young people) [https://www.scoto.co.uk/media/f3oerevm/scoto\\_callander-hostel-case-study.pdf](https://www.scoto.co.uk/media/f3oerevm/scoto_callander-hostel-case-study.pdf)
- Moray Walking and Outdoor Festival [https://www.scoto.co.uk/media/341kukao/scoto\\_moray-walking-festival-case-study.pdf](https://www.scoto.co.uk/media/341kukao/scoto_moray-walking-festival-case-study.pdf)
- Wild Skies Shetland [https://www.scoto.co.uk/media/xgzchqln/scoto\\_wild-skies-case-study.pdf](https://www.scoto.co.uk/media/xgzchqln/scoto_wild-skies-case-study.pdf)

<sup>21</sup> <https://special-ireland.com/burren-ecotourism-network-the-best-community-tourism-project/>

<sup>22</sup> Irish community tourism handbook

<https://special-ireland.com/burren-ecotourism-network-the-best-community-tourism-project/>  
<https://burren.ie/>

stand-alone community micro businesses like Callandar Hostel and (b) volunteer led projects like Wild Skies Skye. The fragmentary information available on their business models suggests fragility and limits on expansion because standalone single projects are dependent on grants and/or on free, volunteer labour. More research is needed but, on the available evidence, no Scottish district has developed a local tourism ecosystem involving a group of activities and financially sustainable local businesses in a relation of mutual support.

From this point of view, the Burren case from Southwest Ireland is interesting because this district has developed a local ecosystem, which Lonely Planet describes as 'an impressive community collaboration of local enterprises'. The network now includes 60 local businesses (mainly family-owned micro and SMEs) and has a website at [burren.ie](http://burren.ie) which presents all the different business offers in an organised way with links to business web sites that take individual bookings or offer packages. An inclusive network of this kind involves all kinds of compromises, but in the Irish case network membership is restricted to those businesses which meet a sustainable code of practice for tourism. And it would be possible to add other conditions of membership e.g. about wages and conditions of employment. Researching this kind of development could provide ideas for getting beyond the Scottish single project stage and developing forms of community tourism which build a material base for community cohesion by dispersing benefits.

There is a danger that growth of community tourism could displace its core values and objectives<sup>23</sup>. In tourism studies and policy there is a long-standing discussion on the so-called growth paradox<sup>24</sup> of tourism centred around the notion of 'carrying capacity', that is the 'the maximum number of people that can visit a tourist destination at the same time, without causing destruction of the physical, economic, sociocultural environment and an unacceptable decrease in the quality of visitors' satisfaction'<sup>25</sup>. But as far as UK community tourism goes, the problem is clearly not growth and over development but getting started and generating momentum beyond the standalone projects. If we want to understand more about the possibilities of collective and coordinated action in tourism, we need to understand tourism as an ecosystem of relations and not just as a sector of activities. And we turn to this task in the next section.

### 3. Understanding the tourism ecosystem

Volume tourism within a district requires an ecosystem which is maintained by various actors delivering different services. State or other publicly-funded actors typically provide or maintain infrastructures such as walking trails or subsidise public transport where cost recovery through charging is difficult, long-term or not intended; businesses (social or for profit) provide specific tourist facilities such as an hotel, a camping ground or a restaurant; the local community creates the 'feel' of the place with their daily activities, from farmers maintaining rural landscapes to artists creating cultural events. The tourism ecosystem is this collection of organisations and stakeholders with different capabilities and interests interconnected by direct and indirect physical and financial relations.

The practical issue is that at present we have incomplete information on tourism ecosystems, especially on community tourism ecosystems, which would allow to understand the physical and financial flows at play. For example on the Scottish cases of community tourism cited in the previous section the information available on the web are vignette descriptions of single projects. These lacks financial and organisational accounts, from which we could judge reliance on grants or dependence on single person leadership and

---

<sup>23</sup> <https://www.cabi.org/leisuretourism/news/5438>

<sup>24</sup> <https://www.weforum.org/agenda/2017/08/the-growth-paradox-can-tourism-ever-be-sustainable/>

<sup>25</sup> [https://www.researchgate.net/publication/302436727\\_Carrying\\_capacity\\_tourism](https://www.researchgate.net/publication/302436727_Carrying_capacity_tourism)

See also: <https://www.witpress.com/Secure/elibrary/papers/ST04/ST04004FU.pdf>

unpaid volunteers. If we lack information, we can nonetheless identify a series of questions which would help building an understanding of tourism ecosystems:

- What infrastructures are required to make a tourist destination work (e.g. public transport, maintained and waymarked paths, guides) and who pays for their development and maintenance?
- What tourist activities are/or should be free (e.g. walking trails) and what activities are / or should be paid for (e.g. accommodation)? Bearing in mind broader wellbeing and social justice objectives, like promoting healthy lifestyles and making responsible holidays accessible to all?
- What are the financial flows around the group of enterprises grounded in the community – family-owned, for profit and social enterprises? And how do these compare with financial flows in for profit corporate providers?
- What share of the financial benefits of tourism go to locally grounded businesses? Who captures the value, when and how?
- Are the financial benefits captured by locally grounded tourism operations large enough to recover infrastructure costs? How long does it take to recover costs? Is there a disconnect between who spends and who benefits?

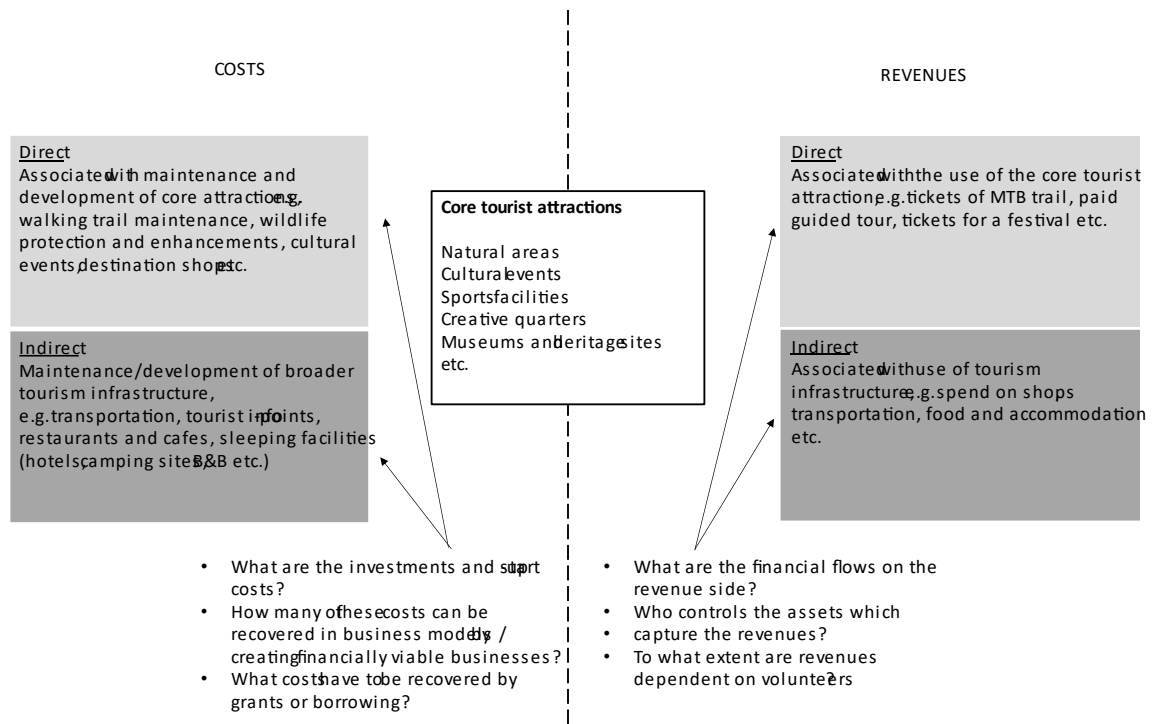
An understanding how the tourism ecosystem works is essential if community is to take the lead in developing new kinds of tourism and develop community tourism beyond a niche. Community leadership in creating or reworking a tourism ecosystem requires:

- Negotiating grants with the local state in support of community tourism operations in areas of the tourism economy where recovering costs is difficult/impossible given the market as it is.
- Setting up and encouraging community tourism enterprises in areas of the local economy where breakeven as well as profit are possible.
- Ensuring that corporate actors (like Airbnb or attraction providers like Zip World) do not occupy all the most lucrative positions in the local tourism economy, leaving community actors and/or the state to operate in other areas.
- Devising strategies for reducing dependence on grants from government, voluntary work and charity donors. And organising cross subsidy from surplus generating businesses operating at scale.
- Balancing the interests of social enterprises and locally grounded for-profit firms (micro and SME) whose owners are part of the community.
- Avoiding embarrassing financial failures of risky or no hope ventures which would alienate parts of the local community from buying in into community tourism (and vindicate a reliance on corporate tourist operators).

Below we present a basic schema for understanding the financial relations in a tourism ecosystem. It highlights a) direct and indirect costs associated with setting up a tourism infrastructure around core tourist attractions and b) direct and indirect revenues which the ecosystem can create. Furthermore, the schema highlights key questions about who pays for the costs of constructing and maintaining different parts of the tourist ecosystem and who benefits from the financial flows associated with it. The schema encourages a shift from thinking about single projects to thinking about the tourism ecosystem as a cluster of projects involving infrastructure, free public goods and revenue-generating services provided by for profit and social enterprises.



Exhibit 2: the economy of the tourism ecosystem



#### 4. Financing and organising community tourism (in the Slate Valleys)

In this section we explore how the schema introduced above relates to the Slate Valleys in North Wales. Here sections of the local community have already embarked (through networks like Cwmni Bro<sup>26</sup> and others<sup>27</sup>) on an ambitious project of community renewal involving networked social businesses, some of them operating in tourism like Antir Stiniog in Blaenau Ffestiniog or Yr Orsaf in Penygroes<sup>28</sup>. The achievements of these networks are considerable in terms of creating a future that works after decades of decline and outmigration, motivating community action to seek solutions to the challenges of the valleys and sustaining households with jobs and social services.

Community renewal in the Slate Valley has a significant, stable base in a portfolio of social businesses. But rapid, large expansion of the social economy of the valleys depends on public grants and the kindness of strangers. Because the portfolio of community businesses does not include cash cow businesses with scale which can generate a substantial local operating surplus which allows large investment in new and existing businesses, upgrade major local infrastructures and support social projects.

It is important to emphasise therefore that there is a strong intellectual case for public support of community enterprises developing a more socially and ecologically responsible local tourism which benefits

<sup>26</sup> <http://cwmnibro.cymru/>

<sup>27</sup> <https://www.anturstiniog.com/>

<sup>28</sup> <https://www.yrorsaf.cymru/en/>



local households and firms. The financial incentives embedded in the market as it is (via banks or the bond market support for private equity) direct funding towards scalable projects and chain businesses which promise to quickly recover their costs while paying limited attention to social and ecological externalities. In contrast the market does not direct funding towards responsible enterprises which embed social and ecological costs and thus generate smaller profits, because these don't meet the high hurdle rate required by private investors.

When the market fails to reward social and ecological responsibility, public money in the forms of grants is vital to support infrastructures and businesses which are building a more social and ecological local economy and this applies to tourism too. In the context of the Welsh Wellbeing of Future Generations Act, this kind of public investment can be easily justified as an upstream investment in social and ecological responsibility which prevents downstream remediation expenses which costs future generations at some later stage.

If grants are essential to sustain the transition towards a more socially and ecologically responsible tourism economy, two practical/political considerations are equally important. First, politicians prefer capital to revenue grants because future government income and expenditure is hard to predict (and recipients of revenue grants which cover operating costs are always vulnerable because they cannot rely on such funding when programmes end, ministerial priorities change, austerity cuts happen etc). Second, as we see in Welsh tourism, Welsh politicians prefer to give money to large multi-million projects where they can visibly be seen in the media to help create jobs and generally make things happen.

The implications of these consideration for community tourism are twofold:

- (1) Public grant support for capital investment and start-up is a necessary initial support of new businesses in community tourism. Because financial markets will generally favour new projects in old tourism rather than new projects in more socially and ecologically responsible tourism. But when community-owned or family businesses are up and running, they need to have financially viable business models in the goods and services market as it is. Cost recovery through market revenue is more secure than operating grants and market revenue from tourism brings in income from outside the area which cannot prosper by simply stopping demand leakages. The long-term economic benefits of community tourism depend on sustainable volume activity and the capture of tourist revenue.
- (2) Community tourism organisers have to think of and plan packages of developments and businesses in clusters. For social enterprises in the three valleys this means developing their existing concept of a portfolio of federated community owned enterprises. Here further thinking, research and innovation is required. Socially and ecologically responsible community tourism would probably not aim for scale through single site, car-served developments. Instead, social entrepreneurs could put together a package of related projects offering different services at various sites (e.g. around the slate trail) and then bid for capital and start-up grant funding. The portfolio of businesses should include some that generate substantial financial surpluses that can be applied to start-up social projects and new revenue earning businesses. As argued in the first briefing, if self-catering is dominant, this probably means one way or another getting into property-based activities. Here community should look for activities which are low risk and where property values and rental incomes are the security which allows mainstream borrowing.

The result would be something like an expanded version of the existing Cwmni Bro federal approach to community owned enterprise. The outcome would be a larger and more diverse portfolio including locally grounded micro firms and SMEs, for profit businesses and community owned businesses delivering a larger

surplus than the existing MTB operation of Antur Stiniog<sup>29</sup>. In marketing the destination, there is then scope for a larger and inclusive network of local businesses where, as in the Irish Burren case, a community-run web site can boost the earnings of most local tourist businesses.

## 5. Policy implications (for Gwynedd Council and Welsh Government)

The community tourism vision, which some social enterprises in the slate valleys have started to implement, is clearly aligned with the vision of sustainable tourism adopted by Gwynedd Council and coherent with the ambitions of Welsh Government under the Future Generations Act. But Gwynedd Council and Welsh Government must recognise that if government wants a new and different tourism sector, it has to downplay the activity measures of STEAM and the growth objectives which continue to dominate Welsh Government policy. Instead, it must practically support a long-term project of gradual, yet comprehensive reorganisation of the local tourism economy which involves more than a few isolated social projects. Because demand side pressures in the market are not enough to promote a systemic shift to more sustainable forms of tourism and change the current trajectory.

If the aim is to create a different kind of tourism economy which is more socially, culturally and environmentally sustainable, that will require public policy intervention by the Council and Welsh Government across a range of areas, including grants, regulations and provision of new soft infrastructures. Government support must be introduced with a clear sense that the objective is to create a community tourism economy which becomes less and less reliant on state support as the market adapts to reward social and environmental sustainability. Beyond that, change will require coordination by local non-state actors and alliances so that different local businesses move coherently in the same direction on the basis of adequate infrastructure. The specifics of those policies must be worked out in collaboration with local communities and businesses so that these connect with existing projects and network.

How could public money support the co-ordinated growth of community tourism in the slate valleys which would help deliver the sustainable tourism vision of Gwynedd Council. Here are some specific suggestions which require further exploration via community research.

- **Capital grants**  
Support the capital cost of developments which anchor a cluster of firms – such as community-owned eco-cabins or renovated buildings on sites along a walking trail – which offer community and environmental benefits<sup>30</sup> and have good business model prospects in the tourism market as it is today. Around such sites, you could organise luggage transfer, evening meals and such like. Grants for capital investment are hence a key tool to lower the barriers to starting community tourism operations.
- **‘First-years operating cost support’ / start-up costs support**  
Some community tourism operations might not find a robust business model in the market as it is, but will probably have one in a few years as the destination is properly advertised and the current market shift to sustainability continues. In addition to capital investments, there also needs to be revenue support for community tourism enterprises, especially for management costs at start-up,

---

<sup>29</sup> <https://www.anturstiniog.com/>

<sup>30</sup> These would need to be identified by the community themselves in the form of community KPIs.

so the community is not immediately burdened with putting unpaid volunteer time into newly built facilities<sup>31</sup>. The supports need to be tapered as the community tourism operation consolidates.

- Grants for building a community tourism infrastructure  
Infrastructure refers not just the traditional hard stuff of public transport or the network of walking trails but also the soft stuff of websites and organisation/co-ordination. Mainstream tourism can count on an infrastructure of marketing platforms and ecommerce websites which direct tourist flows to a few main destinations, corporate providers and standard attractions. At present community tourism lacks any comparable infrastructure and local communities do not have the resources and expertise to build such an infrastructure. Government support should be directed to building a dedicated community tourism infrastructure which can make it easy and quick to understand what is available and to help customers to organise and book community tourism itineraries.

At the same time, it should be emphasised that redirected public grants are a necessary but not sufficient condition for the development of community tourism. The primary condition is the coming together of local stakeholders around a plan for a cluster of related projects which offer opportunities for social enterprise and local family firms on the basis of hard and soft infrastructure.

*Foundational Economy Research Ltd, February 2023*

---

<sup>31</sup> As the Scottish Rural Parliament notes ‘tourism-related funding or investment packages are frequently short-term and focused on delivering capital projects, leaving the management of these projects to community volunteers’. Funding that is contingent on ‘growth’, ‘job creation’ and ‘becoming self-sufficient’ disadvantages community projects that tend to wish to remain financially lean and focus on community benefit’.  
<https://www.sra.scot/sites/default/files/document-library/2021-06/0.%20vSRP2021%20Session%20Report%20-%20Community%20Led%20Tourism.pdf>, p. 3.