

APPENDIX 4

TO Licensing and Safety Team

FROM Charlotte Basten

REFERENCE: Healthcare

DATE 21 January 2019

Re: Sunflower London Ltd trading as Healthcare, 21 Wentworth Street, London, E1 7TB

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 acupuncture. The premises made an application to renew their licence which was received by the council on the 7th January 2020. **See CHB.HC.1** for the application form and supporting documents.

1. The Licensing and Safety Team has evidence of the premises being improperly conducted. (The London Local Authorities Act 1991, Section 8 (e)) . In December 2019 the Licensing and Safety team received a complaint via email from a member of the public alleging that services of a carnal nature had been offered to them when they went to Healthcare for a massage. Please see the email attached as **CHB.HC.2**
2. The business has been investigated and found to be offering services of a sexual nature to customers. Evidence of this is attached in the form of a witness statement from a test purchase operative from a company hired by the council to carry out the visit. This was conducted on the 10th of January 2020. The operative wrote that during the massage, a female massage therapist called Cindy had asked him to take off his underwear, which he declined. The therapist had then bent down close to his ear and whispered to ask if he wanted something extra. The operative asked what she meant and the therapist made a movement with her hand in a manner indicating masturbating. She then said £20-£30 for a hand job and also £50-£60 for a hand job with no clothes on. The operative declined saying he didn't have enough money, but was told he could pay by card, which he declined as well. This was a clear offering of a sexual service in addition to the massage. The operatives witness statement and notes are attached as **CHB.HC.3** and **CHB.HC.4**.
3. During an inspection of the premises on the 21st of January 2020, it was established that Cindy the therapist who offered the services to the operative, was also known as Ms Liyan Guan. She was not listed as one of the therapists working at Healthcare and therefore had not been approved by the Council to provide massage services at the premises. This was a breach of Condition 6 of their Special Treatment Licence which states that "all treatments shall be given only by persons approved by the Council or, provided that the written consent of the Council has been obtained, under the personal supervision of a person approved by the Council" (Refer to Licence Conditions in Exhibit **Appendix 3**)

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4. Sunflower London Limited has previously been prosecuted for a similar offence. The company pleaded guilty to 2 charges of breach of special treatment license under (Section 14(2) of the London Local Authorities Act 1991) by providing services of a sexual nature on the 19th of April 2019. Refer to the email sent by Legal services in Exhibit **CHB.HC.5**. It is evident that these breaches have continued. Section 8 (l) of the London Local Authorities Act 1991 asserts that renewal of a special treatment licence can be refused if the applicant has, within the period of five years immediately preceding the application to the borough council, been convicted of an offence under this Part of this Act.

5. The director of the company, Sunflower London Ltd is Xiao Qin Song. She was also the director when the company pleaded guilty to breaching the conditions of their special treatment license by providing services of a sexual nature in April 2019. See the list of appointed officers for the company in Exhibit **CHB.HC.6**. On the licence renewal application form, Ms Song identifies herself as the person responsible for the management of the establishment, refer to Exhibit **CHB.HC.1**. Ms Song could be reasonably regarded as not being a fit and proper person to hold such a licence. (The London Local Authorities Act 1991, Section 8 (c)) (as they were in control of the business at the time of the previous conviction and test purchase.