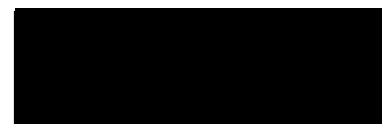


**Port Health and Public Protection**  
**Department of Markets and Consumer Protection**  
David A H McG Smith CBE  
Director of Markets and Consumer Protection



Mr Peter Davenport, Licensing Team Manager  
City of London Corporation  
Department of Markets & Consumer Protection



Date 10 December 2013

Dear Peter

**The Dollhouse, 7-8 Bishopsgate Churchyard, London EC2M 3TJ**

I write with reference to the summary review application for the above premises submitted by the Police Responsible Authority on 2 December 2013. In my opinion, the operator of The Dollhouse has failed to promote the Licensing Objectives of the Licensing Act 2003 with respect to the prevention of crime and disorder. This representation is made on behalf of The City of London Corporation's Food Safety Team in support of the Police review application.

**Background Information**

On 07 June 2013, The City of London Corporation's Food Safety Team received an intelligence report from the City of London Police Licensing Unit, which alleged that the operators of the Dollhouse were pouring cheap brands of vodka into premium branded vodka bottles and therefore misleading the consumers as to the true identity of the vodka being purchased and consumed. We had also received a complaint from a member of the public regarding the same issue. Section 14 of the Food Safety Act 1990 states that it is an offence to sell to the consumer any food which is not of the nature or substance or quality demanded by the consumer.

The DollHouse was due a programmed food hygiene inspection that could reasonably be completed during trading hours at night time so on Friday, 14 June 2013, I visited the above night club.

I arrived at the premises at about 21.30 hrs with my colleague, Ms Hazel Austin, another Environmental Health Officer in the City Corporation's Food Safety Team. We were accompanied by officers from the City of London Police and Mr John Fitzpatrick from the International Federation of Spirit Producers.

The manager of the Dollhouse, Mr David Wilcox informed us that the kitchen was not currently producing any food. In the old kitchen downstairs in the nightclub, we noticed that there was a large amount of empty or almost empty premium brand vodka bottles; namely Grey Goose and Belvedere. It was also noted that there were full bottles of a

much cheaper brand of vodka, namely Metropolis and that nearby there were also two funnels. This suggested that the operators of the Dollhouse were pouring a cheap brand of vodka into premium branded vodka bottles and selling it as a premium brand.

We seized from the kitchen 3 x 1.75L Grey Goose and 3 x 1.75L Belvedere vodka bottles that had small amounts of liquid in the bottom of each bottle; 4 of these 6 bottles were sent to the Public Analyst for testing. The other 2 had insufficient content to test.

### **Offence**

3 of the results from the Public Analyst (2 x Grey Goose & 1 x Belvedere) showed that the contents of the bottles failed the test in that they were not the premium brand as described on the bottle labels.

*Section 15, paragraph 3 of the Food Safety Act 1990 states: Any person who sells, or offers or exposes for sale, or has in his possession for the purpose of sale, any food the presentation of which is likely to mislead as to the nature or substance or quality of the food shall be guilty of an offence.*

The test results confirmed our suspicions that the Dollhouse management were fraudulently selling cheap branded vodka as premium branded vodka, in connection with licensable activities at the premises, clearly undermining the licensing objective of preventing crime and disorder.

### **Additional Information**

During our visit on 14 June 2013, we also found the following in the bar:-

- 4 x 0.7L Jack Daniels with a covered duty stamp (no UK duty paid – bonded)
- 4 x 0.7L Remy Martin with no duty stamp (no UK duty paid)
- 2 x 1.75L Grey Goose Vodka with no duty stamp (no UK duty paid)
- 1 x 0.7L (opened) Courvoisier with a covered duty stamp (no UK duty paid – bonded)
- 7 x 0.7L Smirnoff with counterfeit duty labels stuck on the back of the bottles (no UK duty paid).

These bottles were seized and were handed over to HM Revenue & Customs, under section 139 of the Customs and Excise Management Act 1979 relating to section;

*49 (1) (b) of the Customs and Excise Management Act 1979: Forfeiture, offences in connection with importation. Where any goods are imported, landed or unloaded contrary to any prohibition or restriction for the time being in force with respect thereto under or by virtue of any enactment those goods shall be liable to forfeiture.*

and furthermore:-

*Section 144 of the Licensing Act 2003 (the keeping of smuggled goods) states: A person to whom subsection 2 [(b) (i) the holder of a premises licence in respect of the premises, and (ii) the designated premises supervisor (if any) under such a licence], commits an offence if he knowingly keeps or allows to be kept, on any relevant premises, any goods which have been imported without payment of duty or which have otherwise been unlawfully imported.*

On 19 June 2013 Mr Edward Ward of HM Revenue and Customs inspected and formally seized the bottles removed from the Dollhouse. Mr Ward issued a notice of seizure to the Dollhouse and submitted a statement to this department. A copy of the notice of seizure and the statement has been attached to this report.

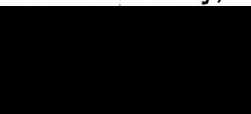
On the 17 June 2013 I sent a letter to Mr Wilcox at the Dollhouse confirming what bottles had been removed.

On the 23 October 2013 intelligence was provided by London Fire Brigade Officer that empty premium vodka bottles and cases of cheap brand vodka were still in the kitchen area. This suggested that the operators of the Dollhouse were still pouring a cheap brand of vodka into premium branded vodka bottles and selling it as a premium brand. This intelligence was taken to The City of London Corporation's Trading Standards Team to arrange a visit in order to establish that the "supply" of substituted vodka was actually taking place.

### **Conclusion**

There have been clear and serious crime and disorder issues as a result of the licensable activities occurring at these premises. Having reviewed all of the information available, the Food Safety Team is of the view that the prevention of crime and disorder licensing objective is being undermined and therefore supports the Police review application.

Yours sincerely,



**Matt Knox BSc. (Hons) MCIEH  
Environmental Health Officer**

**WITNESS STATEMENT**

ENGLAND AND WALES ONLY

(Criminal Procedure Rules, r 27.2; Criminal Justice Act 1967, s. 9; Magistrates' Courts Act 1980, s.5B)

Statement of: Edward Keith Ward

Age if under 18: over 18 (If over 18 insert 'over 18')

Occupation: HM Revenue and Customs

This statement (consisting of 3 page(s) each signed by me is true to the best of my knowledge and belief and I make it knowing that, if it is tendered in evidence, I shall be liable to prosecution if I have wilfully stated in it anything which I know to be false or do not believe to be true.

Signature: \_\_\_\_\_

Date: 20 June 2013

I am an Officer of HM Revenue and Customs. My duties involve visiting shops and warehouses to examine duty stamps on the back of bottles of alcohol. From October 2006 all bottles and other retail containers of spirits, and wine or made-wine, with a strength of 30 per cent alcohol by volume or more, of a capacity of 35cl or more, are required to bear a duty stamp if they are removed to home use in the UK. All relevant goods, such as brandy, whisky, gin, rum and vodka, that passed a duty point on or after 1 October 2006 should bear a duty stamp. The duty stamp must fluoresce under a ultra violet light. If it doesn't fluoresce that indicates it could be a counterfeit duty stamp and/or the goods within are counterfeit.

On 19 June 2013 I visited the Environmental Health & Food Team of City of London. I examined the following items:-

1 x 0.7 litre bottle of Jack Daniels in tamper evident bag (TEB) bearing seal N00665758. The duty stamp was covered by a gold sticker.

1 x 0.7 litre bottle of Jack Daniels in TEB N00665765. The duty stamp was also covered by a gold sticker.

1 x 0.7 litre bottle of Jack Daniels in TEB N00665759. The duty stamp had been partially removed and covered by a gold sticker which was also torn.

1 x 0.7 litre bottle of Jack Daniels in TEB N00665760. The duty stamp had a gold sticker over it.

1 x bottle of Remy Martin 0.7 litre in TEB N00665751. This bottle had no duty stamp on it.

Date: 20/6/13

Signature: \_\_\_\_\_

(signature of witness)

Signature: \_\_\_\_\_

(signature witnessed by)

STATEMENT OF WITNESS: ENGLAND AND WALES ONLY

**WITNESS STATEMENT**

ENGLAND AND WALES ONLY

(Criminal Procedure Rules, r 27.2; Criminal Justice Act 1967, s. 9; Magistrates' Courts Act 1980, s.5B)

Statement of: Edward Kelth Ward

1 x bottle of Remy Martin 0.7 litre in TEB N00665762. This bottle had no duty stamp on it.

1 x bottle of Remy Martin 0.7 litre in TEB N00665761. This bottle had no duty stamp on it.

1 x bottle of Remy Martin 0.7 litre in TEB N00665749. This bottle had no duty stamp on it.

2 x bottles of Grey Goose Vodka each contained 1.75 litres in TEB A615056. These bottles did not have duty stamps on.

1 x bottle of Grey Goose Vodka 1.75 litre in TEB A615057. This bottle did not have a duty stamp. This bottle was empty.

An opened bottle of Courvoisier 0.7 litre in TEB N00665764. The duty stamp was covered by a gold sticker.


1 x bottle of Smirnoff vodka 0.7 litre in TEB N06665750. The duty stamp on the rear label fluoresced purple under a ultra violet light rather than green which I would expect from a genuine duty stamp. Under the rear product label there was another partial duty stamp.

1 x bottle of Smirnoff vodka 0.7 litre in TEB N00665735. On the bottom right of the rear label on the bottle it was evident that there were 2 labels on the back of the bottle. The duty stamp fluoresced purple under a UV light.

1 x bottle of Smirnoff vodka 0.7 litre in TEB N00665736. On the bottom right of the rear label on the bottle it was evident that there were 2 labels on the back of the bottle. The duty stamp fluoresced purple under a UV light. When I pealed back the label there appeared to be another duty stamp under the brand label which was on top of it.

1 x bottle of Smirnoff vodka 0.7 litre in TEB N00665768. The duty stamp fluoresced purple under a UV light.

1 x bottle of Smirnoff vodka 0.7 litre in TEB N00666108. The rear brand label was creased and when I looked through the bottle it was apparent there was a label on top of the original

Date: 20/6/13  
Signature:   
(signature of witness)

Signature: \_\_\_\_\_  
(signature witnessed by)

STATEMENT OF WITNESS: ENGLAND AND WALES ONLY

**WITNESS STATEMENT**

ENGLAND AND WALES ONLY

(Criminal Procedure Rules, r 27.2; Criminal Justice Act 1967, s. 9; Magistrates' Courts Act 1980, s.5B)

Statement of: Edward Keith Ward

product label. The duty stamp reflected purple under a UV light.

1 x bottle of Smirnoff vodka 0.7 litre in TEB N00665767. The rear brand label was creased and when I looked through the bottle it was apparent there was a label on top of the original label.

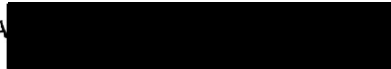
The duty stamp reflected purple under a UV light.

1 x bottle of Smirnoff vodka 0.7 litre in TEB N0066582. The duty stamp reflected purple under a UV light.

All the goods were seized under Customs and Excise Management Act 1979 section 139.

ON 20 June 2013 I issued a Notice of Seizure which I produce marked WARD0001, a warning letter which I produce marked WARD0002 and a Notice 12A "What you can do if things are seized by HM Revenue and Customs"

The total amount of duty evaded amounts to £154.57 plus VA



*[Handwritten signature and redacted area]*

Date: 20/6/13

Signature:   
(signature of witness)

Signature: \_\_\_\_\_  
(signature witnessed by)

STATEMENT OF WITNESS: ENGLAND AND WALES ONLY



HM Revenue  
& Customs

<b>Exhibit Reference:</b>	WARD0001
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<b>Description of Exhibit:</b>
Notice of seizure

<b>Produced by:</b>			
<b>Name of Witness:</b>	Edward Keith Ward		
<b>Signature:</b>	[REDACTED]	<b>Date:</b>	20/6/13

<b>Subsequently identified by:</b>			
<b>Name of Witness:</b>		<b>Date:</b>	
<b>Name of Witness:</b>		<b>Date:</b>	
<b>Name of Witness:</b>		<b>Date:</b>	
<b>Name of Witness:</b>		<b>Date:</b>	
<b>Name of Witness:</b>		<b>Date:</b>	
<b>Name of Witness:</b>		<b>Date:</b>	

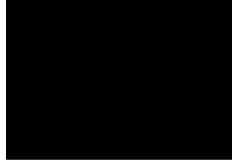
<b>Number of pages of which Exhibit consists:</b>	2 (Not including Exhibit label)
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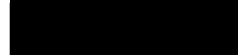
**HM Revenue  
& Customs**

**Criminal Investigation**

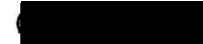


The Doll House  
7-8 Bishopsgate Churchyard  
London EC2M 3TJ

Tel



Fax



[www.hmrc.gov.uk](http://www.hmrc.gov.uk)

Date 20/6/13  
Our Ref EKW  
Your Ref  
NI Number

DX:

Dear Sirs,

**NOTICE OF SEIZURE OF ALCOHOL**

HM Revenue & Customs have, by the issue of this notice 14 litres of mixed spirits found as being liable for forfeiture under the law because:

1. Being alcoholic products they are liable to United Kingdom Customs and or Excise Duty however they bear either no UK Duty Stamps or counterfeit Duty Stamps

If you claim that the goods are not liable to forfeiture (see law below), you must within one month from the date of this notice of seizure give written notice of your claim in accordance with paragraph 3 of Schedule 3 to the Customs and Management Act 1979. If you make such a claim within that time, legal proceedings will be taken for the condemnation of the goods. These are civil proceedings which you should attend to explain to the court why you feel the goods should not be condemned as forfeit. You may be legally represented at these proceedings if you wish. It will be a matter for the Court to decide whether or not the goods should be condemned and forfeiture confirmed. If no such claim is made, the goods will be deemed to have been duty condemned as forfeit.

You may not want to contest the legality of the seizure but still wish to regain possession of the goods. The Commissioners may exercise their powers under section 152(b) of the Customs and Excise Management Act 1979 to return goods which have been lawfully seized. An application for the return of the goods should be sent in writing within one month

Information is available in large print, audio and Braille formats.  
Type Talk service prefix number – 18001



Senior manager role: Name

Seizure Letter (2)



of the date of this notice to the address at the top of this letter. You will be advised whether the goods can be returned and if so the sum required for their release.

**The Law**

**The Customs & Excise Management Act 1979 (CEMA)**

1. Section 49(1) (b) concerning: Forfeiture, offences in connection with importation. Where any goods are imported, landed or unloaded contrary to any prohibition or restriction for the time being in force with respect thereto under or by virtue of any enactment those goods shall be liable to forfeiture.
2. Section 139 (1) concerning: Provisions as to detention, seizure and condemnation of goods. Provides that any thing liable to forfeiture under the Customs and Excise Acts may be seized by an Officer (of HM Revenue & Customs).
3. Schedule 3 paragraphs 1, 2, 3 & 4 of CEMA: Provisions relating to forfeiture.
4. Section 141 (1) (a) of the Customs and Excise Management Act 1979 forfeiture of vehicles used in carriage of goods liable to forfeiture

Particulars of goods seized: 14 Litres of mixed spirits

Reference: EKW

Goods seized at: The Doll House

Yours faithfully



E Ward.



HM Revenue  
& Customs

<b>Exhibit Reference:</b>	WALD0002
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<b>Description of Exhibit:</b>
WALMS letter

<b>Produced by:</b>			
<b>Name of Witness:</b>	Edward Keith Ward		
<b>Signature:</b>	[REDACTED]	<b>Date:</b>	20/6/13

<b>Subsequently identified by:</b>			
<b>Name of Witness:</b>		<b>Date:</b>	
<b>Name of Witness:</b>		<b>Date:</b>	
<b>Name of Witness:</b>		<b>Date:</b>	
<b>Name of Witness:</b>		<b>Date:</b>	
<b>Name of Witness:</b>		<b>Date:</b>	
<b>Name of Witness:</b>		<b>Date:</b>	

<b>Number of pages of which Exhibit consists:</b>	1	<i>(Not including Exhibit label)</i>
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Exhibit Label



# HM Revenue & Customs

Name The Doll House	[Redacted]
Address 7-8 Bishopsgate Churchyard London EC2M 3TJ	Tel [Redacted]  Fax
Date 20/6/13	www.hmrc.gov.uk
Our ref EKW	
Your ref	

### WARNING OF LIABILITY TO PROSECUTION

The goods listed on form ENF156 attached have been seized under section 139 of the Customs and Excise Management Act 1979. This is without prejudice to any other action that the Commissioners for Revenue and Customs may take against you in connection with this matter. This may include, but is not limited to, issuing you with an assessment for the tax and duty evaded and a wrongdoing penalty, or referral to the relevant Prosecution Service to consider instituting prosecution proceedings.

A person found guilty of fraudulent evasion of duty under section 170 of the Customs and Excise Management Act is liable to an unlimited fine and/or up to seven years' imprisonment.

#### Details of HMRC officer

Officer Name or Number (BLOCK LETTERS)

#### Details of person receiving letter

I acknowledge receipt of this letter  
Name

Ward	[Redacted]	
Signature	[Redacted]	Signature

#### Data Protection Act 1998

HM Revenue & Customs collects information in order to administer the taxes for which it is responsible (such as income tax, VAT, insurance premium tax, excise duties, air passenger duty, landfill tax, climate change levy), and for detecting and preventing crime.

Where the law permits we may also get information about you from third parties, or give information to them, for example in order to check its accuracy, prevent or detect crime or protect public funds in other ways. These third parties may include the police, other government departments and agencies.

Information is available in large print, audio tape and Braille formats.

Type Talk service prefix number – 18001

