
TO **Licensing and Safety Team**

FROM **Amran Ali**

REFERENCE: **Health One**

DATE **15th August 2018**

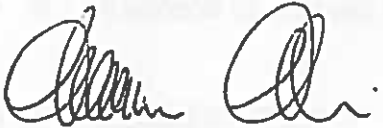
Re: Cheng Xiang Chinese Medicine Limited,
T/A Health One, 66 Middlesex Street, London E1 7EZ

Reference is made to the Special Treatment License for the above premises. Currently the business holds a premises special treatments licence to carry out Massage only which expires on the 30th of October 2018.

A request is being made to revoke the premises special treatments licence for the following reasons;

1. The Licensing and Safety Team has evidence of the premises being improperly conducted. *London Local Authorities Act 1991, Section 8 (e)*. The business *Cheng Xiang Chinese Medicine Limited* was recently prosecuted and the company convicted for offering services of a sexual nature. Evidence of this is attached in the form of witness statements of two test purchasers (Appendix **AMA1** and **AMA2**). The Single Justice Procedure Notice shows the charges that were made against the company in relation to the business at the premises of 66 Middlesex Street, London E1 7EZ. See Appendix **AMA3**.
2. Following the prosecution, another test purchase was conducted which again found that the test purchaser was offered services of a sexual nature at the end of a massage treatment at the premises. See appendix **AMA4** for a copy of the witness statement. Clearly lessons have not been learnt following the recent criminal conviction and the business continues to carry out illegal activity. This suggests the business is conducting regular services similar to a brothel but masquerading as a massage parlour.
3. The directors of the company, Cheng Xiang Chinese Medicine Limited are Mr Haijun Zuo and Ms Xiaoli Song. See the list of directors from companies House as **AMA5**. Mr Zou has been the applicant of the special treatments license and has identified Ms Song as the person responsible for the management at the premises. Appendix **AMA6** and **AMA7** shows the 2 applications made by Mr Zou. Both Mr Zou and Ms Song identified themselves as the therapists at their business premises. They both also share the same residential address and it is understood that they are husband and wife. As they both have a close sight in the operation of the business, the persons concerned in the conduct and management of the premises used for special treatment could be reasonably regarded as not being fit and proper persons to hold such a license. (Section 8c).

4. If it is alleged that other therapists are to blame for offering and carrying out sexual services, it is argued that following the prosecution, both Mr Haijun Zuo and Ms Xiaoli had failed to address the issue and therefore again demonstrates their inability to be considered as a 'fit and proper' persons to hold a special treatments license. The continual offering of sexual services also suggests a business culture and a trading norm rather than a problem with a rogue therapist.
5. The Council received an email from a complainant on the 14th August 2018 including evidence of misuse of the premises sent to him by a concerned resident of the City of London. The evidence was from a website called 'UKpunting' which is an online review site for sex work and sexual services. The reviews on the site are dated 16th July 2018 and include graphic references to sexual services received by customers at the premises Health One, 66 Middlesex Street, London, E1 7E2.
6. Under Section 9(2) of the London Local Authorities Act 1991 the Borough Council may revoke a licence held by a person for grounds mentioned in Section 8 which includes premises being improperly conducted and the licence holder not being a fit and proper person to hold a licence.



Amran Ali
Health & Safety Officer

List of Appendices

- AMA1 = Witness statement of first test purchase conducted on the 07/06/17
- AMA2 = Witness statement of second test purchase conducted on the 23/06/17
- AMA3 = Single Justice Procedure Notice
- AMA4 = Witness statement of third test purchase conducted on the 26/07/18 following the prosecution and conviction of Cheng Xiang Chinese Medicine Limited.
- AMA5 = Companies House information on Directors of Cheng Xiang Chinese Medicine Limited.
- AMA 6= Application form for current special treatment licence for Health One, 66 Middlesex Street, London, E1 7EZ
- AMA 7 = First application form for Health One, 66 Middlesex Street, London, E1 7EZ