



Cotswold Water Park Trust and former Chief Executive Dennis Grant

Some background facts and figures

July 2011

About the Cotswold Water Park:

- The Cotswold Water Park was established in 1967 by four local authorities: Gloucestershire County Council, Wiltshire County Council, Cotswold District Council and North Wiltshire District Council.
- The Water Park encompasses an area around South Cerney which had undergone more than 50 years of sand and gravel extraction.
- The Water Park includes:
 - 42 sq miles of countryside
 - 150 lakes
 - 40 different lake owners
 - 74 fishing lakes
 - 150km of pathways and cycle lanes
 - 20,000 residents in 14 main settlements
- It provides a rich habitat for thousands of species of birds and wildlife
- It receives more than 500,000 visitors a year.
- It is one of the richest areas in Britain for fossils from the Jurassic period and Ice Age.
- The area it covers embraces four a local authority areas, 16 parish councils, 20,000 residents and 850 businesses.
- Seven mineral companies are still extracting up to 2 million tonnes of gravel per year from 360 hectares. A further 370 hectares have permission for extraction which is likely to continue for another 50 years.

- The Water Park has many different landowners, including Watermark, Lower Mill, Lakes by Yoo, the Co-Op, Hills Group, The Cullimore Group, Wiltshire Council and Gloucestershire County Council.

About the Cotswold Water Park Trust:

- In April 2011, the Cotswold Water Park Trust took over the role of the Cotswold Water Park Society which was set up in 1996 to improve the Cotswold Water Park for wildlife and people.
- The Trust's main objective is to provide for members of the public, particularly from Gloucestershire and Wiltshire, facilities for education, conservation, recreation and leisure in the Cotswold Water Park.
- The Trust is a registered charity. Its offices are at Cotswold House, Manor Farm, Down Ampney, Cirencester GL7 5QF in the Cotswold Water Park.
- The Trust takes care of a small proportion of the entire water park, including: Neighbridge Country Park, Cleveland Lakes, the Gateway Centre, Coke's Pit Nature Reserve, the disused Cricklade to South Cerney railway line, four picnic sites and car parks, and public access.
- All the land is owned by Gloucestershire County Council, Wiltshire Council and Co-operative Group apart from Cleveland Lakes, which are owned by the Trust.
- The Cotswold Water Park Trust also looks after conservation, education and the Biodiversity Action Plan for the entire Cotswold Water Park.
- The Trust works in partnership with local authorities, local communities, landowners, mineral companies, environmental organisations, businesses and the Cotswold Water Park Joint Committee to achieve a balance between development, recreation and nature conservation.
- Although the Trust is often consulted on planning matters, the local authorities remain responsible for all planning decisions in the area.
- The Cotswold Water Park Trust is governed by a board of nine Trustees, who oversee the work of the staff. The interim Chair is Dr Simon Pickering.
- There are nine staff who work with more than 100 volunteers.
- The work of the Trust is funded by grants including those from local authorities, and also income from commercial activity, such as car parking and leases.

- The Trust works in partnership with the Cotswold Water Park Joint Committee, which is made up of representatives from Cotswold District Council, Gloucestershire County Council, Wiltshire Council, Swindon Borough Council, and parish councils. The Chairman of the Joint Committee is Councillor Toby Sturgis from Wiltshire Council, who was appointed in May 2010.
- The Joint Committee meets quarterly and controls large-scale strategic and planning issues, whilst the Cotswold Water Park Trust manages the day-to-day running of its sections of the Water Park and raises funds for projects such as improving footpaths, creating nature reserves and protecting endangered species such as water vole, otters and bats.

About Dennis Grant:

Dennis Grant, 63, of Old Glebe, Upper Tadmarton, Banbury, was Chief Executive of the Cotswold Water Park Society from 2006-10.

He was arrested in April 2010, and pleaded Guilty to five counts of fraud and one of obtaining a money transfer by deception at Gloucester Crown Court on June 17, 2011. The offences happened between November 2006 and July 2009.

The total amount involved in the charges to which Dennis Grant pleaded guilty was £660,000, money which should have gone to the Cotswold Water Park Society.

Dennis Grant is due for sentence on July 13, 2011.

What Dennis Grant did: he opened a bank account in his home town of Banbury in the name of DS Grant trading as Cotswold Water Park Society and paid into it money intended for the real Society. Only he had access to the sole trader account.

The sum of more than £660,000 he defrauded breaks down as follows:

- £100,000 from the Kilbride Group in respect of an agreement to develop Cleveland Lakes as a nature reserve and rowing centre.
- £25,000 & £7,500 from Mayo's Famous for Food Ltd, rental due for the Gateway Centre.
- £170,833 & £58,333.30 from Watermark Investment Leisure Development Ltd in relation to lease and rent of Keynes Country Park
- £299,124 from the Co-Op for the sale of the Gateway Centre, which sold for £1.8m instead of £1.5m as quoted by Dennis Grant.

How the fraud was uncovered:

The Kilbride Group went into administration and the receivers contacted the Cotswold Water Park Society in 2010 to pay back the loan of £150,000 in respect of the Cleveland Lakes project.

Tasha Flaherty, then Financial Controller of the Society and now Operations Director of the Trust, realised that only £50,000 of £150,000 Exclusivity Agreement with Kilbride Group was traceable.

She asked solicitors for copies of the bank transfers and discovered that the missing £100,000 from Kilbride and later other sums intended for the CWPS had been paid into a bogus account at a bank in Dennis Grant's home town of Banbury.

Tasha reported her suspicions to the Chair of the Cotswold Water Park Society, the late Brian Atfield. They reported Dennis Grant to the police and contacted the FSA and Charities Commission.

Dennis Grant and CWPS Finance Director Nick Hanson were arrested in April 2010. Nick Hanson, 48, from Coventry, died of a heart attack in September 2010.

About the changes implemented since April 2010:

Restructure:

- The organisation underwent a total restructure in 2011 after Dennis Grant's arrest in April 2010.
- All members of the Cotswold Water Park Society resigned in March 2011.
- The Cotswold Water Park Trust, a registered charity, took over the work of the Cotswold Water Park Society in April 2011.
- The new Managing Director of the organisation is Matthew Millett, formerly Director of Conservation.
- The new Operations Director is Tasha Flaherty, the person who realised Dennis Grant was defrauding the organisation and reported him to the police in April 2010.
- The Trust is overseen by a new board of nine Trustees.
- The interim Chair of Trustees is Dr Simon Pickering.
- A new membership scheme has been launched giving members full voting rights to ensure transparency and public accountability.
- The Cotswold Water Park Trust's aim is to provide for members of the public, particularly from Gloucestershire and Wiltshire, facilities for education, conservation, recreation and leisure in the Cotswold Water Park.
- Transparency in all its dealings is central to the Trust's aims and objectives.

Finances:

- The 2009/10 accounts of the Cotswold Water Park Group Accounts have been audited and are publicly available via the Charities Commission. They show a surplus of £60,000 for the year. Accounts for 2010/11 will be available to members prior to the AGM in September/October 2011.

- The organisation has appointed a fully-qualified, part-time Finance Director.
- The new Board is putting stringent controls in place as a defence against such frauds happening again.
- The Trust's revenue comes from catering, events, estate management, joint ventures, lake restoration, consultancy, and grants.
- The Trustees and staff are doing their utmost to ensure that the financial future of the Cotswold Water Park Trust is secure. This will take some time.

Recovering the money defrauded by former Chief Executive Dennis Grant:

- Former Chief Executive Dennis Grant defrauded the Cotswold Water Park Society of more than £660,000.
- All the money mentioned in the fraud charges related to sums paid to an account in the name of DS Grant trading as Cotswold Water Park Society by commercial organisations. However, the account was not one under the control of the real Cotswold Water Park Society. None of the monies came from publicly-funded grant-giving bodies.
- Every effort is being made to recoup the missing sums through all legal channels available, including a compensation hearing against Dennis Grant at Gloucester Crown Court set for October 11, 2011.

Keynes Country Park/Cotswold Country Park and Beach:

- Former Chief Executive Dennis Grant agreed in 2007 to sub-let Keynes Country Park to Watermark Investment Leisure Developments Ltd (Watermark) because the park was costly to operate/maintain and dependent on the weather for its success. Subletting would bring an income to the Cotswold Water Park Society of £70,000 p.a. regardless of the weather, and remove maintenance costs and other risks from CWPS.
- Under the terms of the lease by Cotswold Water Park Society to Watermark, negotiated by Dennis Grant, Watermark has the right to break the lease; this right was exercised on 31st August 2010. The lease states that following a break that one of two options could be pursued by the Society coming into full effect in August 2011:
 - i. The Society pays an agreed sum of money (£265,000 to £415,000) to Watermark in order to end the lease. This is not a cash sum the Cotswold Water Park Trust has even if the sum is justifiable.
 - ii. Watermark continues to occupy the Park rent-free for a significant period, which could be up to six years, after the rent-free period expires the lease ends.
- The new management and board of the Cotswold Water Park Trust are actively involved in discussions with Watermark to agree a way forward for the management of the Country Park which will benefit the Cotswold Water Park.

- Dennis Grant pleaded 'Guilty' to obtaining a transfers of £170,833 & £58,333.30 relating to the above deal between Watermark and the Cotswold Water Park Society to the fraudulent DS Grant trading as Cotswold Water Park Society bank account..

Sale of the Gateway Centre:

- The Gateway Centre (occupied by Cotswold Outdoor and the Cotswold Water Park Trust as tenants) was built by the Cotswold Water Park Society in 2004.
- The cost of construction was to be funded by commercial loans and grants. When one major grant did not materialise and construction costs ran over budget, the centre was sold in 2008 for £1.8 million to cover the resultant losses.
- Dennis Grant pleaded 'Guilty' to transferring £299,124 from the sale of the Gateway Centre to the fraudulent DS Grant t/a Cotswold Water Park Society bank account.

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