
TO Licensing and Safety Team

FROM Natalie Thompson

REFERENCE: China Health Spa

DATE 29th October 2018

Re: China Health Spa Limited

T/A China Health Spa, Unit 1-2 Horizon building, 15 Hertsmere Road, London, E14 4AW

Reference is made to the Special Treatment License for the above premises. Currently the business holds a premises special treatments licence to carry out acupuncture, tui-na (acupressure), massage, manicure, pedicure and facials. The premises made an application to renew their licence which was received by the council on the 2nd October 2018 See **NAT.CHS.1** for a copy of the application and supporting documents.

An objection to the renewal of the special treatment licence is being made 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)*. In May 2018 the Licensing and Safety team received intelligence from an alleged former staff member of China Health Spa at Unit 1-2 Horizon building, 15 Hertsmere Road, London, E14 4AW that China Health Spa was breaching several of its licence conditions. This was in the form of an unsigned statement. Please see the statement as **NAT.CHS.2** The statement alleges that male clients were permitted to be massaged by female masseuses, that they were permitted to be naked during the massage, and that masseuses worked there without the necessary qualifications. During correspondence with council officers the employee also alleged that masseuses were expected to offer services of a sexual nature to male clients. She found clients stark naked waiting in expectation for sexual services and when she declined she was threatened with losing her job. Clients were also allowed to choose their own masseuses based on physical attributes.
2. The business *China Health Spa* has been investigated and found to be offering services of a sexual nature to customers. Evidence of this is attached in the form of witness statements from test purchasers from a company hired by the council to carry out the visits. One was conducted on the 23rd March 2018. During a massage the masseuse had taken a towel that was covering the test purchaser's private parts off to massage the buttocks and used this as an opportunity to occasionally touch his private parts. The test purchaser was touched in a manner which was of a sexually suggestive nature. The statement can be seen as **NAT.CHS.3** During a second test purchase on the 21st May 2018 the female masseuse voluntarily offered the test purchaser 'extra services'. Towards the end of the massage, the masseuse focused on his buttocks and asked if there was anything else that he wanted. When asked what she meant by this, she responded that her prices started at £40. When asked again what this would

entail, she stated that it would be for 'hand relief' with 'teasing' and that she did not offer 'mouth relief.'" This was a clear offering of a sexual service in addition to the massage. The witness statement for this test purchase is included as **NAT.CHS.4.**

3. This matter has been brought to the courts for prosecution by the council. The summons shows the charges that have been made against the company in relation to the business at the premises of China Health Spa, Unit 1-2 Horizon building, 15 Hertsmere Road, London, E14 4AW. See Appendix **NAT.CHS.5.** The first hearing is on the 13th December 2018.
4. The director of the company, China Health Spa Ltd is Ying Zhou. Mr Bud Klair is the company Secretary. See the list of officers from companies House as **NAT.CHS.6.** Mr Bud Klair has been secretary of the company since 2009. Ying Zhou has been director since 2011. Mr Bud Klair is the applicant on the special treatment licence renewal application and has also identified himself as the person responsible for the management of the premises by leaving section 3 of the form blank. See **NAT.CHS.1.** At the time of the test purchase Zhiming Chen was listed on the application form as having management responsibility. Zhiming Chen is listed on companies house as a person with significant control of the company. See **NAT.CHS.7** See **NAT.CHS.8** for the previous renewal application form. 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 licence. (Section 8c) as they were in control of the business at the time of the test purchase.
5. Under Section 8 of the London Local Authorities Act 1991 the Borough Council may choose not to renew a licence for grounds mentioned in Section 8 (c) which includes premises being improperly conducted and the licence holder not being a fit and proper person to hold a licence.

Natalie Thompson

**Principal Environmental Health Officer
Licensing and Safety**

List of Appendices

NAT.CHS.1 = Special treatment licence renewal application and supporting documents.
NAT.CHS.2 = Statement from an alleged former employee of China Health Spa.
NAT.CHS.3 = Statement detailing test purchase carried out on 23/03/18
NAT.CHS.4 = Witness statement of the test purchase conducted on 21/05/2018
NAT.CHS.5 = Court summons
NAT.CHS.6 = List of directors from Companies House
NAT.CHS.7 = List of persons with significant control of the company
NAT.CHS.8 = Special treatment licence renewal application regarding licence in place at the time of the test purchase.