Committee :	Date	Classification	Report No.	Agenda Item No.
Licensing Committee	12 <sup>th</sup> May 2015	Unclassified		
Report of :		Title:		
David Tolley Head of Consumer and Business		Local Government (Miscellaneous		
		Provisions) Act 1982 (as amended)		
Relations		Application	for a Sexual	Entertainment
				e's Angels, 30 Alie
Originating Officer:		Street, Lone	don, E1 8DA	
Andrew Heron		Ward affected:		
Licensing Officer		Ward affected. Whitechape		
		wintechape	71	

#### 1.0 Summary

Applicant: Name and Address of Premises:	City Traders London Ltd. Charlie's Angels 30 Alie Street London E1 8DA
Licence sought:	Local Government (Miscellaneous Provisions) Act 1982 (as amended) Application for a Sexual Entertainment Venue Licence
Objectors:	Local Residents Ward Councillors

#### 2.0 **Recommendations**

2.1 That the Licensing Committee considers the application and objections then adjudicate accordingly.

LOCAL GOVERNMENT 2000 (Section 97) LIST OF "BACKGROUND PAPERS" USED IN THE DRAFTING OF THIS REPORT

Brief description of "background paper"

Tick if copy supplied for register

If not supplied, name and telephone number of holder

Andrew Heron 020 7364 2665

File Only

#### 3.0 Background

- 3.1 This is an application made by City Traders London Limited (08756000) for a Sexual Entertainment Venue licence under Schedule 3 of the Local Government (Miscellaneous Provisions) Act 1982 (as amended by reg. 47 (4), Provisions of Services Regulations 2009 'the service regulations') and the Policing and Crime Act 2009 for Charlie's Angels, 30 Alie Street, London, E1 8DA.
- 3.2 A licence from the Council is required for the use of a premise as a sex Establishment. A sexual entertainment venue is any premises at which relevant entertainment is provided before a live audience for the financial gain of the organiser or the entertainer.

Relevant entertainment means:

- any live performance; or
- any live display of nudity;

which is of such a nature that, ignoring financial gain, it must reasonably be assumed to be provided solely or principally for the purpose of sexually stimulating any member of the audience (whether by verbal or other means).

3.3 The premises is currently granted a licence under the Licensing Act 2003 that permits sexual entertainment. A copy of the existing licence is enclosed as **Appendix 1**. The licence was originally granted on 10<sup>th</sup> March 2006 and amended via a variation 8<sup>th</sup> September 2009 and a minor variation 8<sup>th</sup> January 2014 in relation to the layout. Mr Abdul Malik has been the licence holder since June 2011 and the Designated Premises Supervisor (DPS) since May 2013. An application was made by Abdul Ali to transfer the licence and vary the DPS, but this was consequently withdrawn by the applicant.

The licence granted the following licensable activities:

The sale by retail of alcohol:

• Monday to Sunday from 11:00hrs to 03:30hrs (the following day)

Regulated Entertainment consisting of Recorded Music:

• Monday to Sunday from 11:00hrs to 03:30hrs (the following day)

Performances of dance, provision of facilities for dancing:

• Monday to Sunday from 11:00hrs to 03:30hrs (the following day)

The opening hours of the premises:

• Monday to Sunday from 11:00hrs to 04:00hrs (the following day)

On New Year's Eve all licensable activities may continue from the end of normal permitted hours to the commencement of permitted hours on the following day.

- 3.4 In accordance with the transitional provisions set out in the Policing and Crime Act 2009 (Commencement No. 1 and Transitional and Saving Provisions) (England) Order 2010 existing premises licence holders under the Licensing Act 2003 can within the 12 month transitional period, starting from the date when the adoption of the SEV licensing provisions come in to force, submit an application for a SEV licence. Licence holders who were so entitled were informed. In order to apply in this manner, the incumbent premises licence holder under the Licensing Act 2003 regime must apply, namely Adbul Malik. Mr Malik and his solicitors were made aware of the position.
- 3.5 The applicant in respect of the Application is City Traders London Limited. A copy of the application is enclosed as **Appendix 2**. The Application is therefore to be treated as an Application by a new Applicant, not an existing operator.
- 3.6 The Applicant's legal representative describes the premises in an email dated 17<sup>th</sup> April 2015 (see **Appendix** 20) as follows:

"Club Charlie's Angels is located at 30 Alie Street, London E1 8DA.

#### Frontage

The outside of the building is painted black to first floor level with exposed brickwork above. All glass frontage is covered in opaque black surfaces. An illuminated sign at the top of the premises frontage shows "Charlie's Angels" with the premises logo displayed. To the left and at the side of the premises is another illuminated sign showing a woman's face and advertising the club. We appreciate that this sign is unacceptable under the new law and we shall remove the sign.

Above the frontage of the premises on the left hand side is a small oval shaped side-on sign displaying the premises name "Charlie's Angels" with its logo. There is an illuminated menu box on the front of the premises to the right of, but some distance from, the front door which displays a summary code of conduct for customers and menu including all prices. There is no other advertising.

There is a small area outside at the front of the premises for smokers or for those wishing to enjoy a drink outside. There is black granite seating along the inner perimeter of this area (right hand side and front), 2 long tables and 6 stools. Any performer sitting in this area is always discreetly dressed wearing a long coat or long jacket. This area is screened to a height of approximately 3.5 feet.

#### Entrance and Reception/Cloakroom

Entrance to the building is via a black, single door which opens into a small foyer area with the reception and cloakroom immediately in front. To the left on the wall, are signs detailing charges, house rules, the code

of conduct for customers and dancers and that entrance is forbidden to those under the age of 18 when sexual entertainment is taking place. Before 8pm the door is staffed either by a duty manager, or by a SIA registered doorman, or both. After 8:00pm, the entrance door is staffed by one SIA registered doorman. A duty manager will also from time to time be present.

The inside of the venue is divided into 4 areas, the reception/lounge area which contains the reception and cloakroom as you enter, with seating and tables, down to the Main Seating Area with sofas, tables, the main stage, a DJ booth and the bar as shown on the plans accompanying the SEV application. There is a VIP dance area on the 1st floor. More detail is as follows:

- **Reception/Lounge Area** the Reception/Lounge Area comprises the reception area and cloakroom with 5 steps at the rear of this section, leading down to the Main Seating Area. There are 6 bar stools and 3 high tables. There are also double sofas seating 4 people in total, 2 single sofas seating 1 person each and 2 coffee tables. No dancing takes place in this area. To the right of the Reception/Lounge Area is a door leading to the toilets, and VIP Room. To the rear of this front area are 5 steps leading down to the Main Seating Area.
- **Customer Toilets** the gentleman's and ladies toilets are both in the basement.
- Main Seating Area the Main Seating Area has a raised stage and a DJ booth. The Main Seating Area is appropriately lit, painted a deep brown colour and carpeted (red and black). In this area there are 3 x 4 person high tables, and 2 x 2 person high tables, with a total of 16 high stools. In addition there are 10 sofas and 10 tables.
- VIP Dance Area this is situated on the 1st floor of the premises. This consists of a rectangular area with 7 booths, each with faux leather seating and coffee table. Each of the private dance booths is decorated in dark brown with a 14 inch central border of magnolia and the area is carpeted red and black as per the remainder of the premises. Each booth has a CCTV Camera.

Club Charlie's Angels currently trades from 4pm to 4am Monday to Friday. The busiest trading periods are on Thursday and Friday evenings. Entertainment is provided via performances on the main stage and private performances. For performances (pole dances) on the main stage, no monies are collected as these are not private dances, but just part of the general entertainment available at the premises.

The performer will collect monies under supervision of management from the patrons in the Main Seating Area or the Lounge Area before a dance is performed. The dances performed will be in the Main Area. The dance will be routine to the backing track that is playing on the sound system, but is not a full nude striptease.

For private performances, the performer will speak directly with the patron explaining the tariff to them before taking payment under management supervision and escorting them to one of the private dance areas in the VIP Room where they perform a fully nude striptease on a one-to-one basis. Performers in the main area, giving main stage performances and private performances do so in accordance with the venue's code of conduct for performers.

Each table has a drinks menu, tariff and code of conduct displayed for patrons to read. These are also placed on the bar, on display."

This description has been prepared to assist the Committee in absence of a site visit to help them in understand the nature of the premises. Should the committee have any further questions concerning the layout or operation of the premises then they are welcome to direct questions to the operator's legal representative."

- 3.7 The application is to permit the premises to operate as a sexual entertainment venue with opening hours as follows:
  - Monday to Sunday from 11:00hrs to 04:00hrs (the following day)
- 3.8 The Applicant's legal representative was written to on 16<sup>th</sup> February 2015 to be advised that the application would be treated as new. A copy of that correspondence is contained in **Appendix 3**.
- 3.9 A letter dated 23<sup>rd</sup> December 2014 from the Applicant's legal representative was received by the Licensing Authority on 13<sup>th</sup> March 2015. A copy of that correspondence is contained in **Appendix 4**.
- 3.10 City Traders London Limited is registered with Companies House as company number: 08756000. Abdul Malik is the Director. Details of the Companies House registration can be found in **Appendix 5**.
- 3.11 Maps of the location of the premises are available in **Appendix 6**.
- 3.12 Members should note that the two regimes run concurrently therefore the premises licence could effectively run without the SEV in operation, if alcohol and regulated entertainment was solely taking place.

#### 4.0 Layout of the Premises

4.1 A layout plan of the premises is available in **Appendix 7**. The premises was visited on 30<sup>th</sup> March 2015, but upon arrival the Licensing Officer was advised that due to a power cut, the CCTV was not operational and no recordings could be shown. A second appointment was made and

attended on 8<sup>th</sup> April 2015, attended by a Licensing Officer, Mr Abdul Malik, the current premises licence holder and Mr Ali Jacko, whom identified himself as the Manager. A checklist of questions was completed, a copy of which is available in **Appendix 8** with a copy of a price list that was presented at that meeting.

The checklist covered the following points:

- Whether the interior of the premises is visible from the outside
- Approved access to dressing rooms
- External advertising
- CCTV Coverage
- Functionality of the CCTV
- 4.2 In conclusion from that visit, the Licensing Officer was satisfied with the CCTV coverage within the premises in relation to the LBTH Standard Conditions for SEV premises, most specifically, Condition 13:

CCTV shall be installed to cover the inside and the outside of the premises covering all areas to which the public have access, including private performance areas and booths, entrances and exits but excluding toilets. All cameras shall continually record whilst the premises are open to the public and the recorded images shall be kept available for a minimum of 31 days Recorded images shall be made available to an authorised officer or a police officer together with facilities for viewing. The recordings for the preceding two days shall be made available immediately on request. Recordings outside this period shall be made available on 24 hours' notice.

The Licensing Officer expressed some concern in relation to the pricing, specifically for admission fees. The pricelist given (and appended with the visit checklist), clearly states that there is no admission fees. However, the Licensing Officer was advised at that meeting that there are in fact entry fees after certain times. In addition, the pricelist has a 'suggested' fee for a 'sit-down with a dancer', which is confusing and could potentially be a misleading price indication under consumer protection legislation.

It was noted that there is some advertising of the premises on the exterior, which Members may wish to consider such suitability to remain.

4.3 Photographs of the premises are available in **Appendix 9**.

#### 5.0 Adverts and Flyers

5.1 The Applicant's legal advisor has advised the Licensing Authority that the premises do not use any advertising such as leaflets to promote the premises. An email confirming this is available in **Appendix 10**. However, Members will note in the previous appendix that the premises does have some external advertising at the premises. 5.2 The premises has a website available at http://clubcharliesangels.com/

#### 6.0 Standard Conditions

- 6.1 The Council has adopted Standard Conditions that act as default conditions that are attached to all Sexual Entertainment Venue Licences. The Standard Conditions are generally considered to be appropriate for Sexual Entertainment Venues, with leeway provided for these to be varied by Members of the Licensing Sub-committee, or an operator applying to vary those conditions to suit individual circumstances. These are appended at **Appendix 11**.
- 6.2 Members have discretion to modify the standard conditions or add appropriate conditions. Members may wish to consider the application of additional conditions in relation to pricing within the venue. Examples of conditions are set out below as a result of consultation with LBTH Trading Standards.

#### Display of comprehensive tariff

There shall be prominently and legibly displayed a comprehensive tariff of all charges and prices, including charges for the company of a hostess /dancer/companion and the hire of a room and or a booth (the tariff). The tariff shall include the price of all drinks available.

#### Entrance and reception area

The tariff shall be prominently and legibly displayed in such a position that it can easily and conveniently be read by customers before paying any fee for admission to the premises;

#### At each bar

The tariff shall be prominently and legibly displayed at each bar in the premises;

#### On each Table

The tariff shall be prominently and legibly displayed on each table

#### **Room and Booths**

The tariff shall be prominently and legibly displayed in each room and or booth

#### Tariff drawn attention to customers prior to transaction

The tariff shall be drawn to the attention of every customer before they have paid any fees or charges.

#### Customer only charged for items on tariff

No charge shall be made to any customer except for a service and for an amount shown on the tariff.

# *Customer made aware of and signs receipt for cost of room and booth hire*

No charge shall be made to the customer for any room and booth hire unless the customer has signed a receipt having first been made aware of the cost.

# Customer made aware of the cost of drink provided for to a dancer/hostess/companion

No charge shall be made to the customer for any drink provided for a hostess or companion unless the customer has specifically ordered it, having first been made aware of the cost.

# 7.0 Codes of Conduct and Policies

- 7.1 The applicant has provided Codes of Conduct and policies as required by the Standard Conditions, which are:
  - Code of Conduct for Performers
  - House Rules governing the conduct of customers

#### See Appendix 12

- 7.2 During the compliance check visit, it was confirmed that the Code of Conduct for Performers was available in the dressing rooms. It was also confirmed that the House Rules was available in the public area of the premises.
- 7.3 If the application is granted subject to the Standard Conditions, the codes and policies will have to meet the requirements set out in the Standard Conditions.
- 7.4 Members have discretion to modify the standard conditions or add appropriate conditions.

#### 8.0 Assessment and information for the vicinity

- 8.1 **Appendix 13** is a map of the Licensing Service's determination of the vicinity around the premises.
- 8.2 Determination of the "use" of other Premises in the "vicinity" vicinity" is likely to be a narrower and smaller area than the "relevant locality" much will depend upon the physical location of the premises, its appearance and upon the nature and hours of its operation.
- 8.3 Below is a list of notable premises within vicinity as observed by Licensing Officer visiting the area on foot and using GIS maps:

Residential accommodation	The business is over two floors. It is unclear if residential is above.
	The locality is a mix of residential & business/office space.
	There are two large housing developments under construction Goodmans Fields junction of Alie Street/Leman St and & Aldgate Place junction of Buckle St/Leman Street
	The vicinity is mix of office buildings and residential accommodation.
	Aside from the new developments, residential accommodation is mainly situated West Tenter St; North Tenter St; East Tenter St; St Mark St and Scarborough Street
	<ul> <li><u>Alie Street</u></li> <li>Flats 1-11,22 Alie Street</li> <li>Flats 1-11, 57 Alie Street</li> <li>1-23 Lattice House</li> <li>1-6 Network House</li> <li>Altitude Point, 71 Alie Street (large high-rise block of apartments)</li> <li>1-59 Sterling Mansions, 75 Leman Street</li> <li>No. 65 Leman St houses 617 rooms for student accommodation</li> </ul>
Schools	<ul> <li>English Martyrs Catholic Primary School, St Mark St</li> </ul>
Premises used by children and vulnerable persons	<ul> <li>Job Centre, 83-85 Mansell Street with entrance at West Tenter Street</li> </ul>
Youth community and leisure centres	<ul> <li>Anytime fitness, 18 Alie Street</li> <li>David Lloyd fitness centre, 1 Alie Street</li> <li>Premier Inn, 66 Alie Street</li> <li>Grange Tower Hotel, 45 Prescott Street</li> </ul>
Religious centres and public places of worship	St Georges German Lutheran Church, 55 Alie Street Church of English Martyrs, Prescott Street

Access routes to and from premises listed above	<ul> <li>The premises sits on the southern side of Alie Street, Alie Street joins Mansell Street on western end and Leman Street on east.</li> <li>These routes are main transport routes to and from Central London.</li> <li>There are a number of bus routes, as well as night buses.</li> <li>Aldgate East Tube Station is a 3 minute walk away with Aldgate station and Tower Hill stations also nearby</li> </ul>
Existing licensed	Leman Street
premises in the vicinity	<ul> <li>Public House: Oliver Conquest, 70 Leman Street, E1 8EU</li> </ul>
	<ul> <li>Supermarket: Sainsbury, Unit 2, Southwest Block, Goodman's Fields, Leman Street, E1 8EJ</li> </ul>
	<ul> <li>Bar and Restaurant: The Old Dispensary, 19a Leman Street, E1 8EN</li> </ul>
	<ul> <li>Public House: Black Horse PH, 40 Leman St, E1 8EU</li> </ul>
	<ul> <li>SEV: Whites, 32-38 Leman Street E1 8EW</li> <li><u>Alie Street</u></li> </ul>
	<ul> <li>Public House: White Swan, 21 Alie Street, E1 8DA</li> </ul>
	<ul> <li>Hotel: Thyme (Premier Inn), Goodmans Fields, Alie Street, E1 8DE</li> </ul>
	<u>St Mark Street</u>
	<ul> <li>Restaurant: Halal Restaurant, 2 St Mark Street, E1 8DJ</li> </ul>
	<ul> <li>Supermarket: City Food Store, 8 St Mark St, E1 8DJ</li> </ul>
	<u>Mansell Street</u>
	<ul> <li>Supermarket: Sainsbury, 27 Mansell Street, E1 8AA</li> </ul>

#### 9.0 Assessment and information for the Locality

- 9.1 **Appendix 14** contains the Ward Profile of Whitechapel to provide members with details in relation to the locality of the premise.
- 9.2 What is the "relevant locality" in respect of the current application? The area has been assessed to have commercial character.
  - The relevant locality was assessed as being within a 100 metre radius centred on the premises, 30 Alie Street.
  - The premises sits close to the A1202 (Leman Street) to the East, which junctions with Commercial Road and Whitechapel High Street which are red routes and sit on one of the main routes into Central London and out to the East. To the West is the A1211 (Mansell Street) which leads to Tower Bridge in the South and A major Aldgate junction in the North.
  - The vicinity is a mix of commercial and residential accommodation
- 9.3 What is the "character" of the relevant locality in respect of the current application? The area has been assessed to have a mixed residential and commercial character with about 5.8% of the Borough's residents
  - The premises is in Whitechapel Ward.
  - The Ward Profiles downloaded from the Council's website are appended.
  - The Ward abuts the City of London. The area is mixed residential/commercial and has around 5.8% of Borough's resident population.

# 10.0 Other Sexual Entertainment Venues

10.1 The following premises have applied for Sexual Entertainment Venues under the new licensing Regime

Charlie's Angels	30 Alie Street, London, E1 8DA
Metropolis	234 Cambridge Heath Road, London, E2 9NN
Nags Head	17-19 Whitechapel Road, London, E1 1DU
Whites Gentleman's Club	32-38 Leman Street, London, E1 8EW

#### 11.0 Consultation

11.1 The application has been consulted on in accordance with the Local Government (Miscellaneous Provisions) Act 1982 (as amended) and the Tower Hamlets Sexual Entertainment Policy.

This has included:

a) A site notice at the premises displayed by the applicant during the required period. A copy of the notice is appended as **Appendix 15**.

b) A press advert was placed in the Docklands and East London Advertiser on the 4<sup>th</sup> December 2014 by the Applicant, which is appended as **Appendix 16**.

- 11.2 The following is a list of those also consulted in regards to the application:
  - The Police
  - The Fire Brigade
  - Building Control
  - Health and Safety
  - Ward Councillors
  - Development Control Team
  - Local residents living within 50m of the premises

#### 12.0 Responses to the Consultation

- 12.1 The Police were consulted, please find below a summary of their comments.
  - None
- 12.2 The Fire Brigade were consulted, please find below a summary of their comments.
  - None
- 12.3 The Council expects the premises to have planning consent for the intended use and hours of operation, or otherwise have lawful planning status before making an application for a new licence. Building Control were consulted, please find below a summary of their comments.
  - None, therefore it is assumed that all planning permissions are acceptable.

- 12.4 Health and Safety were consulted, please find below a summary of their comments.
  - None
- 12.5 Ward Councillors were consulted, please find below a summary of their comments, see **Appendix 17**.
  - Cllr Abdul Asad and Cllr Aminur Khan have made representation to two SEV venues within the Whitechapel Ward.
  - They have concerns regarding the effect that these venue may have on the local area; additionally, many residents in the surrounding areas - in particular Scarborough Street, Gowers Walk, Mansell Street and Alie Street, had voiced their concerns, especially with its proximity to Harry Gosling Primary School and English Martyrs Catholic Primary school.
- 12.6 Development Control Team were consulted, please find below a summary of their comments.
  - None

#### 13.0 Local Residents

- 13.1 Local residents living within 50m of the premises were consulted, please find below a summary of their comments (redacted copies of the representations are available in **Appendix 18**). In summary, objectors have stated the following:
  - There are issues with noise directly from the premises and from patrons arriving and departing on foot and in cars;
  - There are issues with refuse disposal;
  - A belief that drugs are being sold to a member of staff at the rear of the premises;
  - Public urination by patrons entering and departing the premises and by taxi drivers serving those patrons;
  - Patrons having sex in the locality;
  - That the nature of the business is no longer appropriate to its location;
  - The premises location in proximity to a local school.
- 13.2 A person making a representation must clearly state their name, address, and the grounds for objecting to the application and indicate whether they consent to have their name and address revealed to the applicant. All objectors for this application asked not to have their names and addresses revealed to the Applicant. Copies of redacted representations were available to the applicant prior to the publication of this report.

- 13.3 The Council will not consider objections that are frivolous or vexatious or which relate to moral grounds (as these are outside the scope of the Act). All the representations received have been included in this report; Members may wish to assess the validity of the content of each objection.
- 13.4 Late representations may be admissible at the discretion of the Council if there's sufficient reason to indicate that applicants will not be significantly prejudiced by the decision to allow a late objection to be considered. In making such a decision the Council will take into account:
  - the length of the delay;
  - the amount of time that the applicant has to consider the representation before the hearing date;
  - if other representations have been received before the deadline.

# 14.0 Summary of Premises and Licence History

- 14.1 A copy of the existing premises licence is available in **Appendix 1**.
- 14.2 The current licence holder is: Mr Abdul Malik.
- 14.3 The current Designated Premises Supervisor is: Mr Abdul Malik.

# 15.0 Complaints and Enforcement History

15.1 The premises has received the following complaints in the last 24 months:

Date	Complainant	Nature of Complaint
07/01/2014	Public	Complaint that the premises licence holder and owners are a limited company (Traders City Ltd.) that had gone into liquidation, therefore voiding the licence. Claim that a credit card had been fraudulently used by the company. The complainant was advised that the premises licence holder was Mr Abdul Malik and therefore the licence was not void, however, the claim would be investigated. The premises was visited 20/01/2014; no issues were found. Advice was given in referring a fraud claim to the Police.
21/08/2014	Anonymous Local Resident	Complaint of noise from patrons arriving and leaving from the premises and from taxis running their engines outside.

	(online form)	
18/02/2015	Local Resident	Complaint of noise from the premises. Noise from bottles being emptied. Public sex between a patron and a staff member. Public urination by patrons.

15.2 The premises has received the following visits by the Local Authority in the last 24 months:

Date	Authority (TS/Lic)	Nature of visit
08/03/2013	Licensing	Premises Inspection: Neither premises licence holder nor designated premises supervisor were present. The Manager in charge of the premises was unable to produce a copy of the premises licence. A warning letter was sent on 11/03/2013
13/12/2013	Licensing and Police	Operation Condor: Premises inspection with Police, CCTV was not operational and no drinks prices were on display as required under the Operating Schedule of the Licence. A S.19 Closure Notice was issued by the Police, giving the PLH 7 days to rectify the breaches. Warning letter also sent 18/12/2013 by Licensing Authority. The issues were resolved to the satisfaction of the Police
20/01/2014	Licensing	Visit by Licensing Officer in relation to complaint that owners had gone into liquidation; proved to be unfounded in relation to the licence.
08/12/2014	Licensing	SEV Application Notice check

15.3 The premises has been subject to the following enforcement actions in the last 24 months:

Date	Authority (TS/Lic)	Nature of Enforcement
13/12/2013	Licensing and Police	Operation Condor: Premises inspection with Police, CCTV was not operational and no drinks prices were on display as

# 16.0 Policy - Appropriate Number of Sexual Entertainment Venues

- 16.1 The Council has determined that there are a sufficient number of sex shops, sex cinemas and sexual entertainment venues currently operating in the borough and it does not want to see an increase in the numbers of premises that are currently providing these activities.
- 16.2 The Council has adopted a policy to limit the number of sexual entertainment venues in the borough to nil however it recognises that there are a number of businesses that have been providing sexual entertainment in Tower Hamlets for several years. The Council will not apply this limitation when considering applications for premises that were already trading with express permission for the type of entertainment which is now defined as sexual entertainment on the date that the licensing provisions were adopted by the authority if they can demonstrate in their application:
  - High standards of management;
  - A management structure and capacity to operate the venue;
  - The ability to adhere to the standard conditions for sex establishments.
- 16.3 The Council will consider each application on its merit. This Application is to be treated as a new application and the new Applicant will have to demonstrate why the Council should depart from its policy. Furthermore if any of the existing premises cease trading there is no presumption that the Council will consider any new applications more favourably.

# 17.0 Home Office Guidance

- 17.1 The Home Office issued guidance to local authorities in March 2010 to assist local authorities in carrying out their functions under the Act.
- 17.2 The Council can refuse applications on grounds related to an assessment of the relevant locality. A licence can be refused if either, at the time the application is determined the number of Sexual Entertainment Venues, or Sexual Entertainment Venues of a particular kind, in the relevant locality is equal to or exceeds the number that the

authority considers appropriate for that locality; or that a Sexual Entertainment Venue would be inappropriate having regard to the character of the relevant locality, the use to which any premises in the vicinity are put or the layout, character or condition of the premises. Nil may be the appropriate number.

- 17.3 The decision regarding what constitutes the 'relevant locality' is a matter for the Council. However, such questions must be decided on the facts of the individual application.
- 17.4 Once the Council has determined the relevant locality, it should seek to make an assessment of the 'character' of the relevant locality and how many, if any, Sexual Entertainment Venues, or Sexual Entertainment Venues of a particular kind, it considers appropriate for that relevant locality.

#### 18.0 Licence Conditions

- 18.1 Once the Council has decided to grant a licence they are able to impose terms, conditions and restrictions on that licence, either in the form of conditions specific to the individual licence under paragraph 8 of Schedule 3 of the Local Government (Miscellaneous Provisions) Act 1982, or standard conditions applicable to all Sexual Entertainment Venues, or particular types of Sexual Entertainment Venues.
- 18.2 Where the Council decides to produce standard conditions under paragraph 13 they will apply to every licence granted, renewed or transferred by the authority unless they have been expressly excluded or varied.
- 18.3 Most sexual entertainment venues will require a Licensing Act 2003 licence as well as a Sexual Entertainment Venue licence. Where this is the case, local authorities should avoid duplicating licence conditions and should ensure that conditions imposed on the each licence are relevant to the activities authorised by that licence. For example, conditions relating to the sale of alcohol should only appear on a premises licences or clubs premises certificate and should not be imposed on sexual entertainment venue licence. Likewise, conditions relating the provisions of relevant entertainment should appear on the sexual entertainment venue licence and not a premises licence or club premises certificate. Local authorities should also avoid imposing conditions on either licence that are contradictory.
- 18.4 In many cases licences granted under the 2003 Act to existing operators will contain conditions that relate expressly and exclusively to the provision of relevant entertainment. Such a condition might prohibit contact between a performer and customer during a lap dance. In these cases, in order to avoid duplication, where conditions on premises licences or club premises certificates relate only to the provision of

relevant entertainment, they shall be read as if they were deleted from the 3rd appointed day onwards.

18.5 In cases where conditions on a premises licence or clubs premises certificate are inconsistent with, and less onerous than, the conditions in the licence granted under the 1982 Act they shall likewise be read as though they have been deleted.

#### 19.0 Sexual Entertainment Venues and Determination

- 19.1 Tower Hamlets Licensing Authority has received advice in relation to the determination of an application, Members would be wise to take a tenpoint approach and provide answers to the following:
  - 1. Determine the extent, nature and content of the "Relevant Entertainment"
  - 2. Consider the Mandatory Grounds of refusal are these engaged?
  - 3. Discretionary Grounds (Internal): the 'people': Consider the suitability of the Applicant and other persons involved; are they suitable to hold and operate a Sexual Entertainment Venue licence?
  - 4. Discretionary Grounds (Internal): the 'premises': Consider the suitability of the premises for a Sexual Entertainment Venue licence; is the premises suitable for the operation of the proposed relevant entertainment?
  - 5. Discretionary Grounds (External): What is the "vicinity" in respect of the current application?
  - 6. Discretionary Grounds (External): What are the uses of other premises in the vicinity in respect of the current application?
  - 7. Discretionary Grounds (External): What is the "relevant locality" in respect of the current application?
  - 8. Discretionary Grounds (External): What is the "character" of the relevant locality in respect of the current application?
  - 9. Is a Sexual Entertainment Venue of the type contemplated in the application appropriate having regard to (i) the premises; (ii) the character of the relevant locality and (iii) the use of premises in the vicinity?
  - 10.a Discretionary Grounds (External): What is the appropriate number regardless of the LBTH/Policy Presumption of Sexual

Entertainment Venues (collectively & by type) in the relevant locality of the current application?

- 10.b Is the LBTH/Policy engaged by the current application? (b) Where the LBTH/Policy is engaged has the applicant established that the current application is an exception to that policy?
- 19.2 A copy of LBTH Sexual Entertainment Venue Policy is produced in **Appendix 19** for Member's information.

#### 20.0 Legal Comments

- 20.1 The Council may refuse an application for the grant or renewal of a licence on one or more of the grounds specified below (Schedule 3 para 12(1) Local Government Miscellaneous Provisions Act 1982 ('the Act'), as amended by reg. 47(4), Provision of Services Regulations 2009):
- 20.2 The mandatory grounds for refusal are as follows:
  - (a) the applicant is under the age of 18;
  - (b) that the applicant is for the time being disqualified from holding a licence;
  - (c) that the person is a person other than a body corporate, who is not resident in the U.K. or was not resident in the U.K. throughout the six months preceding the date of the application;
  - (d) that the applicant is a body corporate which is not incorporated in the U.K; or
  - (e) that the applicant has been refused a sex establishment licence for the premises within the twelve months preceding the date of the application and the refusal has not been reversed on appeal.
- 20.3 The Committee has discretion to refuse the application if any of the following grounds for refusal apply under para. 12(3) of Schedule 3 of the Act.

The discretionary grounds for refusal are as follows:

- (a) the applicant is unsuitable to hold a licence by reason of having been convicted of an offence or for any other reason;
- (b) that if the licence were to be granted, renewed or transferred, the business to which it relates would be managed by or carried on for the benefit of a person other than the applicant who would have been refused a licence if they had applied themselves;
- (c) the number of sex establishments exceeds the number or is equal to the number which the council consider is appropriate for that locality; or
- (d) the grant or renewal of licence would be inappropriate because of:
   i. the character of the relevant locality;
  - ii. the use to which the premises in the vicinity are put; or
  - iii. the layout, character or condition of the premises, vehicle, vessel or stall.

(In relation to premises, 'the relevant locality' means the locality where the premises are situated).

- 20.4 There is a right of appeal to the Magistrates' Court, as set out in para. 27 of Schedule 3 of the Act. An appeal against the decision of a Magistrates' Court may be brought to the Crown Court. In addition, the decision of the Committee may be appealed on established public law principles.
- 20.5 The Committee should only consider those comments within the letters of objection or made orally at the hearing which are relevant to the mandatory or discretionary grounds for refusal. Comments contained within the letters of objection or orally at the hearing which relate to moral grounds, for example, must not be considered by the Committee.
- 20.6 The Council's legal officer will give advice at the Hearing.

#### 21.0 Finance Comments

21.1 There are no direct financial implications arising directly from the report. However, there are possible cost implications if the Decision was appealed to the Magistrates' Court, Crown Court or if a Judicial Review was lodged. Licence fees are expected to cover the cost of administration and compliance.

# 22.0 Appendices

Appendix 1	A copy of the existing licence
Appendix 2	A copy of the application
Appendix 3	Copy correspondence to Applicant's legal representative dated 16 <sup>th</sup> February 2015
Appendix 4	Copy correspondence dated 23 <sup>rd</sup> December 2014 from the Applicant's legal representative, received by the Licensing Authority on 13 <sup>th</sup> March 2015
Appendix 5	Companies House information for City Traders London Limited
Appendix 6	Maps of the location of the premises
Appendix 7	Plans of the premises
Appendix 8	Compliance Visit Checklist
Appendix 9	Photographs of the premises
Appendix 10	Email confirming the premises non-use of adverts and flyers
Appendix 11	LBTH Standard Conditions list
Appendix 12	Premises Code of Conduct and House Rules
Appendix 13	Vicinity Map
Appendix 14	Ward Profile
Appendix 15	Copy of Site Notice
Appendix 16	Copy of Press Advert
Appendix 17	Representations by Cllr Abdul Asad and Cllr Aminur Khan
Appendix 18	Representations by Local Residents
Appendix 19	Copy of LBTH SEV Policy
Appendix 20	Email from Applicant's legal representative giving a description of the premises