# Electrician’s open letter reveals deepening crisis for Gwynedd’s small businesses and tourism



A time-served electrician has sparked significant discussion within the Gwynedd community with a heartfelt letter detailing the struggles small businesses are facing in the area. Paul Filby’s poignant message, which he disseminated to both local and national politicians, underscored an urgent plea for policy revisions that he believes threaten the region’s economic and social wellbeing.

Filby, who celebrates his 60th birthday this summer, posted the letter on social media, which quickly garnered substantial attention—amassing over 22,500 views compared to his typical posts that barely reach 50. His candid reflections highlight his nearly four-decade experience running an electrical contracting firm in Gwynedd, where he laments the detrimental effects of escalating costs and regulatory burdens on small enterprises. Among these, an increase in National Insurance contributions alone threatens to add between £16,000 and £17,000 in expenses, which Filby states he has no choice but to pass on to customers.

The economic landscape in Gwynedd, once buoyed by a stable tourism sector, has now dramatically changed, with turnover for Filby's business having halved in recent months. “Before last year’s General Election, things were relatively stable,” he recalls, noting that the downturn came swiftly. Tourism, which comprises a staggering 75% of his business, is faltering as holiday companies retreat to basic maintenance instead of investing in improvements.

Recent regulatory changes, such as those aimed at curbing the number of second homes and holiday lets, also threaten Filby's livelihood. He owns a property in Beddgelert, initially successful as a holiday let, but its viability now hangs in the balance—with new regulations potentially classifying it as a second home, subjecting it to a punitive 150% council tax premium. Filby argues that rather than fostering support for local businesses, policies designed to protect communities are inadvertently driving them into crisis. “Let’s be very clear: that is not regulation. That is punishment for operating a legitimate business in a rural area,” he contends.

The Welsh Government has implemented various measures purportedly aimed at combating the housing crisis exacerbated by an influx of second homes. These include an Article 4 Direction, granting greater control over converting residential properties into holiday lets. While these moves are intended to protect local communities, critics argue that the outcomes have been counterproductive, as increasing pressures drive young families away from Gwynedd. This unintended consequence has prompted calls for a reevaluation of policy approaches.

Despite Filby’s advocacy for local interests, recent statistics reflect a stark decline in the housing market; property sales in Gwynedd have dropped by more than 14% over the last year, coupled with a 12% fall in residential property prices—reportedly the steepest decline in Wales. The potential for even further decline looms, particularly in light of new financial burdens that may deter prospective buyers and investors alike.

The council has indicated its commitment to tackling these challenges, asserting that the measures are intended to ensure sustainable communities and enough housing supply to meet local needs. A spokesperson mentioned that nearly 4,000 people are currently on the social housing register, alongside numerous households presenting as homeless. The council has begun outlining a new economic strategy aimed at fostering stability and the creation of diverse job opportunities across various sectors.

However, Paul Filby and other local business owners remain sceptical. He documented the struggles faced by many in his community, including an older woman who contacted him about her own experience of escalating council tax on a holiday let meant to supplement her pension. He highlights that the current system appears devoid of empathy and understanding, leading to punitive measures that fracture rather than strengthen the community fabric.

The feedback Filby has received since sharing his letter illustrates a growing sentiment of discontent among locals. Cohorts of business owners, including those in hospitality and tourism, express frustration at declining visitor numbers, coupled with policies that appear to hinder rather than help their survival. Filby notes a shift in booking patterns; where extended stays were once common, they have now dwindled to short visits, complicating the financial viability of local accommodations.

As he prepares for potential follow-ups to his letter, the lack of substantive engagement from high-profile figures, including the Prime Minister, raises concerns about the extent to which local voices are being heard. While some politicians have offered well wishes or asked for language preferences in their responses, the pressing nature of Filby's message underscores a wider call for an independent review of the policies affecting both tourism and small businesses, to create a more favourable environment conducive to sustainable growth and community wellbeing.

In the face of mounting challenges, Paul Filby remains steadfast in his commitment to advocating for families like his own. If current trajectories do not shift, he fears that the economic landscape of Gwynedd will continue to deteriorate, with detrimental effects rippling through the community. As local administrators prepare to reassemble strategies to revive the economy, the palpable tension reflects a critical juncture for Gwynedd's future.

## Reference Map:

* Paragraph 1 – [[1]](https://www.dailypost.co.uk/news/north-wales-news/my-son-must-live-65-31712870), [[6]](https://www.northwaleschronicle.co.uk/news/23984364.ghost-towns-raised-second-homes-council-tax-premium-debate/)
* Paragraph 2 – [[1]](https://www.dailypost.co.uk/news/north-wales-news/my-son-must-live-65-31712870), [[3]](https://www.theguardian.com/technology/2022/aug/10/i-wanted-my-children-to-grow-up-here-how-airbnb-is-ruining-local-communities-in-north-wales), [[4]](https://www.bbc.com/news/articles/c207j298p1vo)
* Paragraph 3 – [[5]](https://noah-news.com/gwynedd-housing-market-faces-significant-challenges-as-prices-decline/), [[6]](https://www.northwaleschronicle.co.uk/news/23984364.ghost-towns-raised-second-homes-council-tax-premium-debate/)
* Paragraph 4 – [[2]](https://www.herald.wales/north-wales/gwynedd/gwynedd-council-agrees-historic-step-in-holiday-home-crisis-battle/), [[4]](https://www.bbc.com/news/articles/c207j298p1vo)
* Paragraph 5 – [[5]](https://noah-news.com/gwynedd-housing-market-faces-significant-challenges-as-prices-decline/), [[6]](https://www.northwaleschronicle.co.uk/news/23984364.ghost-towns-raised-second-homes-council-tax-premium-debate/)
* Paragraph 6 – [[1]](https://www.dailypost.co.uk/news/north-wales-news/my-son-must-live-65-31712870), [[3]](https://www.theguardian.com/technology/2022/aug/10/i-wanted-my-children-to-grow-up-here-how-airbnb-is-ruining-local-communities-in-north-wales)
* Paragraph 7 – [[1]](https://www.dailypost.co.uk/news/north-wales-news/my-son-must-live-65-31712870), [[5]](https://noah-news.com/gwynedd-housing-market-faces-significant-challenges-as-prices-decline/)
* Paragraph 8 – [[1]](https://www.dailypost.co.uk/news/north-wales-news/my-son-must-live-65-31712870), [[7]](https://www.bbc.com/news/uk-wales-64372712)
* Paragraph 9 – [[1]](https://www.dailypost.co.uk/news/north-wales-news/my-son-must-live-65-31712870), [[4]](https://www.bbc.com/news/articles/c207j298p1vo)
* Paragraph 10 – [[2]](https://www.herald.wales/north-wales/gwynedd/gwynedd-council-agrees-historic-step-in-holiday-home-crisis-battle/), [[6]](https://www.northwaleschronicle.co.uk/news/23984364.ghost-towns-raised-second-homes-council-tax-premium-debate/)

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## Bibliography

1. <https://www.dailypost.co.uk/news/north-wales-news/my-son-must-live-65-31712870> - Please view link - unable to able to access data
2. <https://www.herald.wales/north-wales/gwynedd/gwynedd-council-agrees-historic-step-in-holiday-home-crisis-battle/> - Cyngor Gwynedd has approved the introduction of an Article 4 Direction, granting the council greater control over the conversion of residential properties into second homes and holiday lets. This move aims to address the housing crisis by regulating the proliferation of second homes and holiday accommodations, marking a significant step in managing local housing resources.
3. <https://www.theguardian.com/technology/2022/aug/10/i-wanted-my-children-to-grow-up-here-how-airbnb-is-ruining-local-communities-in-north-wales> - The article discusses the impact of platforms like Airbnb on local communities in North Wales, highlighting concerns that the influx of short-term rentals is driving up property prices and reducing the availability of homes for local residents. It emphasizes the need for regulatory measures to balance tourism and housing needs.
4. <https://www.bbc.com/news/articles/c207j298p1vo> - Starting from 1 September 2024, Gwynedd implemented new planning regulations requiring homeowners to obtain permission to convert properties into second homes or holiday lets. This decision aims to tackle the housing crisis by controlling the number of properties used for short-term rentals, ensuring more homes are available for local residents.
5. <https://noah-news.com/gwynedd-housing-market-faces-significant-challenges-as-prices-decline/> - The article reports on the decline in property values in Gwynedd, attributing it to local government measures regulating second homes and holiday lets. It highlights concerns among homeowners and economic stakeholders about the impact of these policies on the housing market and local economy.
6. <https://www.northwaleschronicle.co.uk/news/23984364.ghost-towns-raised-second-homes-council-tax-premium-debate/> - Gwynedd council's decision to impose a 150% council tax premium on second homes has sparked concerns among councillors about potential negative impacts on local communities. They fear that the policy could lead to 'ghost towns' and adversely affect businesses, as more properties may be left vacant or sold off.
7. <https://www.bbc.com/news/uk-wales-64372712> - The article highlights the housing shortage in Gwynedd, exemplified by the case of a man evicted after reporting mold issues in his rented home. It underscores the broader issue of homelessness in the area, with many residents struggling to find affordable housing due to the dominance of second homes and holiday lets.