

Menter y Ring Cyfyngedig

Business Plan

February 2025



"Safeguarding a welcoming pub in the middle of our village to bring people together and celebrate culture - owned by the community and for the benefit of the surrounding area."



This business plan is the basis for the share offer that members of the community and the wider public will be invited to participate in to support Menter y Ring.

There is a separate English language Share Offer document providing full details of the offer. All the documents are also available in Welsh.

Website: www.menteryingllanfrothen.com
Email: aelodaeth@menteryingllanfrothen.com
post@menteryingllanfrothen.com

Contents

1. Executive Summary.....	4
2. Introduction to the Business Plan	6
2.1 Background – Y Ring.....	6
2.2 Vision and Objectives for Menter y Ring	7
2.3 The Importance of Community Pubs.....	8
2.4 The Wider Context	9
3. The Area	11
3.1 Facts and Assets.....	11
3.2 Tourism	12
3.3 Customer Base/Target Audience	14
3.4 The Competition.....	15
4. Community and Partner Engagement.....	15
4.1 Initial Questionnaire	15
4.2 Public Meetings	17
5. Buying the Ring’s Lease.....	17
5.1 Costs and Timetable.....	17
5.2 Building Condition	18
5.3 Building Upgrading and Development	18
5.4 Reducing Our Impact on the Environment and our Commitment to Sustainable Development.....	19
6. The Business Proposal	20
6.1 Business Model.....	20
6.2 Financial Forecast	21
6.3 Activities and Entertainment	22
7. Marketing and Promotion	23
7.1 The Share Offer.....	23
7.2 The Business	23
8. Governance.....	24
8.1 Community Benefit Society	24
8.2 Management Committee	24
8.3 Support Groups	25
9. Managing Risk	26
9.1 SWOT Analysis (Strengths, Weaknesses, Opportunities, Threats)	26
9.2 Response to Risks	27
10. Conclusions.....	30

11. Appendices	30
-----------------------------	-----------

1. Executive Summary

Vision for Menter y Ring

“Safeguarding a welcoming pub in the middle of our village to bring people together and celebrate culture – owned by the community and for the benefit of the surrounding area.”

Objectives of Menter y Ring

- Take ownership of the Brondanw Arms pub (Y Ring) lease and run it for the benefit of the whole area, as was the position historically.
- Safeguard the prosperity of the Ring for the future by benefitting from diverse opportunities such as grants, various sources of income and fundraising activities.
- Ensure that the Welsh language is central to all services and provision.
- Promote culture and the arts, in particular live music.
- Support the local economy by creating jobs and prioritising the use of local resources, services and produce whilst ensuring that any profit is reinvested in the community.
- Ensure that Menter y Ring operates on behalf of and for the benefit of the community, now and in future.
- Support the natural environment wherever possible.

Our Values

We will:

- Serve and operate the business for the benefit of the parish of Llanfrothen (Cwm Croesor and the villages of Garreg, Rhyd, Croesor), both now and for the future.
- Ensure that everything we do is embedded in promoting and encouraging use of the Welsh language.
- Support the local economy and retain funds locally.
- Support and collaborate with organisations within the parish and wider area.
- Operate in a diligent, transparent and honest manner.
- Act inclusively and in a welcoming manner to all.
- Play our part in protecting the environment and responding to the climate emergency.

The community of Llanfrothen has set up a Community Benefit Society to buy the lease and establish the Brondanw Arms pub (known as ‘Y Ring’ locally) as a community pub. The Ring is much more than a pub, it is a key resource for a rural

community which feels passionate about the need to safeguard its future whilst ensuring that it can continue to function as the heartbeat of the community and meet local needs.

The pub has been a core part of the community since the 17th century. The pub is part of the Brondanw Estate, home of the architect of the Italianate village of Portmeirion, Sir Clough Williams-Ellis. The pub's lease is owned by the Robinsons Brewery who decided to put the lease up for sale in 2024, with 56 years left on the lease. In response to this news, members of the community came together in September 2024 to discuss whether there was interest in buying the lease and running the pub for the community. The almost unanimous decision was to go for it

The Ring is an iconic Welsh pub and hub for the community of Llanfrothen and surrounding area. It has a good name as a successful pub and a location that brings the whole community together on a daily basis, promoting the Welsh language and supporting and sustaining' several informal groups. The pub's good name has drawn people to it from far and wide over the years.

The Society's main aim is that the Ring continues to meet the needs of the people of Llanfrothen and the surrounding area and for its good reputation as a meeting place for locals and those from further afield to continue.

The business model that Menter y Ring are considering is the tenant or hybrid tenant/manager model, whichever prioritises the pub's community objectives whilst reducing the burden on volunteers and ensuring value for money and a successful future for the Ring. The research into this is ongoing. It is encouraging that there has already been initial interest in the role and we will be carrying out a thorough advertising and selection process to appoint a suitable individual(s). We will prioritise community conditions in any agreement in order to safeguard key services and ensure that the provision is consistent with our vision, objectives and values. The initial financial analysis demonstrates that Menter y Ring could be viable and sustainable, if a tenant or hybrid tenant/manager model is chosen.

The community has adopted the Community Benefit Society model as the one which is most compatible with the spirit in which Menter y Ring has been set up. Model Rules have been adopted and an Initial Management Committee set up. Membership of the Society is through buying shares (minimum spend £100) and in the general meetings every member will have one vote. The share offer will open in March 2025 for a period of 4 weeks. We aim to complete the process of buying the Ring's lease in April 2025.

2. Introduction to the Business Plan

2.1 Background – Y Ring

The Ring is at the heart of the community of Llanfrothen and surrounding area; over the years it has brought the whole community together daily, supporting and sustaining many groups. The pub's good name over the years has drawn and welcomed people from far and wide to enjoy its authentically Welsh atmosphere. This traditional Welsh pub dates back centuries, with a beer garden, dining room and bar with an extensive selection of good ales and quality spirits.

After seeking the community's views – through public meetings and questionnaires – the people of Llanfrothen feel strongly about safeguarding the future of the Ring. There is strong support for the idea of buying the lease and establishing a community pub, ensuring that the pub continues to be an important social and economic hub that supports the community's future prosperity. This view is based on recognising that losing the Ring would be an enormous blow to the area and that a community venture would present a unique opportunity, as well as unlocking future opportunities to develop further projects of benefit to the community.

This view is also based on the fact that Llanfrothen is a Welsh language stronghold with nearly 70% of residents being Welsh speakers (2021 Census) and that it is our collective responsibility to do our utmost to create hope and opportunities to ensure a thriving future for the language. Setting up a Community Benefit Society is seen as a means to ensure that people can continue to work, gain access to services, socialise and engage through the medium of Welsh. A Community Benefit Society is seen as being important to the community today – and essential for our young people and future generations.

Following the public meeting on 16th September 2024 which endorsed the idea of buying the pub's lease as a community, an Initial Management Committee was set up together with a Community Benefit Society, with the aim of buying the pub and running it as a community venture.

So far, the Committee has:

- Established Menter Y Ring Cyfyngedig as a legal entity (07/11/2024).
- Opened a bank account (20/01/2025).
- Managed to raise £165k in loans.
- Ensured that the offer to buy the Ring's lease has been accepted by the vendor, Robinsons.
- Developed a logo and brand for Menter y Ring and overseen a press and social media campaign to raise awareness of the venture's objectives.
- Obtained support and an understanding of good practice from Cwmpas and the Plunkett Foundation.

- Fostered close links, with the aim of learning from good practice, with similar community ventures such as Menter Ty'n Llan Cyf.
- Discussed any support, financial or otherwise, that might be available with relevant departments in Gwynedd Council, the Welsh Government and UK Government.
- Received gifts valued at nearly £5,000.
- Secured Perthyn and Grymuso Gwynedd grants to help with communication costs, fees to deal with the purchase of the lease, and towards the project's development.
- Held a community event attended by over 230 people to celebrate local music and raise awareness of our campaign.

On this basis, the Management Committee has developed this business plan outlining the Menter y Ring vision and the model for purchasing the lease and running the pub whilst ensuring a sustainable future for the business. The business plan was formally adopted by the Menter y Ring Management Committee on 26/02/2025. This document will be updated by the Management Committee as the venture evolves.

2.2 Vision and Objectives for Menter y Ring

Vision for Menter y Ring

“Safeguarding a welcoming pub in the middle of our village to bring people together and celebrate culture – owned by the community and for the benefit of the surrounding area.”

Objectives of Menter y Ring

- Take ownership of the Brondanw Arms pub (Y Ring) lease and run it for the benefit of the whole area, as was the position historically.
- Safeguard the prosperity of the Ring for the future by benefitting from diverse opportunities such as grants, various sources of income and fundraising activities.
- Ensure that the Welsh language is central to all services and provision.
- Promote culture and the arts, in particular live music.
- Support the local economy by creating jobs and prioritising the use of local resources, services and produce whilst ensuring that any profit is reinvested in the community.
- Ensure that Menter y Ring operates on behalf of and for the benefit of the community, now and in future.
- Support the natural environment wherever possible.

Our Values

We will:

- Serve and operate the business for the benefit of the parish of Llanfrothen (Cwm Croesor and the villages of Garreg, Rhyd and Croesor), both now and for the future.
- Ensure that everything we do is embedded in promoting and encouraging use of the Welsh language.
- Support the local economy and retain funds locally.
- Support and collaborate with organisations within the parish and wider area.
- Operate in a diligent, transparent and honest manner.
- Act inclusively and in a welcoming manner to all.
- Play our part in protecting the environment and responding to the climate emergency.

2.3 The Importance of Community Pubs

Community pubs provide a variety of benefits that contribute towards the well-being of individuals and the whole community. Some of the key benefits of community pubs are:

Social Interaction – Community pubs operate as social hubs, bringing people together and fostering a sense of belonging. They provide a place for friends, neighbours and local residents to gather, socialise and nurture relationships. This social interaction helps to fight loneliness and isolation whilst promoting mental health and well-being in general.

Community Cohesion – Community pubs often hold events and activities that strengthen community links. This creates opportunities for people to come together to celebrate their interests and local identity.

Economic Impact – Community pubs play a vital part in supporting the local economy. They create job opportunities and generate income for members of staff, suppliers and contractors. A community pub can also be a catalyst for other businesses by attracting customers and visitors to the area.

Language – Community pubs in Wales play a significant part in the promotion of the Welsh language by supporting its use in the local community, e.g. bilingual signs and menus, Welsh language events and entertainment, Welsh language classes or chat groups for learners, the promotion of Welsh language literature and the arts. By enthusiastically embracing and promoting the Welsh language, community pubs can become hubs for the Welsh speaking community, creating opportunities to use, and fostering pride in, the language and contributing towards its continuation and growth.

Cultural Heritage – Many community pubs have a rich history and cultural significance in their areas. They often encompass a sense of tradition and hiraeth and act as a link with the past. Maintaining and sustaining such establishments helps to preserve local heritage and ensure that future generations appreciate and learn from the history of their community. Community pubs also contribute towards promoting and celebrating Welsh music.

Local Facilities – Community pubs often provide services that are additional to serving drinks. These include events, social activities or as venues for clubs, societies and groups to meet. Such diverse activities make them valuable assets to the community, providing a range of resources and services in one place.

Support for Local Producers – Community pubs often prioritise the use of local produce. They often work with local breweries, distilleries and food producers, supporting the local economy and promoting sustainability. This emphasis on local sources can also contribute towards a stronger sense of pride and community connection.

Safe and Inclusive Spaces – Community pubs strive to create welcoming environments that are accessible to all members of society. They often provide for a varied range of ages, backgrounds and interests, ensuring that everyone feels comfortable and included. This inclusion fosters a sense of community cohesion and promotes social equality.

In essence, therefore, community pubs go over and above serving drinks and act as important social, cultural and economic anchors in their communities. They provide places for social interaction, contribute to local economies, preserve cultural heritage and promote community cohesion, all the while supporting local producers and providing varied facilities and services for local residents. This is certainly true of the Ring and it is vitally important that the pub continues as an important community hub for the area.

2.4 The Wider Context

The venture's key aim is to procure an essential community resource with the objective of supporting and stimulating the community's social, linguistic, cultural, economic and environmental prosperity. The demand for the venture has come from the community, and the ambition to act today and also for our young people and future generations is crucially important. Menter y Ring contributes directly towards achieving the aims of legislation and policy regarding sustainable development; the economy and the basic economy; and development and community regeneration; language; and culture on a local, county, regional and national level. For example:

Well-being of Future Generations Act (Wales) 2015¹ – The need to work together inclusively to provide an important voice for communities and residents. To fulfil the needs of today without compromising the needs of future generations. To drive forward a real difference to the lives of residents.

Cymraeg 2050: A Million Speakers (Welsh Government)² – Emphasis on the important role of local communities and enterprises in reaching a million Welsh speakers by 2050.

Transforming Wales Through Social Enterprise 2020³ – A vision to see social enterprises as the main business model in Wales by 2030 in relation to fulfilling needs and responding to environmental, social and economic challenges.

Beyond Recycling (Welsh Government, 2021)⁴ – Strategy to make the circular economy in Wales a reality by ensuring that resource efficiency is part of the culture of Wales and recognising that the food and drink industry has a major part to play in the circular economy.

North Wales Regional Economic Framework⁵ – Recognising the central role of communities in the economic future of North Wales. Commitment to providing a stronger regional voice and an approach that builds on the existing North Wales co-operation in relation to community and economic development.

The Cyngor Gwynedd Plan 2023–28⁶ – Prioritising a ‘Prosperous Gwynedd’ – prosperity by ensuring support for business, strong and resilient communities, thriving and lively town centres.

Gwynedd and Eryri Sustainable Visitor Economy 2035⁷ – Recognising the importance of the visitor economy to the area and the desire to ensure that the area and its special attributes are cared for and protected – so that the area’s unique characteristics are safeguarded for present and future generations.

Eryri National Park Authority⁸ – In fulfilling its statutory purposes, the Authority is required to seek to foster the economic well-being and local communities of the National Park.

¹ <https://www.gov.wales/well-being-future-generations-act-essentials-html>

² <https://www.gov.wales/sites/default/files/publications/2018-12/cymraeg-2050-welsh-language-strategy.pdf>

³ <https://cwmpas.coop/what-we-do/policy-publications/transforming-wales-through-social-enterprise/>

⁴ <https://www.gov.wales/sites/default/files/publications/2021-03/beyond-recycling-strategy-document.pdf>

⁵ <https://ambitionnorth.wales/media/bjynn2qn/enc-1-for-north-wales-regional-economic-framework.pdf>

⁶ <https://www.gwynedd.llyw.cymru/en/Council/Documents---Council/The-Council-Plan-2023-28.pdf>

⁷ https://www.visitsnowdonia.info/sites/default/files/2023-09/Cynllun%20EYCGE%20Saesneg_0.pdf

⁸ <https://eryri.gov.wales/>

3. The Area

3.1 Facts and Assets

Location

According to the Llanfrothen Community Council website:⁹

“Llanfrothen extends from the banks of the Glaslyn river across the Morfa Gwyllt marshland and upwards over the hills to the east, reaching the steep slopes and ridges of Cnicht and the Moelwynion.

South of the area there is a rocky ridge which runs eastwards. In the north-east and north are Moelwyn Bach, Moelwyn Mawr, Cnicht and Yr Wyddfa. Then, westwards towards the sea and Tremadog Bay are Moel Hebog, Moel Ddu and Moel y Gest leading back to the sea and Bae Tremadog.

Llanfrothen is named after Saint Brothen who established a church here in the sixth or seventh century.

There are three villages in Llanfrothen. They are Garreg, Croesor and Rhyd.”

The Population

We estimate that there are around 200 homes in the village.

According to Gwynedd Council’s summary of 2021 Census Data,¹⁰ the total population of the Llanfrothen area is 1,065, with the age distribution as follows:

Aged 0–19: 216
Aged 20–64: 566
Aged 65+: 283

69.8% of the population are Welsh speakers.

Business and Organisations*

Businesses and organisations that operate in Llanfrothen include:

⁹ Llanfrothen Community Council; <https://llanfrothenacroesor.org/eng/index.html>

¹⁰ 2021 Census Data for Llanfrothen (Gwynedd Council); <https://www.gwynedd.llyw.cymru/en/Council/Documents---Council/Key-statistics-and-data/Census-2021/Llanfrothen-S.pdf>

Cnicht Cleaning
Llechen Lân (building company)
Community shop and cafe
Sarah Malone Ceramics
Plas Brondanw gardens and cafe
Hempcrete Cymru
Cyfeillion Croesor
A number of farms
A number of visitor accommodation businesses
Pearson & Co Tree Services Ltd
KW Jones Plant Hire
Dinas Contracting
H Jones & Sons Groundworks
Ferlas Studio
Locations Wales (film and tv locations)
CDL Partitions
JAF Electrics
Tracey Yoga
Gabriel Gheorghita – structural engineer
Arwyn Williams – gardener
Gwion Ifan – fencing and landscaping
Gelli Engineering
Cig Gelli – mobile catering
Publicity Works Ltd

Organisations and Activities*

These are some of the main organisations and activities in Llanfrothen:

Community Council
Ysgol y Garreg
Cyfeillion Croesor
Menter Llanfrothen
St Brothen's Church
Clough Williams-Ellis Foundation
Susan Williams-Ellis Foundation

***Note** – *It is possible that these lists are not wholly complete, if you find any gaps, please get in touch with us – details on the front page.*

3.2 Tourism

The Benefits of Tourism

Sustainable tourism plays an essential part in supporting community pubs and ensuring their success in general, with several reasons for its importance:

Increased Revenue – Tourism brings with it a constant flow of visitors from outside the local area, providing a wider customer base for community pubs. Tourists often seek out unique and authentic experiences and community pubs can provide insights into local culture, accommodation and traditional pub experiences. Tourism can provide a substantial boost to a pub's revenue and contribute to its financial viability.

Positive Local Economic Impact – Tourism contributes important revenue to the community for the benefit of local businesses, suppliers and services. Community pubs attract tourists to the area and encourage spend on local accommodation, attractions, transport and other services. This impact energises the local economy, creating job opportunities and producing income for various businesses.

Profile and Promotion – Tourism provides opportunities for community pubs to increase their visibility. Tourists often rely on recommendations, online reviews and word of mouth to discover new places to visit. A positive experience in a community pub can lead visitors to share their experiences with others, online and offline and, by so doing, promote the pub to a wider audience.

Cultural Exchange – Community pubs are important cultural hubs highlighting heritage, traditions, food and accommodation. Tourists who visit community pubs are given opportunities to interact with local people, learn about the area's history and culture and experience authentic local traditions. This cultural exchange can foster better appreciation of the community, its heritage, people and of the Welsh language.

Protection of Local Heritage – Quite often, community pubs have a rich history and heritage associated with them. They could be located in historical buildings or have long-established traditions. By attracting tourists, community pubs can raise awareness of their historical significance and contribute towards conserving local heritage.

Community Pride and Identity – Community pubs can foster a sense of pride and identity in the local community. When visitors appreciate and enjoy the hospitality of a community pub, it reinforces the community's confidence and pride in its unique local culture, traditions and organisations.

Supporting Other Local Businesses – Community pubs often work with local suppliers, farmers, breweries and craftspeople to source their produce. Increased tourism can create more demand for such goods from local sources, benefitting other businesses in the community and promoting sustainability and economic growth.

In brief, tourism can provide valuable opportunities for community pubs to prosper economically, create connections, highlight local culture, and contribute towards the

community's well-being and general prosperity. By attracting tourists, the Ring can continue to support the local economy, conserve heritage, promote community pride and foster cultural exchange.

Tourism in the Llanfrothen Area

Tourism statistics for the Llanfrothen area are not readily available. However, Gwynedd as a whole is a significant destination within the Welsh visitor economy. In 2019 the county welcomed approximately 7.8 million visitors, contributing c. £1.35 billion to the local economy. These visitors accounted for 20.1 million overnight stays and 23.93 million day trips.¹¹

Although specific data for Llanfrothen is limited, its location within Eryri National Park suggests that it benefits from wider tourism trends within the region. The National Park saw an increased number of tourists following the lifting of Covid-19 restrictions, leading to visitor and environmental management pressures.

3.3 Customer Base/Target Audience

The following provides a snapshot of the Ring's customer base over the years:

- A wide age range visit and mix at the pub (aged 18–80+).
- Families from the village visit.
- People enjoy coming in for a pint after work.
- Afternoon gigs draw a lot of young people to the Ring (18+).
- Young groups arrive on bank holiday afternoons, especially in good weather.
- Families tend to use the garden when the weather is good.
- Rugby brings in a lot of people – free food has always been offered at half time.
- Easter, summer and bank holidays are busy – a chance to make the most of income from food.
- The local community is very supportive over the Christmas period.
- The pub quietens down after 9pm during the week, especially on Monday, Tuesday and Sunday nights.
- In winter, local people and from nearby areas like Penrhyndeudraeth are the main customers.
- Food: can be quiet at lunchtime, even in the summer (12–3pm). By the time people come down from the mountains/other activities, there is more demand for food, even before dinner (e.g. bowl of chips with a pint).
- Previous ideas to bring people in: happy hour, loyalty card for locals, simple meals to bring people in during the evening.

¹¹ Gwynedd & Eryri Sustainable Visitor Economy Plan (Gwynedd Council and Eryri National Park, 2023) – https://www.visitsnowdonia.info/sites/default/files/2023-09/Cynllun%20EYCGE%20Saesneg_0.pdf

3.4 The Competition

The Ring's strength is that it is an iconic and unique pub with a good reputation as a popular rural pub and restaurant attracting a range of customers from far and wide. It provides a warm welcome in a relaxed, homely and Welsh atmosphere.

The Ring is the only pub in the village of Llanfrothen and has been well known for many years for providing an excellent experience. Other local popular pubs include:

- Griffin, Penrhyndeudraeth (food, drink, entertainment) (approximately 2 miles away)
- Royal Oak (drinks), Penrhyndeudraeth (approximately 2 miles away)
- Golden Fleece, Tremadog (food) (approximately 2.5 miles away)
- Union, Tremadog (food and drink) (approximately 2.5 miles away)
- Ship Aground, Talsarnau (food, drink and entertainment) (approximately 2.5 miles away)

A report by Visit Wales¹² affirms that the outstanding scenery and landscape, history and heritage, together with good quality local food and drink are very important elements in attracting visitors to Wales.

4. Community and Partner Engagement

4.1 Initial Questionnaire

To start the process of purchasing the pub's lease, it was decided to launch a questionnaire to seek the community's initial views on the idea. In November 2024 a paper and online survey was distributed, with the help of local businesses and by distributing to homes in the area. The questionnaire's findings were positive and gave us confidence in moving forwards with seeking to buy the lease.

- a) Responses were received from a total of 144 homes and organisations
- b) The majority of the respondents live in Llanfrothen (43%) or within 5 miles of Llanfrothen (31%)
- c) 90% of the respondents are very supportive of seeking to buy and run the Ring as a community pub and safeguard its future, with 74% responding 'Agree Strongly' and 16% 'Agree'

¹² Tourism Market Demand Report (Visit Wales, 2023)
<https://www.gov.wales/sites/default/files/statistics-and-research/2023-02/visit-wales-tourism-market-demand-report-uk-january-2023.pdf>

“I am very supportive of the aim to buy and run the Ring as a community pub.”

“I used to live in Llanfrothen, and will be back one day :) So happy this will be bought by the community!!!”

- d) Only 2% disagreed with the objective of buying and running the Ring as a community pub, while giving no reasons
- e) A total of 60% of the respondents stated that they would visit the Ring on a regular basis – this varied between 2–3 times a week to at least once every fortnight
- f) Of the potential services listed in the questionnaire, the most popular were:
 - Live music (84%)
 - Food in the evenings (83%)
 - Sunday lunch (71%)
 - Social events (70%)
 - Sessions for Welsh learners (56%)
 - Food during the day (54%)
 - Play equipment for children (52%)
 - Social groups and activities (44%)
- g) There was support for a number of other kinds of events not listed on the questionnaire. The most popular of these were:
 - Cinema (5 people)
 - Crafts/art fair (3)
 - Car boot sales (3)
 - Clubs (knitting, chess, cookery, walking, coffee) (2)
 - Quiz/bingo (2)
 - Community garden (2)
 - Parking for campervans (2)
 - There were also a number of other ideas suggested by individuals – wine/beer/gin tasting, repair cafe, bus service (for those unable to travel to the Ring), curry night, date night, private parties (weddings etc), language policy, meals on wheels, large screen (football, rugby), local shop, Talwrn y Beirdd, pub teams (pool, darts)
- h) There were several comments on the need to ensure that the pub prioritises the Welsh language, and the need to improve access

“As a community enterprise representing a predominantly Welsh speaking community – it is essential that the venture adopts a robust Welsh Language Policy which gives priority to ensuring the future of the Welsh language. A tenant should not be appointed until a language policy has been adopted.”

“I would like to see the Welsh language being prioritised if possible, to preserve the Ring’s authentically Welsh atmosphere.”

“Accessibility for wheelchair users needs to be addressed.”

- i) 101 respondents stated that they were keen to help out further (of these, 63 left their contact details)
- j) A little over half of the respondents (73) stated that they would buy shares.

4.2 Public Meetings

An initial public meeting was held on 16 September 2024 to discuss the idea of the community buying the pub's lease. Around 100 people attended the meeting, with strong agreement and consensus that the community should proceed with buying the Ring's lease. An Initial Management Committee was set up together with a Community Benefit Society, with the aim of buying the pub's lease and running it as a community enterprise.

On 28 December 2024, we held a community gig with the aim of raising awareness of Menter y Ring, to engage and to share information about the latest position. The event succeeded in attracting 230 people and, with the help of Menter Môn's Grymuso Gwynedd grant, raised over £7,000 for Menter y Ring.

5. Buying the Ring's Lease

5.1 Costs and Timetable

Through loan pledges, we have been able to make an offer for the lease which has been accepted. Due to its commercial sensitivity, we cannot currently divulge the sum offered until the sale has been completed.

The purchase will be funded by the money raised through selling shares offered through the March 2025 share offer. Membership of the Society is through buying **shares (minimum spend £100)**, and in the general meetings every member will have one vote.

Our fundraising target through the sale of shares is £200,000.

This will ensure that we have sufficient funds to buy the lease, pay legal costs and build up reserves for renovation costs and initial running costs.

Our target timetable for completing the purchase is April 2025.

5.2 Building Condition

The building is grade II listed and was built around 1800 with an extension erected around 1970. Any renovation work carried out on the building and area surrounding it will need to comply with conservation requirements and regulations.

A professional structural survey has been carried out on the building by NWS Cyf. The report confirms that the building's structure is in an acceptable condition on the whole considering its age although some aspects need attention, e.g. flat roof, chimney.

A Condition Report has been drawn up by the architectural company DB3, outlining the renovation work that needs to be carried out. Carrying out basic improvements to reopen only the pub will need an investment of approximately £11,100.

The flat needs substantial improvements before being suitable for permanent or temporary living. In the long term we have a vision for carrying out further renovations to preserve the pub's structure, improve access, extend the space and improve the outside area. The total cost of renovations to the flat and pub will be approximately £807,000.

We have already begun the process of enquiring about grant funding and will be applying for grants to fund work on the building. As the building is grade II listed, the pub could be eligible for specific grant funding from, for example, the Architectural Heritage Fund Wales¹³ and the National Lottery Heritage Fund.¹⁴ There are examples of other community pubs in Gwynedd that have received substantial investment through these funds.

5.3 Building Upgrading and Development

Based on the condition survey, basic upgrading work will need to be carried out in the first year before we can let the pub to a tenant or appoint a manager.

Over a period of 2–5 years, as the business develops further and our full vision is realised, it is anticipated that the building could be adapted to be made more accessible (accessible lift and toilet) and environmentally friendly (e.g. installing solar panels and a new heating boiler). We could also consider an extension and making improvements to the outdoor area, thereby increasing the socialising space and maximising the pub's income.

¹³ Architectural Heritage Fund Wales – <https://ahfund.org.uk/grants/wales/>

¹⁴ National Lottery Heritage Fund – <https://www.heritagefund.org.uk/in-your-area/wales>

5.4 Reducing Our Impact on the Environment and our Commitment to Sustainable Development.

Menter y Ring believes that protecting our environment and society for future generations is important and is committed to using sustainable resources and to using resources in a sustainable manner. These principles are embedded in all our activities and essential to realising the vision of developing the Ring as a community hub, sustainable business and multi-purpose facility that will meet the needs of the whole community whilst also protecting this historical asset. Menter y Ring is also very conscious of the fact that efficient use of resources, e.g. using less electricity and water, makes sound business sense whilst contributing directly to the commercial success of the enterprise, particularly in the current economic climate.

We will abide by the Principles of Sustainable Development by ensuring that we:

- think and plan for the future
- prevent problems before they occur
- integrate our services, our skills, our planning and our responsibilities
- include our customers, colleagues, volunteers and the community in our decision making
- work with other organisations to ensure the well-being of all.

As part of our environmental commitment, any renovations to the Ring will prioritise energy efficiency. Work carried out by Menter y Ring will aim to reduce our carbon footprint as much as possible and maximise the potential of any work promoting the environment such as low carbon improvements, reduce energy usage, generating our own energy, wildlife gardening etc. We will use local, natural and sustainable materials whenever possible.

We will be obtaining specialist advice to ensure that we act in accordance with best environmental practice with a focus on efficiency. We will be writing an environmental policy, the implementation of which will be monitored by the Management Committee.

6. The Business Proposal

6.1 Business Model

The Committee has carefully considered various possible models for the running of a community pub, namely:

- a) Tenancy Model (with community conditions)
- b) Manager Model (employed by and accountable to the Management Committee)
- c) Hybrid Tenant/Manager Model
- d) Community/Volunteer Model (whereby members of the Management Committee and volunteers ran the business in all respects)

Each model has its pros and cons and the time and commitment investment from the community varies greatly with each option. To assist us in reaching a decision, specialist advice was obtained from the Plunkett Foundation, and other community pubs, on the best model for Menter y Ring.

Menter y Ring presently favours the Tenancy Model with community conditions (a) or the Hybrid Tenant/Manager model (c). This business plan and current figures are based on option (a), but this may change in future. We are receiving professional advice on the matter.

The reasons are as follows:

- It would require less time commitment from the community, Management Committee members and volunteers. This is more realistic in a small community and offers the best chance of success for Menter y Ring.
- The tenancy model lessens the financial risk for Menter y Ring.
- Staff recruitment in this field of work is currently difficult (based on the experience of other pubs) and this would be an additional challenge for the Management Committee. Without recruiting and employing staff, the Ring cannot reopen.
- Learning from the experience of other community pubs in Wales.
- A tenant has more incentive to succeed than a manager.

It should be noted that if circumstances necessitate the adoption of option (c) (Hybrid Tenant/Manager), this business plan will be updated and recirculated.

Tenancy Model with community conditions

This model would entail:

- Letting the pub on a lease to a tenant, who would be the pub's landlord.
- The tenant/landlord would run the business independently.

- The rent would be set at an affordable but realistic level, providing opportunity for the tenant to run a thriving business.
- The Community Benefit Society, namely Menter y Ring, would receive an annual rent from the tenant/landlord. This would provide a steady annual income for the Society.
- The Society would use the rental income to maintain the building, enable any withdrawal of shares by members (should the need arise), invest in additional social resources and, if we can afford to do so, pay interest to members.
- The financial risk of running the pub lies with the tenant/landlord, including being able to make a profit from its success.
- Any financial debt is the responsibility of the tenant/landlord.
- In terms of the day to day running of the pub, this will be managed by and be the responsibility of the tenant/landlord. The Society can influence this by specifying community conditions in the lease. The Society could also potentially influence the tenant's community activities by providing financial incentives (i.e. a rent reduction) in exchange for achieving its objectives.
- The Society would be eligible to apply for grants towards developing and improving the resource for the benefit of the community, in collaboration with the tenant.
- Formal community conditions will be included in the agreement to retain the key services and safeguard the Ring as a community hub and home to a variety of events.

Going forward, we will:

- Invite formal declarations of interest for the role of tenant. The opportunity will be advertised openly and widely through various media.
- We will follow a fair and transparent assessment and selection process.
- The exact terms and conditions of the lease will be discussed and decided with the successful applicant.
- Formal community conditions will be included in the agreement to retain the key services and safeguard the Ring as a community hub and home to a variety of events.
- Legal advice will be obtained in order to draw up the lease.

6.2 Financial Forecast

A profit and loss high-level forecast over four years is given below. This indicates that Menter y Ring could be viable and profitable. The following is based on a number of assumptions:

- The exact rental will be discussed and agreed with the tenant; however, this provides an idea of what we consider to be a fair rent whilst giving the tenant the best chance of success.
- We aim to pay interest to the shareholders from the year 4 onwards.

- This does not take any development work into consideration; however, should Menter y Ring decide to build an extension, for example, it would apply for grant funding towards this work.

Profit and Loss Forecast

	Year			
£	1	2	3	4
Projected turnover	£150,000.00	£200,000.00	£300,000.00	£400,000.00
INCOME				
Funds from shares	£50,000.00			
Rental income	£12,000.00	£16,000.00	£27,000.00	£38,000.00
TOTAL INCOME	£62,000.00	£16,000.00	£27,000.00	£38,000.00
EXPENDITURE				
Insurance	£2,000.00	£2,100.00	£2,205.00	£2,315.25
Interest to shareholders	£0.00	0	0	0
Initial costs and modifications	£20,000.00			
Professional fees	£2,000.00	£2,060.00	£2,121.80	£2,185.45
Maintenance	£5,000.00	6000	7000	8000
TOTAL EXPENDITURE	£29,000.00	£10,160.00	£11,326.80	£12,500.70
PRE-TAX PROFIT	£33,000.00	£5,840.00	£15,673.20	£25,499.30
Tax 19%	£6,270.00	£1,109.60	£2,977.91	£4,844.87
PROFIT AFTER TAX	£26,730.00	£4,730.40	£12,695.29	£20,654.43

6.3 Activities and Entertainment

We will ensure that the tenant clearly understands expectations regarding holding regular events at the Ring in keeping with the venture's objectives and values, including outside the tourism high season. This includes (but not restricted to) gigs, quiz nights, dart competitions and so on. This will create additional income and strengthen the pub's sense of community.

7. Marketing and Promotion

Proactive marketing will be essential to the Ring's success. The responsibility for actively marketing and promoting the pub will lie with the tenant. The marketing campaign to establish Menter y Ring and the share offer lies with the Society.

7.1 The Share Offer

The campaign's key message will be to safeguard the pub's future and establish it as a community pub. Investors will be mainly targeted through face-to-face engagement work in the area, social media campaigns and in the press throughout Wales, and wider afield through the Community Pubs network and any other relevant networks.

The share offer will be promoted using a variety of approaches and tactics, including:

- Production of a promotion leaflet as a shorter and more succinct version of the share offer, to be widely distributed – in particular to those without access to digital platforms or who don't use them.
- Production of photographic content and video content to use on our social media channels.
- Recruitment of 'ambassadors' in various areas throughout Wales and beyond.
- We have members of the community who work in the media and a number of other press connections have been made over the past few months. We will be exploiting these connections to ensure a constant flow of press attention as we conduct our campaign.

7.2 The Business

Once the Ring is open, the mix on offer will include food, drink and community events. The responsibility for marketing and promotion of the Ring will lie with the tenant and will be specified in the agreement.

8. Governance

8.1 Community Benefit Society

Menter y Ring is registered under law as a Community Benefit Society with the Financial Conduct Authority (number 9429). The Society exists for the purposes of running a business for the benefit of the community and is committed to the following:

- trading for the benefit of the community and not for private gain
- retaining and using profits for the promotion of the Society's purposes.

Menter y Ring is subject to the Rules of the organisation and the Management Committee will manage the Society's affairs.

8.2 Management Committee

During the public meeting held on 16 September 2024, an Initial Management Committee was set up from amongst those expressing interest in becoming members. This Committee includes 11 people, the members of which are:

Dafydd Emlyn Thomas – Chair

Dafydd Emlyn was brought up in Llanfrothen, his mother coming originally from Rhyd. He has been a builder/site manager for 45 years with motor bikes and rugby being his main interests (former youth team coach at Bro Ffestiniog).

Eleri Stockwell – Vice-chair

Eleri was brought up in Llanfrothen, the daughter of a family with roots in the valley. She is a mother and grandmother, with a background of working with children in a variety of roles. Eleri has also worked in the Ring and in several other pubs.

Susan Walton – Secretary

Susan was brought up in mid-Wales and on Anglesey, but has lived near Llanfrothen for 37 years. For the last 17 years she has been self-employed; before that she worked within local government and the third sector.

Osian Gruffydd – Deputy Secretary

Osian has lived with his family in Llanfrothen since 2023 and works as a translator for Amgueddfa Cymru – Museum Wales.

Bethan Gritten – Treasurer

Bethan was born in Cwm Croesor and she has spent most of her life in the valley. She runs a heritage building company called Llechen Lân with her partner Ieuan,

and they have two children at the local school. Bethan's first job was in the Ring. She has also worked for Devon County Council on the National Graduate Development Programme for Local Government and spent a number of years as a consultant project manager in the environmental field. She won the Psychological Society's award for the best degree on her Psychology course in Sussex. She has a post-graduate certificate in local government management from the Warwick Business School and a Professional Certificate in project management from the Association of Project Management. Bethan also runs camps for Forest School Camps.

Patrick Hughes

Patrick was raised locally and has long and varied experience of running pubs in Wales and elsewhere in the UK.

Gwyndaf Hughes

Gwyndaf runs Siop a Chaffi Llanfrothen with his daughter Leonie, which is housed in building owned by Menter Llanfrothen Limited (a Community Social Enterprise Venture). Gwyndaf has run several pubs in the area.

Leonie Hughes

Leonie runs Siop a Chaffi Llanfrothen with her father, Gwyndaf, which is housed in building owned by Menter Llanfrothen Limited (a Community Social Enterprise Venture).

Frazer Moore

Frazer has lived near Llanfrothen for the last 8 years. He works offshore in the Norwegian oil industry. He is interested in old buildings. Frazer is a talented wood-worker and DIYer. When he is back in Wales, he teaches rugby skills to a group of women in Porthmadog.

Gwennan Mair Jones

Gwennan was brought up near Blaenau Ffestiniog. She works as Theatr Clwyd's Creative Engagement Director.

Jack Peyton

Jack was raised in Cwm-y-Glo and moved to Llanfrothen 5 years ago. He feels humbled by the welcome he's received from the community of Llanfrothen and Croesor. He has an interest in buildings and restoration. Helping to restore the Ring to its former glory is his way of paying back the welcome the community has shown him. He works for the National Trust, building footpaths in the uplands of Eryri.

8.3 Support Groups

The following sub-committees were set up to support the Management Committee:

- Grants Committee

- Marketing and Communications Committee
- Pub and Cellar Committee
- Property Committee

The sub-committees will assist the Management Committee in performing its functions of ensuring that the Ring is developed and run effectively, whilst achieving specific tasks on its behalf.

9. Managing Risk

9.1 SWOT Analysis (Strengths, Weaknesses, Opportunities, Threats)

This analysis is based on a Tenant model.

Strengths

- Good reputation and good customer base – the Ring has previously been a viable and successful business and is very popular over a wide area.
- Lack of competition from pubs, restaurants and hotels within a 2 mile radius.
- Space – there is potential to plan and use the outside areas to maximise use and income.
- Iconic, attractive and historical building.
- Central location within easy walking distance for the villagers.
- Popular area for walkers and cyclists and within easy reach of other popular tourist areas.
- As a community enterprise, the shareholders will have an incentive to use and support the pub.
- As a Community Benefit Society, the enterprise will be able to apply for grant funding.
- The Society will not be associated with any brewery; therefore, we will be able to negotiate the best deals in terms of food and drink supplies.
- A free house not tied to any particular brewery.

Weaknesses

- Reliant on seasonal business.
- Running costs, in particular electricity.
- Possible planning restrictions.
- The current economic climate.

Opportunities

- Build on the pub's historically good business foundations and reputation.
- Meet the demand for good food in the area.

- c) Develop a new customer base including home workers, nearby businesses and those looking for good quality local ales and food from local sources. Attract customers from outside the village.
- d) Strengthen the customer base and loyalty by building on the pub's sense of community.
- e) Involve customers and the wider community by organising events, practical skills, volunteering, etc.
- f) Enable the local community and wider shareholders to feel part of something historical and beneficial to the village.
- g) Take advantage of the grant funding available to develop assets owned by the community.

Threats

- a) Lack of interest in the community shareholder offer.
- b) Unexpected repair costs.
- c) Dwindling support from the community, in general and in terms of volunteers.
- d) Changes to external factors over the next three years – such as economic decline, changes to the policies of grant funders, unexpected competition, etc.
- e) Being unable to appoint a suitable tenant.

9.2 Response to Risks

We aim to build on our strengths and take advantage of the opportunities identified in our SWOT analysis. We will respond to some of the weaknesses and threats by taking the following actions:

Being Unable to Raise Sufficient Funds from Shares, and Shareholders Withdrawing Their Shares

We will buy the building's lease with funds raised from selling community shares. There is a risk that we will be unable to raise sufficient funds through shares; however, we will put all our efforts into the shareholder marketing campaign in order to sell as many shares as possible. As a contingency plan, we could use some of our loan pledges, but we are keen to avoid this if possible.

The Society's Rules specify that members cannot withdraw their shares during the first three years of operation, so that the business has time to establish. After that, members will need to give notice in accordance with the Rules if they intend to withdraw their shares, and approval given contingent on the availability of funds and being sanctioned by the Management Committee. Cash reserve funds will be set aside where possible to enable people to withdraw their shares, subject to the requirements of the business. Ideally, current shareholders or new shareholders will be prepared to invest to compensate for any withdrawal of shares. If shares cannot be sold to offset the withdrawals, reserve funds will then be used. Although the Rules of the Society specify that all members commit to invest for at least three years,

there are some circumstances where the Management Committee is authorised to allow early withdrawal (e.g. in the event of death and bankruptcy).

When in a position to consider reissuing shares for purchase, the Committee will specify criteria and an appropriate annual deadline. The Committee could prevent share withdrawals depending on the Society's long-term interests, the need to retain sufficient reserves and its commitment to the community.

Being Unable to Appoint a Suitable Tenant

If we choose to implement the tenant model, this would be the option presenting the least risk to the Society. It would provide an opportunity for reopening the Ring as soon as possible and requires less time commitment from volunteers and Management Committee members. We have learned from the experience of other pubs and been told that the Manager and Community/Volunteers models require a substantial commitment in terms of time and additional responsibilities as an employer.

We have already received informal enquiries about the tenancy and are confident that there will be interest from local applicants. Historically the business has been viable and popular. We will be advertising the opportunity to submit formal applications for the Ring's tenancy by means of a formal assessment and selection process. As a contingency plan, if we are unable to attract a tenant, we will implement the Manager model and set about advertising for a Manager and team of staff.

Unexpected Costs

We have commissioned a structural survey and building condition survey indicating that the building and facilities are in an acceptable condition considering its age, but that basic renovations are needed. We acknowledge that some renovation and repair work will be necessary. In order to improve the project's viability, we are eager to consider extending the dining area in the long term. One advantage of being a community pub is that the Society is eligible to apply for community and business grants. The Society will work closely with the tenant to attract any grant funding in future, to enable the further development of the building for the benefit of the community.

Our Management Committee includes members with experience of preparing successful bids for grant funding, which will be an asset. Committee members also include those who own local businesses, who are aware of the challenges and support available to respond to such challenges.

Attracting Business

Once the pub is owned by the community, the commitment to use the pub and encourage custom from family and friends will be considerable. This has proved to be true with many such community owned pubs. We also intend to run a marketing/public relations campaign aimed at people living in nearby areas and seasonal visitors.

The tenant will be responsible for attracting business to the pub whilst being aware of the need for regular and reliable provision, competitive pricing and food prepared using local and fresh ingredients.

The Business Is Not Viable

By choosing the tenancy model, we believe that this offers the best chance of success for the business. The tenant will benefit from maximising the pub's potential and profit.

Should the business, despite having a robust business plan, active and continuous marketing and support from members and other customers, not develop as anticipated, the Management Committee will have to consider closing the pub, selling the assets and repaying the original investors, with any residual assets to be used for the benefit of the community. It goes without saying that this is not the desired outcome, and is unlikely in our opinion, but these possible measures should provide some assurance to investors that they could, should Menter y Ring not succeed, recoup some or all of their investment.

10. Conclusions

The community of Llanfrothen and stakeholders are wholly supportive of the proposal to buy the lease and develop the Ring as a community enterprise. There is will and desire to ensure that the Ring is locally owned and operates as an important social hub and meeting place.

The project will regenerate the area and create job and volunteering opportunities whilst providing essential facilities for a rural community. There is extensive evidence in support of the need for facilities in the area to support people and help tackle social isolation and loneliness.

Working with other local facilities, organisations, societies and businesses will be important in order to fully maximise the potential for all concerned. The aspiration for the Ring to become self-sustaining is realistic provided that its historically good reputation and firm customer base is re-established. In the long term we hope to attract grant funding to extend the building and provide an accessible and environmentally efficient and sustainable building, which will reduce its running costs.

For the running of the pub, the tenancy model provides the most robust option, with fewer risks. Other potential models are also robust. Attracting a suitable tenant will be by means of a formal advertising and selection process with an agreement then drawn up based on specialist legal advice.

Menter y Ring is confident – provided that the community, shareholders and stakeholders continue to support it, and that the project provides facilities and services of a quality that meets the community's expectations – that the Ring will be a thriving social and business asset. An asset that will provide a warm and inclusive welcome to all every time and, above all, an asset validating the value and appreciation of the Welsh language.

11. Appendices

A – Financial Forecast

B – Architectural Condition Survey by DB3 Architects

C – Survey Report by North Wales Surveyors