

LONDON BOROUGH OF TOWER HAMLETS

RECORD OF THE DECISIONS OF THE LICENSING COMMITTEE

HELD AT 6.00 P.M. ON THURSDAY, 14 JULY 2022

**THE COUNCIL CHAMBER, 1ST FLOOR, TOWN HALL, MULBERRY PLACE, 5
CLOVE CRESCENT, LONDON, E14 2BG**

Members Present:

Councillor Kamrul Hussain (Chair)

Councillor Faroque Ahmed (Member)

Councillor Leelu Ahmed (Member)

Councillor Suluk Ahmed (Member)

Councillor Sabina Akhtar (Member)

Councillor Gulam Kibria Choudhury (Member)

Councillor Peter Golds (Member)

Councillor Shubo Hussain (Member)

Councillor Amin Rahman (Member)

Councillor Rebaka Sultana (Member)

Councillor Abdul Wahid (Member)

Officers Present:

Tom Lewis

– Team Leader, Licensing & Safety Team

Jonathan Melnick

– Principal Lawyer – Enforcement

Kamal Miah

– Environmental Health Officer

Amran Ali

– Health & Safety Officer

Simmi Yesmin

– Democratic Services Officer

Apologies

Councillor Saied Ahmed

Councillor Asma Begum

Councillor Kabir Hussain

Councillor Ahmodul Kabir

1. DECLARATIONS OF INTEREST

There were no declarations of interest.

2. ITEMS FOR CONSIDERATION

- 2.1 London Local Authorities Act 1991 Hearing to revoke the special treatment licence for Genesis Thai Beauty Spa, Unit 2 Nagpal House, 1 Gunthorpe Street London E1 7QX**

The Licensing Committee considered an application by the Licensing and Safety Team seeking the revocation of the special treatment licence held by Genesis New World Aldgate Ltd. in respect of Genesis Thai Beauty Spa, Unit 2 Nagpal House, 1 Gunthorpe Street, London, E1 ("the Premises"). The basis of the application was that two test purchases carried out in October 2021 had resulted in sexual services being offered by therapists.

The Committee was made aware that the licence holder had submitted a request to cancel the licence. The Committee was also aware of correspondence between the Licensing and Safety Team and the licence holder's solicitor in respect of this point. The Committee was advised that it was a matter of discretion to accept the cancellation or to proceed with the hearing. The Committee proceeded as Members thought it important to hear and determine the substantive application as the outcome may be relevant in respect of any future applications by the licence holder or for a new licence at the Premises.

The Committee heard from Mr. Lewis, who outlined the test purchases and the reasons why revocation was sought. The Premises were being improperly conducted, the activity alleged was tantamount to prostitution, such offences were often linked to other criminal activity, and the perpetuation of these activities tarnished the Borough's reputation.

The licence holder did not attend but the Committee noted the request to cancel and that the allegations were not admitted and had no bearing on the decision to request cancellation of the licence.

The Committee was satisfied as to the evidence of the test purchasers, which was in the agenda packs and which amounted to a breach of conditions 7B and 9 of the Council's standard conditions which apply to all special treatment licences. In the absence of any representations from the licence holder (and noting in any event that she has no intention of continuing the business) the Committee was satisfied that it was appropriate to revoke the licence on the basis of section 8(c) and 8(e) of the London Local Authorities Act, namely that the persons concerned in the conduct or management of the premises could be reasonably regarded as not being fit and proper to hold such a licence, and that the premises have been or are being improperly conducted.

Accordingly, the Committee unanimously;

RESOLVED

That the **Revocation** of the special treatment licence for Genesis Thai Beauty Spa, Unit 2 Nagpal House, 1 Gunthorpe Street, London, E1 7RG be **GRANTED**.

- 2.2 London Local Authorities Act 1991 Hearing to consider the revocation of the Special Treatment Licence for Natural Treatment, 35 Artillery Lane, London E1 7LP**

The Licensing Committee considered an application by the Licensing and Safety Team seeking the revocation of the special treatment licence held by Yani Wang in respect of Natural Treatment, 35 Artillery Lane, London, E1 (“the Premises”). The basis of the application was that two test purchases carried out in October 2021 had resulted in sexual services being offered by therapists.

The Committee heard from Mr. Miah, who outlined the test purchases and the reasons why revocation was sought. Aside from the sexual activity, the report noted that there were also breaches of the conditions restricting massages from being given by persons of the opposite sex to the person receiving the treatment and requiring therapists to be approved. The Premises were being improperly conducted, the activity alleged was tantamount to prostitution, such offences were often linked to other criminal activity, and the perpetuation of these activities tarnished the Borough’s reputation.

Ms. Wang attended and read out a prepared statement. She referred to having been “cheated” by the previous owner when she purchased the business in March 2020. Her statement referred to having heard of sexual services being offered in massage parlours but was nothing to do with her, but she now “...had to deal with the problem, the problem that was left over from the previous owner.”

Ms. Wang spoke to her thirty years’ of experience in this industry. She suggested it should be the masseuses who should be regulated and suffer the risk of being unable to work if they offered sexual services, rather than penalising the employer. She accepted that there was a high risk of sexual services being offered but also accepted that her employees were doing what others do and they were just unlucky. She also suggested some form of collusion between officers and premises. In a second statement, Ms. Wang provided screenshots of messages between her and the massage therapist, in which the therapist denied offering the services. Ms. Wang said she did not believe that either the test purchaser or her massage therapist would lie. She suggested that she should have been made aware much sooner of the incidents.

During questions from Members, Ms. Wang accepted that the operation of the Premises was her responsibility yet suggested that it was not possible to control what goes on once the door to the therapy room is closed. She told the Committee that she had not used the previous owner’s staff. Mr. Miah was asked why it had taken until February 2022 before these allegations were brought to Ms. Wang’s attention. He explained that the service had a number of cases to investigate, not just this one, and those took time. Evidence needed to be obtained and lines of enquiry pursued and it took a considerable period of time to be able to put cases together for either Committee or for referring to Legal Services.

The Committee was satisfied as to the evidence of the test purchasers, which was in the agenda packs and which amounted to a breach of conditions 7B, 8A and 9 of the Council’s standard conditions which apply to all special

treatment licences. The Committee did not find Ms. Wang to be at all credible. Whilst her prepared statements appeared to suggest that these problems had materialised under the previous owner's management and that they had only come to light after that, this did not fit with her own evidence. She had purchased the business in March 2020, she had not taken on the staff, and the test purchases had occurred in October 2021. She accepted her responsibility and yet sought to downplay it. She appeared to suggest that it was simply not possible to control the actions of her therapist.

In addition, Ms. Wang knew or ought to have known of the condition requiring all therapists to be approved. The therapist in October 2021 was not approved.

The Council's standard conditions and the statutory grounds reasons for revocation are all focused on the safety and suitability of the Premises for the treatments and for those working and visiting. It is the responsibility of the licence holder to ensure compliance and if they do not know how to do so then it calls into question their fitness and propriety to hold a licence. The Committee was satisfied that the Ms. Wang was not exercising proper control of the Premises. She was failing to comply with at least three conditions and appeared to suggest that the offer of sexual activity was simply impossible to control. In light of everything that it had heard, the Committee was satisfied that it was appropriate to revoke the licence on the basis of section 8(c), 8(d) and 8(e) of the London Local Authorities Act, namely that the persons concerned in the conduct or management of the premises could be reasonably regarded as not being fit and proper to hold such a licence, that treatments were being given by people who were not suitably qualified, and that the premises have been or are being improperly conducted.

Accordingly, the Committee unanimously;

RESOLVED

That the **Revocation** of the special treatment licence for Natural Treatment, 35 Artillery Lane, London, E1 7LP be **GRANTED**.

2.3 London Local Authorities Act 1991 Hearing to consider revoking the special treatment licence for Vanilla Thai Massage, 1 Whites Row, London E1 7NF

The Licensing Committee considered an application by the Licensing and Safety Team seeking the revocation of the special treatment licence held by Cheung Lai Kwan in respect of Vanilla Thai Massage, 1 White's Row, London, E1 ("the Premises"). The basis of the application was that two test purchases carried out in October 2021 had resulted in sexual services being offered by therapists.

The Committee was also aware of correspondence between the Licensing and Safety Team and the licence holder's solicitor which stated, among other things, that Ms. Kwan had sold the business, that she had been in Hong Kong

since December 2019, that she was not intending to return to the UK in the foreseeable future, and that she has no further interest in the business. The Committee was advised that this did not meet the requirements of the London Local Authorities Act 1991 for a formal request to cancel.

The Committee heard from Mr. Ali, who outlined the test purchases and the reasons why revocation was sought. The Premises were being improperly conducted, the activity alleged was tantamount to prostitution, such offences were often linked to other criminal activity, and the perpetuation of these activities tarnished the Borough's reputation.

The licence holder did not attend. The Committee noted the correspondence submitted on her behalf.

The Committee was satisfied as to the evidence of the test purchasers, which was in the agenda packs and which amounted to a breach of conditions 7B and 9 of the Council's standard conditions which apply to all special treatment licences. In the absence of any representations from the licence holder (and noting in any event that she appears to no longer be involved in the business) and given her long absence during which she cannot have been exercising proper control, the Committee was satisfied that it was appropriate to revoke the licence on the basis of section 8(c) and 8(e) of the London Local Authorities Act, namely that the persons concerned in the conduct or management of the premises could be reasonably regarded as not being fit and proper to hold such a licence, and that the premises have been or are being improperly conducted.

Accordingly, the Committee unanimously;

RESOLVED

That the **Revocation** of the special treatment licence for Vanilla Thai Massage, 1 White's Row, London, E1 7NF be **GRANTED**.

The meeting ended at 8.15 p.m.