

Licensing Sub-Committee

Monday, 22nd January, 2024

PRESENT: Councillor J Gibson in the Chair

Councillors N Buckley and L Martin

1 Election of the Chair

RESOLVED – To elect Councillor J Gibson as Chair for the duration of the meeting.

2 Appeals Against Refusal of Inspection of Documents

There were no appeals.

3 Exempt Information - Possible Exclusion of the Press and Public

There were no exempt items.

4 Late Items

There were no formal late items. However, supplementary information was published on the council's website in relation to Agenda Item 7 – Krakus, 54 Harehills Road, Harehills, Leeds, LS8 5LE. Minute No. 7 refers.

5 Declaration of Interests

No interests were raised.

6 Review of the Premises Licence for Bucharest Off Licence, 56 Harehills Road, Harehills, Leeds, LS8 5LE

The report of the Chief Officer (Elections and Regulatory) presented a report that informs Sub-Committee Members that West Yorkshire Police, has served on the licensing authority an application under 51 of the Licensing Act 2003 for a review of the premises licence in respect of Bucharest Off Licence, 56 Harehills Road, Harehills, Leeds, LS8 5LE.

The grounds of the review relate to the seizure of non-duty paid alcohol and cigarettes from the premises.

The following were in attendance for this item:

- PC Neil Haywood, West Yorkshire Police – Review Applicant
- Victoria Radford, Entertainment Licensing – Representation in support of the Review
- Babul Hussain, West Yorkshire Trading Standards - Representation in support of the Review
- Councillor Ali Asghar, Local Ward Councillor - Representation in support of the Review
- Emilia Slezak, Public Health – Witness on behalf of the Local Ward Councillors

The Legal Adviser to the Sub-Committee outlined the procedure for the hearing.

It was noted that the licence holder was not in attendance for the hearing. Sub-Committee Members agreed to proceed with the hearing as all other attendees were present.

The Licensing Officer highlighted the following information:

- A joint collaboration with West Yorkshire Police, HMRC, West Yorkshire Trading Standards and Leeds City Council Licensing, resulted in the seizure of non-duty paid alcohol and cigarettes from the premises.
- The premises currently holds a licence permitting sale by retail of alcohol (for consumption off the premises only) Monday – Saturday 08:00 until 23:00 and Sunday 10:00 until 22:30.
- Representations in support of the review have been received from responsible authorities including a Senior Liaison Enforcement Officer on behalf of Entertainment Licensing, Trading Standards and Local Ward Councillors.
- Members were provided with the steps available to them in determining the application and those appropriate in the promotion of the licensing objectives.

West Yorkshire Police informed the Sub-Committee and provided the following information:

- Harehills is in a Cumulative Impact Area and categorised as high where alcohol is related as a factor in relation to crime, anti-social behaviour, and violent crime. Harehills is also rated high in terms of ambulance callouts and alcohol related hospital stays. It has also been highlighted by a professional that Harehills is one of the most challenging areas in country due to serious issues relating to alcohol.
- It is considered that this is not an isolated case, and it appears to be a systematic widespread failure to abide by the law and the premises licence.
- The premises is one of the 12 put forward for a review by West Yorkshire Police, all for serious breaches and offences. It is believed that the stores are linked via organised crime and the same distribution of goods are being sold across the Harehills area.
- A multi-agency operation took place on 30th August 2023, where a visit to Bucharest was undertaken. During the visit, a number of goods were seized including 36 bottles of wine, 19 bottles of spirits and 6740 cigarettes. It is believed that this is not a one-off mistake.

Trading Standards provided the following information:

- On 28th September 2021, a previous seizure also took place regarding the premises, and this was dealt with by a warning due to them being a first time offended and resources being directed elsewhere.
- Illegal tobacco comes in various forms such as illicit whites and counterfeit products, all of which are non-duty paid goods, and monies not being directed to vital services nationally.
- A test purchase was carried out on the 29th August 2023, where a person purchased a packet of cigarettes for £4, a third of the genuine price which makes the goods more affordable to children to purchase.
- Illegal vapes were also found on the premises in the form of different flavours, and over the permitted 2ml of liquid.
- The packets of cigarettes were found hidden under the counter.

West Yorkshire Police proceeded to explain that the offences are not an isolated case of criminality, and it appears to be organised. Additional conditions will not solve the issues regarding the premises and therefore the Sub-Committee were asked to revoke the licence.

Further to a question from Sub-Committee Members, it was confirmed that the police are not aware of any plans to change ownership. Trading Standards explained that a loophole has been identified in transferring the licence and this tactic is used nationally across organised criminality groups.

Entertainment Licensing informed the Sub-Committee, providing the following information:

- The premises has held a licence since August 2005 and the licence holder has been the premises licence holder since 26th March 2019.
- Entertainment Licensing visited the premises following complaints of street drinkers, anti-social behaviour related issues and littering, and residents feeling intimidated by groups congregating on the street. Advice was provided to the licence holder in 2019 regarding this.
- In September 2021, hundreds of pounds worth of cigarettes was seized on the premises and CCTV was not working as it should, being 9 minutes out of time. Part A and B of their licence was also not displayed as it should per the conditions on the premises licence.
- A test purchase was carried out on 29th August 2023, where a person was sold counterfeit products.
- On the day of the multi-agency operation, of the goods seized, £2,916.36, is the duty owed on the goods.
- Smuggled goods were kept at the premises, and this is the responsibility of the DPS and licence holder to take accountability for anything that happens unlawfully on the premises.
- A visit was undertaken on 11th October 2023, where a young male was working behind the counter and explained he was in training. The CCTV was still not working as it should.
- The licence holder has failed to uphold their responsibilities and does not make Harehills a better place to live and play.

Further to a question from a Sub-Committee Member, it was confirmed that it is not believed to be a mistake as a similar offence occurred in 2019 and responsible authorities have repeatedly visited the premises and provided advice.

Councillor Ali informed the Sub-Committee, providing the following information:

- It is not an isolated offence, and it is an organised crime.
- The premises selling cigarettes for £4, is affordable for children and encourages them to purchase.
- The loophole used by organised crime, is allowing new individuals to money launder through illegal and illicit crime.
- The premises has a negative impact on the local area and community, and following advice, they have refused to take that onboard.

- The Sub-Committee were asked to revoke the licence with immediate effect, to send a message that Harehills will not tolerate illegal activities and the selling of illicit goods.
- There are 3 main schools nearby the premises where children will walk past the shop on their route. £4 is equivalent to buying sweets and is pocket money to buy the illicit goods from the premises.
- There is concealment in the building to store the illicit goods and it is believed it is not a one-person operation.

The Public Health representative provided the following information:

- There are a lot of health inequalities that exist in Harehills.
- The service uses a calculated risk tool to estimate alcohol harm for each Middle Super Output Area (NMSOA). The MSOA places an overall score into a comparative risk ranking, and there is 107 in Leeds, with 1 being the most harmful. Harehills ranks high in terms of looked after children and anti-social behaviour related crime linked with alcohol.
- GIPSAL centre where vulnerable children are supported, is a 10-minute walk away from the premises.
- It is not known what is inside illicit goods, and this poses a harm to people.
- There is a high number of children under the age of 16 in the care system and research shows they're more at risk of trauma and adapt to behaviours such as drinking and using vapes.
- Organisations are already helping to support street drinkers, and this should not exist.
- Evidence shows that children who are exposed to street drinking and the selling of illicit goods, it becomes normal for young children, and they believe this is ok.
- Residents have already said they fear their children growing up in the Harehills area and do not want to live there due to the amount of gang crime, domestic violence, litter, and alcohol abuse.

Further to a question from a Sub-Committee Member regarding the 'loophole' in law, the police explained that a problem for them is delivering evidence with a new premises owner who is not linked to the area, and it is more difficult to prove the connection between 2 people. It is considered that a change in national legislation is needed to overcome this issue. Further to this, Trading Standards added that it is common for attempts to be made to transfer a licence following a review application and it will still be the same people getting paid but under a new premises licence holder. Challenges locally and nationally will continue to persist.

In summarising, West Yorkshire Police added that the premises previously had goods seized in 2021, and failed a test purchase in 2023, and in August 2023 further goods were seized. It is considered that the premises is a risk to public safety and crime and disorder will continue if the premises operates. Sub-Committee Members were asked to consider revoking the licence.

At this point in the meeting, the Sub-Committee went into private session to deliberate on the application. Upon returning, it was **RESOLVED** – To revoke the licence.

7 Review of the Premises Licence for Krakus, 54 Harehills Road, Harehills, Leeds, LS8 5LE,

The report of the Chief Officer (Elections and Regulatory) presented a report that informs Sub-Committee Members that West Yorkshire Police, has served on the licensing authority an application under 51 of the Licensing Act 2003 for a review of the premises licence in respect of Krakus, 54 Harehills Road, Leeds, LS8 5LE.

The grounds for review relate to the seizure of large amounts of non-duty paid alcohol.

The following were in attendance for this item:

- PC Neil Haywood, West Yorkshire Police – Review Applicant
- Victoria Radford, Entertainment Licensing – Representation in support of the Review
- Babul Hussain, West Yorkshire Trading Standards - Representation in support of the Review
- Councillor Ali Asghar, Local Ward Councillor - Representation in support of the Review
- Emilia Slezak, Public Health – Witness on behalf of the Local Ward Councillors
- Muzafar Piroti, Sole Director of Krakus Leeds Ltd – Licence Holder
- Geoff Dixon, Manchester Licensing Training – Licence Holder’s Representative
- Sajjad Mohammadi – Interpreter for the Licence Holder

The Legal Officer outlined the procedure for the hearing.

The Licence Holder’s Representative put forward a document to be tabled at the meeting. The information related to a copy of the Licence Holders passport and a return flight ticket. Mr Dixon explained the relevance of the information showed that Mr Piroti arrived in Turkey on 2nd June 2023, and returned to the UK in October. The Sub-Committee agreed to accept the document and parties present did not object to it being considered.

The Licensing Officer provided the following information:

- The application is made on the grounds of the prevention of crime and disorder and public safety.
- The agenda pack includes information received from HMRC and photographic evidence.
- Supplementary information received and published on the council website relates to information supplied by West Yorkshire Police regarding an immigration report and the arrest of an individual connected to Krakus.
- The premises licence permits the sale by retail of alcohol everyday 07:00 until 23:00 and the opening hours every day 07:00 until 23:00.
- Representations have been received from Entertainment Licensing, Trading Standards, and the Local Ward Councillors.
- Members were provided with an overview of the options available to them in determining the application.

West Yorkshire Police informed the Sub-Committee and provided the following information:

- Harehills is in a Cumulative Impact Area and categorised as high where alcohol is related as a factor in relation to crime, anti-social behaviour, and violent crime. Harehills is also rated high in terms of ambulance callouts and alcohol related hospital stays. It has also been highlighted by a professional that Harehills is one of the most challenging areas in country due to serious issues relating to alcohol.
- It is considered that this is not an isolated case, and it appears to be a systematic widespread failure to abide by the law and the premises licence.
- The premises is one of the 12 put forward for a review by West Yorkshire Police, all for serious breaches and offences. It is believed that the stores are linked via organised crime and the same distribution of goods are being sold across the Harehills area.
- On the 30th of August 2023 a joint operation was executed in Harehills aimed at off licences selling illicit tobacco and non-duty paid alcohol. The operation was in collaboration with HMRC, Trading Standards, West Yorkshire Police and Leeds City Council Licensing. Krakus was found to have large amounts of non-duty paid alcohol in the store for sale to members of the public.
- 53 cases and 165 loose cans of beer were seized and 3 bottles of vodka. It is considered that the type of goods seized is purchased by people who are alcohol dependent and those drinking on the street causing issues. Illicit cigarettes were also seized.

Trading Standards provided the following information:

- A large amount of illegal tobacco was found on the premises in the form of illicit whites and counterfeit products. The number of goods found, is not considered to be a case of a person bringing them back from holiday for friends and/or family and the amount seized is a serious crime.
- A test purchase took place at the premises where an illegal packet of cigarettes was sold for £4, and this brand can cost up to £15 a packet. An employee picked up a walkie talkie and a male came into the shop and placed a product on the counter for the customer to purchase. A male went into a vehicle (Skoda) and parked on Conway Place. Upon inspection, 500 packets of cigarettes and packets of tobacco were found inside the vehicle.
- On the day of the visit of the operation, the police and colleagues spoke to a male working behind the counter, took some details and it was found that he was an illegal immigrant and did not have the right to work in the UK. Illegal cigarettes were found behind the counter, in a wardrobe.
- 49 vapes were also seized, and they are illegal due to them permitting more liquid than what is allowed in a disposable vape.
- The price of illegal vapes, and tobacco are attractive to children.
- The licence holder is breaching his licence by keeping smuggled drugs and no tax is being paid on the goods.

West Yorkshire Police explained that the supplementary information related to some information from the immigration service, and it is considered that the immigration offences alone, allow for the removal of the premises licence.

Additionally, it was explained that a neighbourhood policing team (NPT) officer stopped a male after a foot chase, recognised as a staff member from Krakus. The male was found with £160 cash, and 13 packets of cigarettes not from the UK. The male claimed to work for Krakus, but the sales were for personal use and not related to Krakus. It is believed that the male was delivering an order made in store, off-site.

Councillor Buckley considered that the applicant could have also submitted the application on the grounds of prevention of children from harm. West Yorkshire Police agreed.

In response to a question from Councillor Martin, it was confirmed that the person found illegally working, took place on 30th August 2023. The same person was found running away with illicit cigarettes on 14th January 2024.

Entertainment Licensing informed the Sub-Committee, providing the following information:

- A representation from Entertainment Licensing was submitted on behalf of a colleague that represents the Harehills area, and the original submission is included at page 81 of the submitted agenda pack.
- The premises has had the right to sell alcohol since May 2017.
- A complaint was received to Entertainment Licensing on 9th May 2023, regarding the premises opening beyond their permitted hours.
- A visit was made on 12th May 2023, where Mr Piroti explained he was buying the business. On the day of the visit CCTV was not working as it should and this is breach in the licence under Section 136 of the Licensing Act 2003. Further visits were made in July and August 2023 and the CCTV was still not compliant. As well as no incident or refusal logs being kept, and no challenge 25 posters being displayed.
- Mr Piroti applied to transfer the premises licence in the name of Krakus Limited and the DPS on 16th May 2023.
- A visit to the premises on 13th August 2023 where the multi-operation took place, seized smuggled goods from the premises including non-duty paid alcohol, vapes and tobacco.
- The licence holder and the DPS are ultimately responsible for everything that happens in the shop.
- The licence holder has taken on two shops in the Harehills area, one of which was subject to a review on 9th January 2024, where the licence was revoked. The licence holder has repeatedly breached law and conditions as per his premises licence and therefore, the licence should be revoked.
- The premises does not protect the community, vulnerable people, and young children.

In responding to a question from Councillor Martin, it was confirmed that the DPS does not have to be on-site, but he is responsible for the breaches made at the premises.

Councillor Ali informed the Sub-Committee, providing the following information:

- The Local Councillor was approached by the licence holder in a public setting, and refused to speak to Mr Piroti whilst a live investigation is on-going.
- It is believed the offences that have taken place amount to serious organised crime.
- A premises licence is a privilege and comes with responsibilities. The licence holder has not respected the law and has been given advice on many occasions, and not listened.
- Some flavours of vapes target children and are priced low in the region of £4.
- The taxes not being paid on the goods, could go to vital services nationally.
- The alcohol being served is targeted at alcohol dependent people and often seen amongst those street drinking and causing issues in the ward. There is also a high number of cans being littered in Harehills.
- There are 16 children's care facilities within walking distance.
- The offences committed are impacting an already struggling area and does not respect the wider community. Therefore, it is felt that the licence should be revoked with immediate effect.

The Public Health representative provided the following information:

- There are a lot of health inequalities that exist in Harehills.
- The service uses a calculated risk tool to estimate alcohol harm for each Middle Super Output Area (MSOA). The MSOA places an overall score into a comparative risk ranking, and there is 107 in Leeds, with 1 being the most harmful. Harehills ranks high in terms of looked after children and anti-social behaviour related crime linked with alcohol.
- GIPSAL centre where vulnerable children are supported, is a 10-minute walk away from the premises.
- It is not known what inside illicit goods is, and this poses a harm to people.
- There is a high number of children under the age of 16 in the care system and research shows they're more at risk of trauma and adapt to behaviours such as drinking and using vapes.
- Organisations are already helping to support street drinkers, and this should not exist.
- The opening hours of the premises are 7am until 11pm, times where children are walking past on the way to school, or when they are finished.
- Residents have already said they fear their children growing up in the Harehills area and do not want to live there due to the amount of gang crime, domestic violence, litter, and alcohol abuse.

The Licence Holder's Representative provided the following information:

- The representative explained that he is part of a licensing and training company and has been involved in the sale of alcohol for the last 30 years. For the last 15 years, he has also trained people for personal licences and attends hearings.
- No regard has been taken in terms of the steps the licence holder did in response to what was asked from him by Entertainment Licensing.
- The licence holder has been DPS of Krakus since 31st May 2023. He has also held two other premises licences over a 5-year period in Manchester and Bradford with no issues associated with those premises.

- This is the first offence the licence holder has been accused of.
- There is no proof regarding the premises being open beyond its permitted hours as per the complaint on 9th May 2023. It is not clear what steps were taken following the complaint, or whether test purchases were carried out.
- The visit on the 12th May where CCTV was not working, was the responsibility of the previous DPS. Mr Piroti was not responsible for any breaches that happened prior to 31st May 2023 as he was not the DPS before then.
- Mr Piroti complied with what any enforcement officer asked of him, and he repaired the CCTV, and installed a new hard drive.
- The licence holder has not been in the country from 2nd June 2023, where he was having medical treatment and surgery. He was not aware of the offences being committed.
- The licence holder has not sold alcohol or cigarettes to children.
- The opening hours were granted a long time before Mr Piroti became DPS for Krakus.
- The anti-social behaviour related issues in the Harehills area are not due to one individual.
- The police have no proof that the person running away and found with cigarettes, was an employee of Krakus.
- Staff working at Krakus at the time of the offences no longer work there and one of the staff admitted that her husband asked her to sell illicit cigarettes in the premises.
- Staff at Krakus have personal licences and will receive further training.
- The licence holder has had no previous issues associated with businesses he has run, and he was out of the country when the offences took place. In relation to Baba Jaga, Mr Piroti was unrepresented at that hearing and the licence was revoked.
- The representative recommended the Sub-Committee to suspend the licence rather than revoking it.

Further to questions from Sub-Committee Members, the following was confirmed:

- The CCTV system at the premises hasn't always had 31 days of recordings. Mr Dixon explained that there are 2 CCTV systems at the premises and 1 of them fully complied at the time of the visit in question, and there is no requirement for a second system.
- The application to change the DPS to Mr Piroti was received on 16th May 2023, and was effective immediately with a 14-day consultation period where West Yorkshire Police are notified.
- The Licence Holder wasn't in the country to check the stock. He was receiving spinal surgery and left a manager in charge at the premises. It was confirmed he wasn't aware of the activities taking place and selling of illicit goods.
- Both offences that took place at Baba Jaga and Krakus, were found out on the same day on 30th August 2023. The applicant's representative explained there is no issues associated with Mr Piroti prior to this date and the manager was the same for Krakus and Baba Jaga. It was also confirmed that the same vehicle found with illicit goods in them, was connected to both Baba Jaga and Krakus.
- Trading Standards confirmed that the only person working behind the counter on the day of the visit, was the person that did not have the right to work in the

UK. The person could not produce ID and explained he was in Leeds from Newcastle.

- Mr Piroti left a manager in charge whilst he was out of the country and believes these people were selling illicit goods to people without his knowledge.
- It is the responsibility of the licence holder if criminality takes place in the premises. Albeit the licence holder was not aware of the offences taking place.
- Mr Piroti had no prior experience of the Harehills area before moving into it. Once he had experience following Baba Jaga, he proceeded with Krakus.

In summarising, West Yorkshire Police explained that it is the responsibility of the Licence Holder / DPS to be present and oversee the running of the business. It is believed that no account has been given on behalf of the Licence Holder and a member of staff only last week was continuing to sell illicit goods. It is considered that no conditions can be imposed to rectify the behaviours or activities that have taken place.

Mr Dixon proceeded to explain that the Licence Holder was not aware of the activities that took place, nor that illicit goods were inside of the premises. It was noted that steps have been taken to rectify issues associated with the CCTV. Mr Dixon suggested that suspension of the licence, to allow the Licence Holder the opportunity to prove that he can run Krakus in a way he has run his previous businesses.

At this point in the meeting, the Sub-Committee went into private session to deliberate on the application. Upon returning, it was **RESOLVED** – To revoke the licence.

The meeting ended at 13:10.