

LONDON BOROUGH OF TOWER HAMLETS

MINUTES OF THE LICENSING COMMITTEE

HELD AT 6.30 P.M. ON TUESDAY, 4 OCTOBER 2022

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

Members Present in Person:

Councillor Kamrul Hussain
Councillor Leelu Ahmed
Councillor Saied Ahmed
Councillor Sabina Akhtar
Councillor Gulam Kibria
Choudhury
Councillor Shubo Hussain
Councillor Ahmodul Kabir
Councillor Amin Rahman
Councillor Rebaka Sultana

Members In Attendance Virtually:

Councillor Asma Begum

Apologies:

Councillor Faroque Ahmed
Councillor Suluk Ahmed
Councillor Peter Golds
Councillor Kabir Hussain
Councillor Abdul Wahid

Officers Present in Person:

Tom Lewis	(Team Leader - Licensing Services)
Jonathan Melnick	(Principal Lawyer-Enforcement)
Kamal Miah	(Environmental Health Officer)
Lekan Olomo	(Environmental Health Officer)
Simmi Yesmin	(Democratic Services Officer, Committees, Governance)

Others In Attendance :

Robert Sutherland	(Item 2.1)
Cui Lan Fu	(Item 2.1)
Nigel Carter	(Item 2.2)

Christopher Adiole (Item 2.3)
Xiaowan Wang (Item 2.3)

1. DECLARATIONS OF INTEREST

There were no declarations of interest made.

2. ITEMS FOR CONSIDERATION

2.1 Hearing to consider refusal to grant a special treatment licence for Vanilla Thai Massage, 1 Whites Row, London E1 7NF

At the request of the Chair, Mr Kamal Miah, Environmental Health Officer, introduced the report which was seeking a refusal to grant a special treatment licence for Vanilla Thai Massage, 1 Whites Row, London E1 7NF. He explained the reason for the objection and gave a brief history of the premises.

It was noted that Redbud (London) Ltd previously held a special treatment licence which was granted on 23rd March 2016 and renewed annually until 14th March 2019 when its renewal application was refused by Licensing Committee for offering services of a sexual nature. Then on the 23rd March 2019, Redbud (London) Ltd was convicted at Thames Magistrates Court of an offence under the London Local Authorities Act 1991 Section 14(2). This was due to the offering of services of a sexual nature in breach of its special treatment licence conditions.

It was further noted that on the 16th October and 29th October 2021, test purchases were carried out by a professional surveillance company and found services of a sexual nature were being offered during the massage treatment on both occasions. Ms. Kwan was the licence holder at this time. Ms Cheung Lai Kwan's special treatment licence was revoked by Licensing Committee on the 14th July 2022. She was listed as a director of Redbud (London) Ltd at the time of the test purchases.

Mr Miah also highlighted that the two massage therapists listed in the new application made by Redbud (London) Ltd are the same therapists listed under the previous licence held by Ms Kwan at the test purchases. For these reasons, the Licensing and Safety Team had concerns that the premises has been operated improperly. Furthermore, the proposed licence holder, Redbud (London) Ltd, cannot reasonably be regarded as fit and proper to hold a special treatment licence given the previous recent conviction for breaches of the London Local Authorities Act 1991 for similar issues that occurred in October 2021.

Members then heard from Mr Robert Sutherland representing the Applicant Ms Cui Lan Fu. He stated that nothing said by Mr Miah was being disputed. He referred to the supporting documents submitted which set out the statements setting out the circumstances for which the application had been

applied for. He explained that the applicant had acquired the company name in order to take over the premises and in turn change company ownership. He explained that the applicant has had no history with the premises, no history with the previous operation of the business or the previous operators under Redbud London Ltd.

Mr Sutherland acknowledged the fact that there may be concerns in relation to this particular Applicant because of the history of the premises and therefore asked the Committee to consider granting a licence for a short period of three months to enable Ms Fu to make an application to transfer that licence into her own personal name or into another company formally separating herself from Redbud Ltd. This would also enable officers to consider Ms Fu's application in view of her experience and good record she operates in her other premises.

Mr Sutherland assured the committee that Ms Fu would seek to operate at this particular premises with high standards and ensure that allegations to which Mr Miah refers to doesn't happen again. Ms Fu intends to put in rigorous checks and balances to ensure this doesn't happen again. As well as this a detailed document has been drafted which sets out the requirements that expects from her therapists with regards to their experience and also a declaration that makes it very clear that they can't be offering and shouldn't be offering any sexual services. The document also gets therapists to confirm that they have not been arrested or convicted or charged or investigated in any acts in relation to prostitution or offering any services of sexual services. This was in hope that any therapist would be discouraged from doing such acts if it's in the form of a contract that they're going to enter into.

Mr Sutherland also highlighted the fact that the premises will display signage around the premises making it clear that if a customer is offered sexual services and if it is reported then the money for the service initially provided would be refunded. This would be addressing the problem directly and making it clear that such activity would not be tolerated at the premises. It was also noted that Ms Fu would also look to appointing her own mystery shopper which again will provide some checks and balances to ensure the quality of services are maintained but also sexual services are not being offered without her knowledge.

Mr Sutherland concluded by urging Members to grant the licence for up to three months in order for the licence to be transferred into Ms Fu's name or into another acceptable company name and within that space of time she will be able to re-establish the operation of the premises.

In response to questions, it was noted;

- That the applicant was not involved or aware of any wrong doings at the premises before taking over the premises.
- The applicant was only made aware of the allegations when objections were raised by Council Officers and she was contacted by Democratic Services for the hearing.

- Mr. Miah was asked why it had taken until now before these allegations were brought to Ms. Fu'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. He confirmed that the case had been brought to the Committee within an appropriate time frame.

At this juncture, Mr Jonathan Melnick, Legal Advisor to the Committee, pointed out that Councillor Rebekha Sulthana had left the meeting for a short while during the submissions for this application and she was therefore advised that she could not participate in the decision making for this particular application during deliberations. However, she could remain and participate for the rest of the meeting.

Concluding remarks were made by both parties.

Decision

The Licensing Committee considered an objection to an application by Redbud (London) Ltd. for a new special treatment licence (MST licence) in respect of Vanilla Thai Massage, 1 White's Row, London, E1 ("the Premises"). The application had been objected by the Licensing Authority on the basis that there was a history of sexual services having been offered by therapists at the Premises.

Kamal Miah, on behalf of the Licensing Authority, explained his objection. The company had previously held an MST licence from March 2016 until March 2019. In March 2019 the company and its then-director were convicted of offences under s.14 of the London Local Authorities Act 1991 for breaches of licence conditions, which included therapists offering sexual services. A renewal application had been refused in March 2019.

An MST licence had subsequently been issued to Cheung Lai Kwan. On 16th and 29th October 2021, test purchases were carried out at the Premises. On both occasions the therapist carrying out the massage had offered the test purchaser sexual services. Ms. Kwan was at this time the director of Redbud (London) Ltd. The licence was subsequently revoked at a Licensing Committee hearing on 14th July 2022. Given the history, he was of the view that the Premises had been or were improperly conducted, that the applicant could reasonably be regarded as not fit and proper to hold a licence, and that the applicant had been convicted of an offence under the 1991 Act in the five years immediately preceding the application.

Robert Sutherland addressed the Committee on behalf of Ms. Fu, the sole director of the company. There was no dispute as to the history. The reason the application had been made in the company name was that the company held the lease. Ms. Fu had taken over the company in April 2022 and she had done so for administrative convenience, since it would mean that the lease of

the Premises did not need to change hands. She had no history with the Premises or the previous operators.

Although the company was the same, its controlling mind was not. He submitted that if the Committee had a concern then one option was to grant the licence for a short period of time, perhaps three months, to allow the authority to be satisfied as to compliance and also to allow for the licence to be transferred to Ms. Fu personally or into another company name. The Committee was told that she operated other premises without incident.

The Premises offered to change its name to Bamboo Thai, to dispel any association with the former operators. The therapists previously working at the Premises would not be employed and she would place signage to make clear that sexual services would not be on offer.

Despite the apparent change in ownership, the Committee's concerns were not assuaged. There was a history of sexual services at the Premises, as evidenced by test purchases. To date, the premises had been licensed to two entities; the company and to Ms. Kwan. Sexual services had been offered while under the management of both. Ms. Kwan was not a director of the company at the time of the first test purchase, having been appointed as director in December 2019. Given that one change in ownership or management had apparently not changed matters, the Committee was unable to give any real weight to Ms. Fu's assurances that she would not operate in the same way.

It also appeared to the Committee that Ms. Fu had not carried out sufficient due diligence before taking over the company. Had she done so, it might be that she would have been aware of the history and would not have taken over the Premises.

The Committee also considered there to be a risk of previous clients returning to the Premises in order to obtain sexual services.

There was no dispute that the company had been convicted of a criminal offence in March 2019. The Committee considered the suggestions of signage and a shorter period. The former gave no comfort since the offer of sexual services was already prohibited by standard conditions; the latter was not appropriate because it would not address the concerns of the previous history and it would not be a realistically long period in which to assess compliance. A longer period was considered but that imposed a burden on the Authority to monitor compliance. Ultimately, nothing that the Committee had heard gave it sufficient confidence that the Premises would be operated in strict compliance with the conditions having regard to the history.

The Committee was therefore satisfied that it was appropriate to refuse the application on the basis of section 8(c), 8(e), and 8(l), of the London Local Authorities Act 1991, 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 the premises have been or are being improperly conducted, and that the applicant has within five years immediately

preceding the application been convicted of an offence under the London Local Authorities Act 1991.

Accordingly, the Committee made a majority decision;

6 Against
1 For

RESOLVED

That the application for a special treatment licence for Redbud (London) Ltd. in respect of Vanilla Thai Massage, 1 White's Row, London, E1 7NF be **REFUSED**.

2.2 Hearing to consider refusal to grant a special treatment licence for Primo Remedy, 24 Wentworth Street, London E1 7TB

At the request of the Chair, Mr Tom Lewis, Team Leader, Licensing, introduced the report which was seeking refusal to grant a special treatment licence for Primo Remedy, 24 Wentworth Street, London E1 7TB. He explained the reason for the objection and gave a brief history of the premises.

He explained the reason for the objection was because the premises had a history of offering services of a sexual nature. A test purchase was carried out on the 29th October 2021. During the massage the person carrying out the test purchase indicated that he was offered sexual services. Mr Lewis stated that the grounds for the objection were that the premises had been improperly conducted, and the applicant was not fit and proper to hold a licence. He then referred to the representation from the Licensing and Safety Team in Appendix 2.

It was noted that the premises provided deep tissue massage, reflexology and cupping. It was noted the fact that the Licencing and Safety Team have objected to the granting of this special treatment licence because the premises had been associated with providing services sexual nature over the years. It had initially come to the attention of the Health & Safety and Licencing Team in March 2019 and Primo Remedy and Min Zhang (applicant) were convicted under the London Local Authorities Act 1991 which was in relation to a test purchase operation finding the premises was delivering services of a sexual nature. A further complaint was also received in July 2019 about providing services of sexual nature. Officers then visited that month and Ms Min Zhang, who was then the manager, was informed of this complaint. Due to the pandemic which started in March 2020 there was no services of special treatments available until in October 2021 a test purchase was carried out and it was found again that services of sexual nature were being offered at this premises.

Mr Lewis in conclusion explained that this premises appears to have been found providing services of a sexual nature and it is believed that on a

balance of probabilities that granting this new premises licence will mean that services of a sexual nature will be continued to be delivered at this premises. It also appears that Miss Min Zhang is one of the directors of the company who has been associated with the premises since 2019.

He stated that premises offering services sexual nature are often associated with the exploitation of females and can give rise to increase risk of infectious disease. It was believed that the premises has operated in an improper manner and the application should be refused by the Committee under Section 8E of the London Local Authorities Act 1991 because the premises has a history of services being offered of sexual nature and it was believed that this could continue.

Members then heard from Mr Nigel Carter, Representative on behalf of the Applicant. It was noted that the premises had been operating under exempt body status which the therapists were members but these premises ceased trading, therefore there has been a need for the licence application.

He explained that Members are being asked to refuse this application based on the assertion by Mr. Miah from the Licencing and Safety Team that the premises have been or are being improperly conducted. He refuted that this was not the case as this was the only objection to this application

He explained that the objection stems primarily from the three test purchases carried out in the premises, one in 2019 and two others in October 2021 which alleged that on each occasion the therapist offered sexual services to the witness. It was noted that the first allegation refers to a conviction in 2019 were Primo Remedy and Miss Hong Zhang the sole director of the company were convicted employing a therapist who wasn't a member of an exempt body, yet there was no evidence to support the allegation. It was further noted that the two other instances were provided with a witness statement. However, the person making the allegation was not present at the meeting and he therefore asked that the Committee on that basis disregard this allegation in its entirety as it was completely unfounded.

Mr Carter then continued to respond to the objections made. He made a point that a copy of the original representation made by Mr Miah an e-mail to Mr Carter on the 26th of July 2022 was not included in the papers before the Committee and believed this to be highly irregular, suggesting it was a deliberate omission as it undermined the Council's case for refusing this application. Further, only a brief history of the premises was provided in appendix 2 by Mr Miah in support of his objection. He also highlighted that the first statement referred to in his original representation and alleging the services of a sexual nature were offered by a therapist at the premises on the 14th October 2021 was no longer referred to and therefore Mr Carter had to specifically request that it was included in the agenda papers as it was significant and relevant to his submission. The allegations referred to the therapist offering services of an apparent sexual nature. However, the witness statement produces no evidence supporting this allegation. He said that Mr Miah's initial representation states that test purchases were conducted on the 14th and 29th October 2021 and found that services of a sexual nature were

offered at the premises, which Mr Carter claimed were completely untrue. He made references to the witness statements from the test purchases and explained how there was no evidence to support any sexual services were offered but merely conjecture from the test purchaser. Therefore, he argued that members should attach little or no weight to the evidence from this witness as he had shown that he is willing to provide a statement to support the council's assertion that therapists are offering sexual services without evidence.

Mr Carter stated that he had conducted similar test purchases during his eight years as a Licencing Inspector at the City of Westminster Council and found the manner of these test purchases lacking professionalism, as the witness did not identify himself to the manager once the massage was over nor identify the therapist who had carried out the massage and allegedly offered sexual services. Furthermore, following these test purchases his client was not made aware of these alleged offences, nor was these allegation investigated further. The first notification received from the Council was in a letter from Mr Miah to applicant in March 2022, some four months after the last test purchase. He concluded that Ms Min Zhang was not provided with the opportunity to investigate the allegations as it would appear the Council were happy to allow them to continue operating notwithstanding the fact that they believe the premises were being run as a brothel which was untrue. Mr Carter expressed serious concerns as to the honesty and validity of the third statement made by the same surveillance operative and was of the view that the Council had failed to demonstrate that these premises have been or are being improperly conducted and therefore asked the Committee to grant this special treatment licence application.

There were no questions from Members.

Concluding remarks were made by both parties.

At this juncture, it was noted that Councillor Leelu Ahmed had joined the meeting. He was therefore advised that he could not participate in the decision making for this particular application during deliberations. However, he could remain and participate for the rest of the meeting.

Decision

The Licensing Committee considered an objection to an application for a new special treatment licence (MST licence) made by Z&Z823 Ltd. in respect of Primo Remedy, 24 Wentworth Street, London, E1 7TB ("the Premises"). The objection had been made by the Licensing Authority on the basis of the history of the Premises.

Tom Lewis of the Licensing Authority addressed the Committee in respect of the objection. In March 2019 the company operating from the Premises, Primo Remedy Ltd., and its director, Hong Zhang, were convicted at Thames Magistrates' Court of an offence contrary to section 14(1) of the London Local Authorities Act 1991. The Premises had the benefit of an exemption; however, on the occasion in question, the therapist did not benefit from an exemption.

Whilst the prosecution was for an offence of carrying on special treatments without a licence where one was required, Mr. Lewis confirmed that the test purchase had referred to an offer of sexual services.

Ms. Zhang was advised of this offer of sexual services in July 2019. The Premises were treated as being exempt from licensing. Test purchases were carried out on 14th ad 29th October 2021 and the test purchasers state that they were offered sexual services. Mr. Lewis was also concerned that granting this application would mean it was more likely that sexual services would continue to be offered in the future. He also indicated that Ms. Zhang appeared to have some connection with the former operators.

Nigel Carter addressed the Committee on behalf of the applicant. He stated that the Licensing Authority's objection was the only objection. The first conviction related not to the offer of sexual services but to the fact that a non-exempt therapist was employed. He asserted that as there was no witness statement before the Committee to address that, there was no evidence of the allegation and it should be disregarded.

Mr. Carter then suggested that there was an irregularity in that a response from Kamal Miah dated 26th July 2022 was not included in the Committee papers. This, in his view, undermined the case for refusing the application. There was a test purchase on 14th October 2021 but this was not referred to in the representation. He stated it was significant that it was omitted although it was now included in the supplemental agenda. He stated that there was no evidence of an offer of sexual services and that it was mere supposition on the test purchaser's part.

With regard to the second test purchase, Mr. Carter asserted that it doesn't say what the hand gesture alluded to was and that it was said to be over the test purchaser's waist rather than over his genitals. He denied it was an offer of sexual service. Further, as the test purchaser was not present, it was hearsay and should be disregarded.

Mr. Carter suggested that it was "significant" that the test purchaser was the same on both occasions and that the test purchasers were lying.

In his concluding remarks, Mr. Carter told the Committee that Ms. Zhang held two MST licences elsewhere, both of which had been issued in the last six months and that she had never been prosecuted or reviewed. He also alleged that the use of a test purchaser was a Covert Human Intelligence Source (CHIS) and thus required authorisation under the Regulation of Investigatory Powers Act 2000 (RIPA) and that this also constituted a breach of the Council's Enforcement Policy.

Mr. Lewis confirmed that he did not say that the applicant was not fit and proper but that there were nonetheless concerns if the Premises were to continue to be operated. He agreed that the test purchase report of 14th October 2021 relied upon inference. However, the test purchase report of 29th October 2021 clearly did relate an incident, as did the statement in support of the prosecution in 2019.

The Committee is not a court and is not bound by strict rules of evidence. It is entitled to rely upon hearsay evidence and the weight it gives it is a matter for the Committee. By the same token, its function is not to determine guilt or innocence.

As to the incident on 14th October 2021, the Committee accepted that there was no direct offer of sexual services. If there was such an offer, it was highly subjective and the benefit of the doubt must be given to the applicant.

As to the incident on 29th October 2021, however, the Committee was satisfied that there was such an offer. The Committee found that the offer was entirely clear and that there was nothing to Mr. Carter's point that, because the purchaser was not more explicit in detailing the hand gesture or that the gesture was said to be over the waist, that there was some other rational explanation. This is particularly so, given that the reference was to a "handy" and a "happy ending."

Similarly, that the statement in respect of the prosecution in 2019 was not in the report pack did not mean that Mr. Lewis could not tell the Committee what it said. It would have been open to Mr. Carter to request that it be before the Committee, as was the case with the report of 14th October 2021. The Committee accepted that it was more likely than not that the statement said what Mr. Lewis said it did. Moreover, Ms. Zhang was advised of that offer in July 2019 and that was set out in written documentation given to her at that time.

The Committee was therefore satisfied that there was a history of sexual activity associated with the Premises and that it was reasonable to infer that there would have been other incidents. In addition, given that the incident of 29th October 2021 occurred when Ms. Zhang was operating or managing the Premises, it gives the Committee cause for concern that there may be such incidents in the future.

The Committee did not agree that the test purchases are in breach of RIPA or its own Enforcement Policy. It was advised that the test purchases did not amount to the use of a CHIS within the meaning of s.26(8) RIPA as there was no establishment or maintaining of a relationship which is a necessary prerequisite. Even if it were a breach of RIPA, however, the conduct was not of itself unlawful by virtue of s.80 nor did it affect the validity of the evidence.

Having regard to everything it had heard, the Committee was satisfied that the premises have been or are being improperly conducted and that it is appropriate to refuse the application for a licence pursuant to s.8(e) of the London Local Authorities Act 1991.

Accordingly, the Committee unanimously;

RESOLVED

That the application for a special treatment licence for Primo Remedy, 24 Wentworth Street, London E1 7TB be **REFUSED**.

2.3 Hearing to consider refusal to grant a special treatment licence for Rain Therapy Centre, 56 Skylines Village, London E14 9TS

At the request of the Chair, Mr Lekan Olomo, Environmental Health Officer, introduced the report which was seeking refusal to grant a special treatment licence for Rain Therapy Centre, 56 Skylines Village, London E14 9TS. He explained the reason for the objection and gave a brief history of the premises.

It was noted that on 20th September 2018 (being operated by a different company/person), a test purchase was carried out by a professional surveillance company and found services of a sexual nature were offered during the massage treatment. This resulted in a previous licence being refused by the Licensing Committee on 28th November 2018. Then on the 14th of October and 29th of October 2021, further test purchases were carried out and found services of a sexual nature were offered during the massage treatment on both occasions. As a result, the previous licence holder and its director were each convicted of an offence under the London Local Authorities Act 1991 and therefore they did not renew their licence. Mr Olomo stated that for these reasons, the Licensing and Safety Team have concerns that the premises has been operated improperly. Therefore, concluded by asking Members of the Committee to refuse the application under Section 8 of the London Local Authority Act 1991.

Members then heard from Mr Christopher Adiole, representative on behalf of the Applicant, Ms Wang. It was noted that the applicant was present at the meeting with her daughter who would help translate. He explained that the applicant had recently been going through bereavement due to the loss of her husband.

Mr Adiole explained that the allegations referred to in the witness statements were carried out with the previous owners and that the applicant took over the business in February 2022. During this time there was a valid licence in place. In the month of February there was a visit by Council Officers during the visit Ms Wang was at the premises and had a chance to speak to the officers and asked them about the purpose of the visit and if there were any concerns. However, at the time the Officer's response was rather vague and didn't indicate there was any concerns in relation to the services being provided at the premises.

A few days after the visit, Ms Wang wrote to the Council before purchasing the business asking if there were any concerns in relation to the business but none were raised and therefore Ms Wang completed the purchase. At the time of purchase there was a valid licence in place for a special treatment licence and therefore there was no suggestion that there had been any wrongdoings at that premise. It was stated that it could be confirmed via Companies House Ltd that at the time when the test purchases were being carried out, the previous owners of the of the business was ACU Herbs Limited and they are the persons that were accused of wrongdoings and there

was no evidence that Ms Wang had any connections with them. Ms Wang had purchased the premises in good faith and without any knowledge of any previous wrongdoing.

It was also highlighted that Ms Wang was a qualified therapist and never been convicted of any offence and no offence had been suggested against her in the past. Mr Adiloe confirmed that Ms Wang had completely rebranded the service and the company is owned by an entirely separate director and has no connection to the previous owners.

It was also noted that Ms Wang had not retained any of the therapist from the previous owners and she was in fact the only therapist at the premises qualified to carry out the services and in future only intended to recruit or retain qualified persons in relation to any services to be carried out at the premises.

Ms Wang addressed the Committee very briefly and highlighted her experiences and her lack of attention to the business due to the recent loss of her husband. She confirmed that she would be the sole therapist and had no connections to the previous owners.

In response to questions, it was noted;

- That an email was sent by Council Officers to the Applicant suggesting that due to the history of the premises they would likely object to a licence application.
- That the premises as a whole was an attraction for customers who have previously been offered services of a sexual nature at these premises.
- That there have been no further test purchases since February 2022.
- That the applicant was not in a financial position to employ any other therapists, she would be the sole therapist until such a time she is financially able to employ additional staff.
- Mr Olomo confirmed that he had met with Ms Wang at the premises in February 2022 and during the visit he had informed Ms Wang that there were issues of concern. Further, in a later email exchange, it was made clear that, due to the history of the premises, there would be an objection to a new application.

Concluding remarks were made by both parties.

Decision

The Licensing Committee considered an objection to an application for a new special treatment licence (MST licence) by Human Health Ltd. in respect of premises at 56 Skylines Village, London, E14 9TS. The objection referred to a history of sexual services being offered at the Premises.

The Committee heard from Lekan Olomo. The Premises had come to the Council's attention in September 2018 when they were found to be carrying

on special treatments without a licence. A test purchase later that month resulted in the purchaser being offered sexual services.

An application was submitted for an MST licence and this was refused by the Committee in November 2018. The Premises changed its name to Rain Therapy and was operated by a company called Acu & Herbs Ltd. They operated from July 2020 to July 2022 under an MST licence. However, two test purchases on 14th and 29th October 2021 resulted in sexual services being offered. As a result, the company did not apply to renew the licence.

That company and its director were each convicted on 26th July 2022 of an offence under the London Local Authorities Act 1991, arising from those test purchases.

The consequence is that there is a pattern and a history of sexual services being offered. Given that only massage was sought in this application, Mr. Olomo considered it likely that there would be further offences.

Christopher Adiole addressed the Committee on behalf of the applicant. He explained that she had recently lost her husband and had not been as focused as she might otherwise have been on this application. The allegations did not relate to her, however. She had taken over the business in February 2022, at which time there was a valid licence. She had spoken to an officer when he had visited and had been told there were no problems. Had she been informed otherwise, she would not have purchased the Premises.

Mr. Adiole stated that his client had no convictions, that she was a qualified therapist, and that she had not retained any of the previous therapists. She had rebranded the service. He further submitted that the authority had a precedent of granting licences even where there had been a history and that his client should be given an opportunity.

Officers confirmed that there had been no further test purchases to date. The Legal Adviser asked Mr. Olomo if he could shed any further light on the visit in February 2022. Mr. Olomo confirmed he had visited with a colleague on 9th February 2022. Ms. Wang had been present. There was a concern about non-approved therapists working there and he had alluded to there having been some problems. Mr. Olomo told the Committee that Ms. Wang advised she had bought the business three days earlier.

The Committee accepted that Ms. Wang did not appear to have been involved with the Premises previously. However, the history showed a pattern of sexual services being offered and it was reasonable to infer that others would have occurred. That none of the former therapists would be employed would not stop others offering similar services.

Whilst the Committee noted the suggestion that officers misled the applicant into buying the business, Members accepted Mr. Olomo's account of the visit of 9th February 2022, at which point Ms. Wang told him that the business had already been purchased.

Whether or not the Authority has previously granted licences where there had been a prior history does not set any precedent. Each application must be decided on its own merits. There was a history with this Premises and the Committee was not satisfied that this would change under the applicant's management.

Having regard to the representations from the parties, the Committee was satisfied that the Premises have been or are being improperly conducted and that refusal of the licence was appropriate under s.8(e) of the London Local Authorities Act 1991.

Accordingly, the Committee made a majority decision;

5 Against
4 For

RESOLVED

That the application for a special treatment licence for Human Health Ltd. in respect of Rain Therapy, 56 Skylines Village, London E14 9TS be **REFUSED**.

The meeting ended at 8.10 p.m.

Chair, Councillor Kamrul Hussain
Licensing Committee