

<p>Non-Executive Report of the:</p> <p><b>Licensing Committee</b></p> <p><b>14th July 2022</b></p>	 <p><b>TOWER HAMLETS</b></p>
<p><b>Report of:</b> David Tolley Head of Environmental Health and Trading Standards</p>	<p><b>Classification:</b> Unrestricted</p>
<p><b>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</b></p>	

<b>Originating Officer(s)</b>	Geraldine O'Grady Principal Environmental Health Officer
<b>Wards affected</b>	Spitalfields and Banglatown

## 1. Executive Summary

Applicant:	<b>Genesis New World Aldgate Ltd</b>
Name and Address of Premises:	<b>Genesis Thai Beauty Spa Unit 2 Nagpal House 1 Gunthorpe Street London E1 7RG</b>
Decision sought:	<b>Revocation of Special Treatment Licence under the London Local Authorities Act 1991</b>
Objectors:	<b>Geraldine O'Grady, Principal Environmental Health Officer, Licensing and Safety Team</b>

## 2. Recommendations:

- 2.1 The Licensing Committee is recommended to consider the request to revoke the special treatment licence and then adjudicate accordingly.

### **3. Background**

- 3.1 This is a report by the Licensing and Safety Team to revoke the special treatment licence issued to Genesis New World Aldgate Limited trading as Genesis Thai Beauty Spa, Unit 2 Nagpal House, 1 Gunthorpe Street, London, E1 7RG, following evidence obtained that services of a sexual nature are being offered by the business at this premises.
- 3.2 A licence from the Council is required for the use of a premises as an establishment for special treatments. An establishment for special treatment is defined in the Act as any premises in the borough used, intended to be used or represented as being used for the reception or treatment of persons requiring massage, manicure, acupuncture, tattooing, cosmetic piercing, chiropody, light, electric or other special treatment of a like kind or vapour, sauna or other baths
- 3.3 A licence may be revoked under the London Local Authorities Act 1991 Section 9(2).
- 3.4 Genesis New World Aldgate Limited trading applied to renew its special treatment licence on 20<sup>th</sup> January 2022. Pending this committee hearing, the Council has renewed the licence. A copy of the licence can be found at **Appendix 1.**

### **4. Legal Powers**

- 4.1 Section 6 of the London Local Authorities Act 1991 provides that a council may grant a special treatment licence on such terms and conditions or subject to such restrictions as may be specified. In addition, standard conditions which will be deemed to attach to all licences may be made by Regulations made by the Authority under section 10 of the Act. The London Borough of Tower Hamlets has made such Regulations. It is the duty of any licence holder to be aware of and abide by any conditions attached to the licence. A copy of the standard conditions can be found at **Appendix 2.**
- 4.2 Section 8 of the London Local Authorities Act 1991 provides that the Council may refuse to grant, renew or transfer a licence on the following grounds:

(a) the premises are not structurally suitable for the purpose;

- (b) there is a likelihood of nuisance being caused by reason of the conduct, management or situation of the premises or the character of the relevant locality or the use to which any premises in the vicinity are put;
- (c) the persons concerned or intended to be concerned in the conduct or management of the premises used for special treatment could be reasonably regarded as not being fit and proper persons to hold such a license;
- (d) the persons giving the special treatment are not suitably qualified;
- (e) the premises have been or are being improperly conducted;
- (f) the premises are not provided with satisfactory means of lighting, sanitation and ventilation;
- (g) the means of heating the premises are not safe;
- (h) proper precautions against fire on the premises are not being taken;
- (i) they are not satisfied as to the safety of equipment used in the special treatment or as to the manner in which the treatment is to be given;
- (j) they are not satisfied as to the safety of the special treatment to be given;
- (k) satisfactory means of escape in case of fire and suitable means for fighting fire are not provided on the premises;
- (l) 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.

Section 9(2) of the Act provides that the Council may revoke a special treatment licence on any of the grounds specified in section 8.

4.3 Where a licence is revoked under section 9(2) of this Act the licence shall be deemed to remain in force –  
until the time for bringing an appeal under this section has expired and, if such an

appeal is duly brought, until the determination or abandonment of the appeal;

## **5. Grounds for Revocation of the Licence**

- 5.1 The Environmental Health Department has requested the hearing with the Licensing Committee to revoke the special treatment licence. The report detailing the reasons for this can be found at **Appendix 4**. Find below a summary of the comments.
- 5.2 The business has been investigated and found to be offering services of a sexual nature to customers. On the 15<sup>th</sup> and 29<sup>th</sup> of October 2021, test purchases were carried out and on both occasions during the massage, services of a sexual nature were offered to the test purchaser.
- 5.3 The licence holder is Genesis New World Aldgate Limited and Chanita King completed the applications which were submitted on the 28<sup>th</sup> of November 2020 and 20<sup>th</sup> January 2022
- 5.4 Under Section 9(2) of the London Local Authorities Act 1991, the 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.

## **6. Recommendations**

- 6.1 Following the request to revoke the licence, Members are asked to consider the representation when determining whether to revoke the licence.

## **7. Summary of Premises and Licence History**

- 7.1 On the 20<sup>th</sup> of January 2021, a special treatment licence was issued to Genesis New World Aldgate Ltd for the following treatments: massage, facials, pedicures and manicures.
- 7.2 On the 30<sup>th</sup> March 2022, the licence was renewed.

## **5. Complaints and Enforcement History**

- 5.1 On the 13<sup>th</sup> April 2017 a petition containing 101 signatures of residents local to the Liverpool Street area was handed to the council by the Corporation of London. The petition requested that all massage premises in the area were investigated for compliance with their licence conditions.

5.2 The premises has received the following visits/interactions from the Local Authority in the last 3 years:

Date	Authority	Nature of visit
30 <sup>th</sup> November 2020	Licensing and Safety	The local authority receives an application from Genesis New World Aldgate Ltd for a special treatment licence. Chanita King is named as the person responsible for management. The application was completed by Chanita King.
20/01/2021	Licensing and Safety	The special treatment licence was issued
15/10/2021	Licensing and Safety	Test purchase carried out by surveillance operative, Mr Bruce McKinnon. Services of a sexual nature were offered.
29/10/2021	Licensing and Safety	Test purchase carried out by surveillance operative, Mr Gary Finnigan. Services of a sexual nature were offered.
21/01/2022	Licensing and Safety	Principal Environmental Health Officer, Ms Geraldine O'Grady, carried out an unannounced inspection. Chanita King was not on the premises. There was one therapist on site Wanlapa Pawne. When asked when Ms King is at the premises, Ms Pawne said she only comes to the premises to collect money.
30/03/2022	Licensing and Safety	The special treatment licence was renewed

## 6. Special Treatment Licences and Determination

9.1 Members should consider the relevant legislation and standard conditions (**Appendix 2**).

## **7. EQUALITIES IMPLICATIONS**

10.1 There are no equalities implications.

## **11. OTHER STATUTORY IMPLICATIONS**

11.1 Best Value implications: There are no best value implications.

11.2 Environmental considerations: There are no environmental implications.

11.3 Crime reduction: One of the key licensing objectives of the Council ensures that it does not licence premises that are liable to be a source of crime and disorder. The Council supports and assists with crime and disorder reduction by controlling those who manage premises open to members of the public and imposing conditions on relevant premises licences. Illegal activity has been proven to occur at the premises.

11.4 Safeguarding: There are no proven safeguarding impacts; however premises that are managed in this way may employ underage persons or vulnerable adults. Therefore there may be a positive safeguarding impact.

11.5 Risk Management: The Council will be at risk of legal challenge if its processes are not transparent and evidentially based.

11.6 Data Protection/ Privacy Impact Assessment: The application has been processed in line with the council's data protection policy. Some aspects of the appendices have been redacted for data protection purposes. No Privacy Impact Assessment required.

## **12. COMMENTS OF THE CHIEF FINANCE OFFICER**

12.1 There are no material financial implications emanating from the decision to revoke the special treatment license for Sunflower London Ltd. The Council

will lose the license income should the appeal decision be in our favour and incur legal costs. This will be managed within existing budget provision.

### **13. COMMENTS OF LEGAL SERVICES**

13.1 Section 10 of the London Local Authorities Act 1991 enables the local authority to make regulations prescribing standard conditions applicable to all licenses for special treatment premises.

13.2 The London Borough of Tower Hamlets made such regulations which are produced as Appendix 3 to this report. Regulation 7(B) provides that “The licensee shall ensure that no part of the premises are used by prostitutes, for soliciting or any other immoral purposes.” Condition 8 provides that “Except as provided by 8(c) below, treatments shall be given only by qualified persons who have been approved by the Council...” This is subject to certain administrative provisions being complied with. The exception in Regulation 8(c) is that the person giving treatment is under the personal supervision of a person approved by the Council and the Council has given written consent for the person to give the treatment

13.3 Section 9(2) of the London Local Authorities Act 1991 allows the Council to revoke a special treatments licence for any of the reasons set out in section 8 of the Act. Those reasons appear at paragraph 4.4.

13.4 The Committee may decide to take no action on the application, to issue a warning, or to revoke the licence.

### **14. APPENDICES**

<b>Appendix 1</b>	Copy of the current special treatment licence
<b>Appendix 2</b>	Regulations for annual special treatment licences under section 10 (1) of the London Local Authorities Act 1991
<b>Appendix 3</b>	Report from the Environmental Health Department

**Local Government Act, 1972 Section 100D (As amended)**

**List of “Background Papers” used in the preparation of this report**

List any background documents not already in the public domain including officer contact information.

- NONE

**Officer contact details for documents:**

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