

WITNESS STATEMENT OF RAMON BORDAS ESTANY

I RAMON BORDAS ESTANY of Diagonal, 488 3rd floor, Barcelona Spain 08006 say as follows:

1. I am a director of Opium London Ltd, which holds the premises licence for Opium, 9 Rupert Street London (“the premises”).
2. I make this statement in support of of the company’s response to the summary review of their premises licence, made by the Metropolitan Police Service.
3. The facts and matters addressed in this witness statement are within my own knowledge. Where they are not and or constitute my belief I say so and identify the source of my knowledge and all the reasons for my belief.

Admissions

4. I and and my family who own Opium, come before the licensing sub committee in full recognition and acknowledgement that we, as the licence holder, failed in many respects on the Bank Holiday weekend event. We are profusely regretful and sincerely apologise for our failures. We do not defend the review proceedings against these failures, and do not come with excuses. We come before the sub committee, having learned from our mistakes and hoping to look forward.
5. The Sub-Committee will recall that at the first hearing on 30th August, we had asked our Counsel to convey his apologies at the earliest opportunity, and instructed him not to oppose the application for interim steps. In the same spirit, we did not just wish to stand by while the Police carried out further investigations regarding our failures. Rather, on 7th September 2019 Lana Tricker sent a letter on our behalf in which we made open, express admissions as to those failings so as to co-operate with the investigation and to work together with the Police, rather than behaving defensively. A copy of the letter is attached at RBE1.
6. My family and I are personally committed to ensuring this situation will not happen again. In the remainder of the statement I wish to explain how this situation, for which we accept full responsibility, came about, and how, if permitted, we intend to prevent any repetition.

Background

7. Opium London Ltd took an assignment of a lease for the premises in February 2018. The lease ends in July 2036. The current rent paid is £800,000 per year, and the rateable value of the premises is £432,500 per year. We have invested £7million on the improvement of the venue and opening costs. The venue was completely stripped out, back to concrete, and additional sound proofing installed and then the premises was rebuilt, with all new systems in place. Attached at RBE2 are photographs of Opium London.
8. Our Spanish company has over 30 years extensive experience in the late night entertainment industry and catering. The premises belongs to the Costa Este group which is devoted to nightlife and premium fine dining. The company was founded in Barcelona, Costa Este and it has developed its activity in Barcelona, Ibiza, Madrid, Marbella and London. The Costa Este Group manages 30 clubs and restaurants. The total payroll consists of 1,200 people and the turnover in 2018 surpassed £80 million. Opium London has 70 staff. A lot of the staff have been retained on payroll over the summer and other staff have been hired in readiness for our September re-opening.
9. For 25 years the Group has specialised in creating and managing nightlife venues with a carefully chosen gastronomic offer which has given rise to renowned brands and venues such as Opium Barcelona, Opium Madrid, Pacha Barcelona, Bling Bling, Cafe Del Mar, Astoria, Universal and Soho as well as high-level restaurants among which are included Nuba, Cachitos Rambla, Cachitos Diagonal, Lolita and Casa Lola. Attached at RBE3 is a synopsis of the venues owned by the Costa Este corporate group. We actually own the majority of the club licences in Barcelona.
10. In Spain, every venue has its own licence and the government grants the licences. In 25 years we have never had a review of any of our licences or a licence revoked. This is because we manage our estate properly. By that I mean we manage the physical estate properly, are compliant with our licences and work co-operatively with our regulators. But, most importantly, we do not take risks with clientele. High end venues need the right crowd. The wrong crowd can endanger other people, ruin the business' reputation and threaten the licence. If we had not understood this, we would not have developed our reputation for running top end nightlife venues over the last 25 years.
11. The Costa Este group has received a number of international awards. In November 2018 we received an award for the best nightclub business group in

2018. This award is attached at RBE4. Also attached at at RBE5 is a letter dated 9 September 2019 from the secretary-general of Nightlife International confirming the background of our corporate group. In 2019 Opium London became the winner of Luxury Lifestyle Awards in the category of the Best Luxury Night Club in London and a copy of this certificate is attached at at RBE6

12. My father, Ramon Bordas de Togores is a founder and director of this Group, so has extensive experience. My father is 63 years old, he studied business administration at ESADE Business School, Barcelona and has a MBA from INSEAD Fontainebleau. Initially he worked at The Continental Illinois National Bank, in Chicago but at 29 he established his own business in the leisure industry. My uncle, Javier Bordas de Togores, 58 years old, also studied at ESADE Business School, and then worked at Agrolimen Corporation until he established the Costa Este Group with my father. He now co-manages the Group with my father, and is also a board member of Barcelona Football Club. The Group is therefore very much a family business.
13. We wanted to invest in a London premises as we considered London to be the capital of Europe, and the most important city for nightlife, which we wanted to use as a first step of an international expansion policy.
14. My father and I were hands on in London. Once it opened we both visited Opium London at least weekly to ensure compliance with licence conditions and the venue was operating to our high standards. I tended to be in London more than my father as I came to London for around 2 nights a week.

History

15. I am aware that from 2011 KPIP UK Ltd traded the premises as Distrkt. I confirm our business has nothing to do with Dstrkt. I am further aware that there was a catalogue of issues with Dstkt relating to its clientele and operating procedures. I am aware that the Police had regular dialogue and concerns with that operation and accordingly prior to taking on the lease of Opium I met with PC Bryan Lewis, with my then solicitor Mr Craig Baylis, to discuss taking on the premises. PC Lewis took the opportunity of setting out the issues that he had with Distrkt, for which we were grateful. At this meeting we advised Bryan Lewis that we were willing to operate Opium on a a small scale for around 2 years if necessary so that we we did not encounter the same problems Dstrkt had with the clientele. I said this knowing that the premises would be closed for a period of time for a substantial refurbishment and I knew that there would be a large

time gap between the venue operating again so that we would not attract the same clientele. We did not and do not want to attract the same clientele as Dstrkt. That is not our business model, either in London or Spain. I would go further. I do not believe that a high end club could ever succeed with the particular demographic Dtrkt was attracting. It was very distant from the flagship club, the sister to the high end Spanish clubs, with a loyal, trouble-free customer base that we were trying to create.

16. From the start of our involvement with the premises we met with and then took on Eamonn Mulholland who was to be the designated premises supervisor at the venue. We were aware that Eamonn had a long history of licensing experience in Westminster and we were comfortable with his approach and knowledge. He was involved in the refurbishment of the premises. Eamonn has set out his experience in his own witness statement so I have not repeated it here.
17. As part of my commitment to ensuring we would not attract the wrong clientele when we opened we did not have a grand opening of the venue and kept the operation low key deliberately so that we could establish our brand in London slowly. We were successful in this cautious approach as we traded without any serious incident until the one off incident in August.
18. Apart from a competent management team and good door staff, we were building up a loyal and trouble-free clientele. The restaurant is an important part of the venue. Attached at RBE7 is a copy of the current menu for the restaurant. Our music policy is commercial or open format. We do not run R&B nights. This is very important to attracting the right clientele.
19. I do acknowledge that that there were some initial issues with the venue and these were pointed out to us during inspections with the police and the Council.
20. Following our opening, PC Lewis was in contact with our solicitor Lana Tricker of LT Law and she promptly arranged a conference call with PC Bryan Lewis so that we could talk about the operation at Opium. We again reiterated that we were willing to open and trade at a loss for a period of or time, or as long as it took, to ensure that we got the operation right and we were working in harmony with the authorities and the licensing objectives. Shortly after this phone call my father and I met with PC Lewis in person and reiterated our previous assurances. Attached at RBE8 is the company's profit and loss statement for the first quarter of 2019 which shows that we were true to our word and were avoiding large scale events and profits and were operating at a

loss. The operating costs including the rent were being subsidised from Costa Este's resources.

21. While acknowledging the initial matters when we opened, to which I refer above, I would point out that the premises traded without any significant crime and disorder incidents from December 2018 to the first week in July when we closed for the summer. Over this time, I think we demonstrated that we were capable of running the venue in a way which promoted the licensing objectives.
22. During that period, we held corporate events as well as in-house club nights. The corporate events are held both in the restaurant area and club area. There have never been any issues with any of the corporate events we have had at the venue.
23. In fact, the Bank Holiday incident has been our only actual incident requiring investigation since we opened. The trade during this time in terms of staffing levels and clientele and events are indicative of the Opium brand.
24. Our plan had been to close the premises over the summer in order to carry out some further refurbishments works during what is a traditionally quiet period, and then have a formal launch of Opium London in September.
25. The premises ceased trading on 6th July 2019. Eamonn's last night at the venue was at the end of June. We then relied on the delegation letter to continue to trade for the final few days before the summer closure.
26. Eamonn left, because he believed that he was being second-guessed in the day to day management of the club. That was not our intention, but I must accept that it was the effect of our actions. I think that with hindsight we had insufficient understanding of the importance of the DPS position, which was more of an issue because the owners of the club, i.e. my family, were abroad. This has been a bitter lesson, since Eamonn's departure meant that we had lost a senior, respected key member of staff. We should not have attempted to trade on two nights in August without him or another senior manager there.

The Incident on 24 August 2019

27. The night of the Bank Holiday event was a promoted event. Opium has not worked with the promoter previously and will not be working with the same promoter again.
28. The event had been brought to us by Bemnet Selestian, who had been working at Opium as a floor manager for 4 months. The event was presented to me as a private launch event for Biscotti with a guest list only. We confirmed with them that it was not to attract a Notting Hill Carnival crowd, which we knew could be problematic. We entered into a contract with the promoter confirming the weekend event was a one-off occurrence. Whilst not recorded in writing we did conduct some due diligence checks on social media in respect of the event. We could not find any reference to previous issues with that promoter or the clientele they attracted. We did not document this risk assessment in writing. However we did set out requirements with the promoter that the event had to comply with the licence conditions and licensing objectives. We also specified that the promoter could not use the Opium name on social media or even advertise that the event was happening at Opium - we specified that they could use the address only. Attached at RBE9 is a copy of the social media we found about the event, which mentions ID and guest lists. This was in accordance with our contract. A copy of the premises licence was also given to the event organiser and the promoter so that they would be aware of the licence conditions. There was our then security company, Equalizer, on site, who were aware of the licence conditions and understood the search requirements
29. There were also three personal licence holders on site, including Bemnet and his brother Bereket, which obviously proved insufficient. We had understood, wrongly, that the delegation letter would continue to apply until we replaced the DPS, but the more important issue was that we needed and did not have a sufficiently senior manager on site to direct operations and take decisions and direct staff when the incident developed as it did.
30. I do appreciate that compliance with the licence conditions remains with us as licence holder. Therefore, I do not try to hide behind the actions of others. It is, however, right to say that the management and security involved on the night who permitted the many breaches outlined in the police evidence will not be working at the premises again.
31. We had seen this as an opportunity to test out the operation prior to the publicized launch of Opium London in September. We believed that the event was low risk. It is quite obvious, however, that both the event and the demographic were completely different to what had been presented to us. Had

we known the truth, there is no possible way that we would have allowed the event to proceed. It does not represent Opium clientele, or the clientele that we want to attract. This can easily be seen by comparing the photographic ID log for 24th August with that of 5th July, both of which we have presented to the Police.

32. The typical customer at Opium is over 25 years old and we get a lot of regular patrons. The clientele is mixed. There is not one typical clientele to describe as they are mixed in terms of age, professional qualifications, race and sex, but usually on a night we have more females than males attending. This was not reflective of the clientele that attended on the Bank Holiday weekend.
33. On the night, it should be said that the door team and management actually refused entry to 150 people, so it is not a question of accepting anybody who turned up. However, it is obvious to me that management should have cancelled the event immediately when the clientele started to arrive and they could assess that the nature of the event we had been promised was not materializing. I understand that the view was taken that it could have made matters worse to cancel the party and push all the guests out into the street. This proved to be another misjudgement, for which I also apologise.
34. I have seen further police evidence, served on 16th September, setting out a catalogue of licence breaches and making further allegations. In one or two instances we do not fully agree with the allegation, but it does not seem to me to profit anybody for us to have a debate about the fine detail. The fact is that this was a poorly managed event which should not have been allowed to happen, resulting in the consequences which are all very clear.
35. We are absolutely devastated by the occurrence and the fact that that we are in this position. My family has not faced anything like this in 25 years in business. We have had no serious disorder at any of our venues. The idea that someone should be stabbed in our club or shot outside it fills us with very deep dismay.
36. I can only say to the Sub-Committee that we are totally dedicated to ensuring that nothing like this will ever happen again. The Opium brand is extremely important to us given the investment we have made in the nightlife industry and the three other Opium clubs we operate, and we certainly do not want our regular clientele to feel unsafe in any of our venues. As importantly, we recognized our responsibility to help to make our vicinity safe for passing members of the public. Our goal always has been to become one of the best

clubs in London, and make Opium London a flagship venue for Costa Este Group.

37. My father and I met with the Police on the 10th September 2019 to discuss their position in this review. At that meeting it was mentioned to us that they had found social media stating that the same promoter from the Bank Holiday event will be operating nights at Opium in the future on Tuesday and Saturday nights. I can categorically confirm however that this is not the case. I have not approved this at any time. I have also made enquiries with the events team at Opium and confirm no one has ever given authority for this to be the case. In any case, I repeat that the promoter who was operating the venue on Bank Holiday will have no further dealings at Opium. We do not want their clientele or night at our venue ever again. Had we seen the social media concerned, we would have written to the promoter to require that all reference to Opium be removed. It is fair to say that we have been very selective with booking requests since we opened, to preserve the brand and promote the licensing objectives. Since we have opened we have refused a large amount of private bookings following due diligence checks. Attached at RBE10 is the refusal list for some of these events. Sadly, while being selective about promotions, the reality is that we got it badly wrong in respect of the Bank Holiday event. The due diligence was inadequate, as was the management. I accept full responsibility for that.

Action Taken

38. On the following night, we were due to run a temporary event with Ballin. We have run previous events with Ballin in London, Barcelona and Marbella. They are friends of ours. They know our demographic and can be trusted to bring us the right people. Nevertheless, given what had happened the night before, we voluntarily agreed to cancel the event.¹

39. We also attempted to give the Police our full co-operation, including by indicating that we were not going to reopen until until the full review process

¹ In his evidence of 14th September, PC Guerra refers to this event as evidence disproving that the event on the previous night was a one-off promotion. It was, in the sense that we allowed somebody that we did not know to bring a party. The police were aware of the Sunday night event because we had applied for a TEN to run it, although I acknowledge that the reference in the TEN to "private" was wrong. We were clear at the interim steps hearing that the event was planned and then cancelled. He also surmises that we applied for the TEN because of the absence of Eamonn: actually we did so as to be able to sell alcohol after midnight. The important point is that we made serious mistakes on the Saturday night. Perhaps the fact that we also had an event planned with a partner and friend for the following night is of less importance.

was completed. I accept there is some criticism of the timing for the handing over of CCTV although this was a technological issue and not concealment.

40. When the Police started the summary review, we did not defend the interim steps application, even in respect of two very low key events we had scheduled.² We accepted a suspension without exceptions, respecting that the Police wanted the time and space to carry out a proper investigation.
41. Despite the usual short notice of the interim steps hearing, we secured the services of senior Counsel, and through him expressed our profound apologies to the Sub-Committee.
42. We followed that up with a letter in which we openly admitted our defaults, and requested a meeting with the Police to engage in a discussion about the situation. I was grateful to have had that meeting on the 10th of September, although of course sad that the meeting did not prove to be an opportunity to discuss the trading future of the club, as I had hoped.
43. Further, as the sub-committee is aware, we have not sought to lift or vary the interim steps, and so have stayed close since 24th August.
44. As for the operation of the club, the security firm on the Bank Holiday event have been replaced and Profile Protection, who were contracted with us when we first opened, are returning to the premises should we be permitted to reopen. Profile Protection has over 25 years of security experience within London . They adhere to SIA certification requirements and are additionally recognised and approved by the National Qualification Network's BIIAB and ISOQAR's ISO 9001. I have found that their operatives have a high degree of communication skills and proficiency in English. They also regularly conduct mandatory training in customer service, diplomacy and conflict resolution. They are aware of our requirements and work well together with Eamonn.
45. The management structure has been changed and improved. I am pleased to be able to report that Eamonn has returned to his post as designated premises supervisor. He was prepared to return on the basis that he is in full control, as he will be. He has hand-picked his management team and insisted on the return of Profile Protection.

² The Police have questioned whether one of the events was charitable: it was the launch party for a web series dedicated to helping rescue dogs find new foster or permanent homes, featuring a complimentary drink and canapes on arrival, and a raffle and silent auction. The dress code was "Pupilicious".

46. Working underneath Eamonn will be the new general manager of the operation, Edon Krasniqi. Attached at RBE11 is his CV. He was previously general manager at Cuckoo Club in Swallow Street and has many years experience of licensing and delivering high standards of operation. He has a personal licence. Working under Eamonn and Edon will be Marcello Toscano. Marcello has previously worked in Westminster at Club 49 in Soho. Attached at RBE12 is the CV for Marcello.
47. In view of the incident which has brought us here, I do not want to have any further promoted events at the venue. We simply cannot afford to take any further chances with our customers, our brand or our licence. We are more than happy to offer this as a condition of our licence.
48. Furthermore, should we be permitted to re-open we will also be installing a search arch so that all patrons will be searched. In other words, we will not be relying just on physical searches. Again, we are prepared to offer this as a condition of the licence.
49. We also note that the Police, while acknowledging that it is not a condition on our licence that security staff must wear body worn cameras, nevertheless take the view that such equipment can be very useful. We agree with that and are also happy to offer a condition that our security staff shall wear body worn cameras.
50. We have also now employed the services of Licensing Consultants to carry out inspections of the premises to ensure compliance with licence conditions and the licensing objectives to show that there is a second independent layer of checks. We are dealing with Michael Watson, who I understand will be well known to the Council as an independent consultant of repute. I am happy to provide for monthly audits for, say, six months following re-opening while the new staff beds in.
51. I want to ensure personally that the premises runs without criticism. Therefore, I intend to stay in London full-time for the next two months, before returning to my previous practice of regular visits. During my time in London, I intend to obtain my personal licence, and am in fact already booked in for the personal licence course on 24th October.
52. I also confirm that prior to re-opening, should it be permitted, all staff will be re-trained in the policies and procedures followed at Opium. Training will be given by senior management to all staff, both new and existing, as well as the security team. It will be delivered in three ways:

a) In-house training

This will consist of intensive induction training and regular refresher training. Depending on the type and the duration of the training session, staff will meet at the premises for sessions lasting between 30 mins and 1 hour. Topics include regulatory titles such as Drug Awareness, Code of Conduct, Fire Refresher, Dealing with Customer Complaints, crime scene preservation, vulnerable persons, entry procedures, licensable activities, licence conditions, etc. Whilst staff induction training and refreshers are given by senior members, on occasion external specialists are also used for training. The services of Michael Watson includes staff training and this will be carried out to all staff before any reopening. Then, every 3 months he and/or another consultant will undertake staff refreshers. This will give the staff different perspectives on the training and ensure that all necessary elements are covered.

b) Online training

Opium also organizes online training courses, including, for example, courses on fire safety and CCTV operation. These will be delivered as necessary.

c) External training

We also invest in staff and pay for external courses for key staff members. Over July we paid for 3 staff members to sit the personal licence course in readiness for our re-opening; personal licences were obtained by these 3 staff members.

53. To be clear, all SIA supervisors will also be thoroughly briefed on our expectations and the importance, need and expectation of complying with the licence conditions. We will include the security at the venue in our training program as well so that there is no confusion between staff and security.

54. I do understand that running these premises compliantly will be a marathon and not a sprint. We know that we have to deliver a safe venue every day we open, and not just for a period following the review hearing. My family is wholly committed to that. It is not in the business of buying and disposing of businesses. London is not only the company's investment and a very important step in becoming an international hospitality group with operations across many countries but we view it as a long-term investment. If the sub-committee is prepared to give us a second chance, it will be the mission of my family, working with our London management team, to take the chance and demonstrate that we can run the venue properly. I retain my great respect for the Metropolitan Police team, who I think have been fair with us, and will work

in partnership with them and the City Council and Police, to ensure that the premises operates to the highest possible standards of compliance.

55. Finally, despite having recruited most of the team, I believe we should add some key, experienced staff and carry out the necessary training for at least another three weeks, during which time of course we will be closed. I understand that Eamonn will need the premises to be completely ready before opening, and I fully support that decision.

I believe the facts stated in this witness statement are true.

Signed



Name **RAMON BORDAS ESTANY**

Dated

19/09/2019