

AGENDA SUPPLEMENT

Licensing/Gambling Hearing

To: Councillors Melly, Baxter, and Nicholls

Date: Thursday, 24 September 2026

Time: 10.00 am

Venue: West Offices - Station Rise, York YO1 6GA

The Agenda for the above meeting was published on **Wednesday, 16 September 2026**. The attached additional documents are now available for the following agenda item:

7. **The Determination of an Application for Review of a Premises Licence by Home Office Immigration Enforcement [Section 52(2)(a)] in respect of Sky Blue, 16 Barbican Road, York YO10 5AA. (CYC-068154)** (Pages 3 - 38)
- i. Licence Review Pack – Redacted, public version

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Premises Licence Review

Sky Blue
16 Barbican Road
York
YO10 5AA

Case Summary

Immigration Compliance and Enforcement (ICE) officers from North-East, Yorkshire and Humber have conducted multiple intelligence-led enforcement visits to 16 Barbican Road, York, following intelligence that illegal working was taking place at the premises. Between 2014 and 2019, when the premises traded as The Regency Chinese Restaurant, four enforcement visits resulted in immigration offending and illegal working being identified. More recently, while trading as Sky Blue Restaurant and Karaoke Bar, further intelligence-led multi agency enforcement visits were conducted on 17 July 2025 and 10 December 2025, during which two additional illegal workers were encountered.

- On 7 June 2014, ICE officers conducted an enforcement visit which resulted in the arrest of two Chinese nationals for immigration offences, including a student who had overstayed and an illegal entrant.
- On 21 May 2015, a further enforcement visit resulted in the arrest of one Chinese national for the immigration offence of working in breach of his visit visa conditions.
- On 8 September 2017, an enforcement visit resulted in the arrest of six Chinese nationals for immigration offences, including four overstayers and two individuals who had entered the United Kingdom without leave.
- On 6 September 2019, a multi-agency enforcement visit resulted in the arrest of three Chinese nationals by Immigration officers for immigration offences, including two individuals working in breach of their visitor conditions and one illegal entrant.

Across the four enforcement visits conducted while the premises traded as The Regency, a total of 12 individuals were arrested for immigration offences. Although the premises subsequently traded under the name Sky Blue, immigration enforcement concerns at the address continued.

ICE officers attended Sky Blue Restaurant and Karaoke Bar, 16 Barbican Road, York, on 17 July 2025 following intelligence that illegal working was taking place at the premises. Entry was gained using powers under section 179 of the Licensing Act 2003. One worker was encountered and arrested after it was established that he did not hold the right to work and was in breach of his immigration bail conditions.

The premises was revisited on 10 December 2025 following further intelligence that illegal working was taking place. This was a multi-agency enforcement visit led by North-East, Yorkshire and Humber Immigration Compliance and Enforcement (ICE). Entry was again gained using powers under section 179 of the Licensing Act 2003. Officers encountered and arrested a further worker who did not hold the right to work in the United Kingdom.

- **10 December 2025** – Closure notice of premises licence CYC-068154 made under Section 19 served by North Yorkshire Police.
- **23 December 2025** – DPS variation granted. Current Designated Premises Supervisor listed as **Ms Yuk Chuan PANG**.

The premises continues to operate under the name Sky Blue.

Company and Management Information

The premises currently trades through Sky Blue York Ltd, which was incorporated on 11 May 2021 and remains an active company. The key company and management history is summarised below.

- 11 May 2021 – Sky Blue York Ltd incorporated (Company No. 13389214).
- 11 May 2021 – Kheng Chooi KOAY appointed as company director.
- 15 December 2024 – KOAY ceased to be a company director.
- 16 April 2025 – KOAY reappointed as company director.
- 18 March 2026 – Companies House records show KOAY resigned as company director and was reappointed on the same date. KOAY is currently listed as the active director of Sky Blue York Ltd.

Civil Penalty

CP Ref 333845

A £40,000 penalty was issued to Sky Blue York Ltd. on 14 October 2025. Sky Blue York Ltd. objected to the penalty which was considered and on 20 November 2025 it was decided to maintain the penalty. Sky Blue York Ltd. lodged an appeal against the penalty, which was struck out, the penalty and litigation costs remain unpaid and outstanding and have been referred to third-party debt collection agency.

CP Ref 336620

A £45,000 penalty was issued to Sky Blue York Ltd. on 22 January 2026. Sky Blue York Ltd. provided further evidence which was considered and on 26 February 2026 it was decided to maintain the penalty. The penalty remains unpaid and outstanding and has been referred to third-party debt collection agency.

Enforcement Visit: 17 July 2025

Upon entering the premises at 17:48hrs, immigration officers encountered the following individuals:

██████████ – Worker

██████████ was encountered in the kitchen wearing an apron which he discarded as officers approached him.



██████████'s discarded apron.

An illegal working interview was conducted in Mandarin with the assistance of an interpreter. ██████████ confirmed that he understood the interview process and signed the relevant documentation. ██████████ initially denied working at the premises, stating that he had only attended to show a friend how to prepare vegetables and was not employed. He claimed he had taught himself cooking online and was only assisting informally. ██████████ stated that he attends the premises once every several months but confirmed that on this occasion he had travelled from Birmingham.

When questioned about his presence, ██████████ stated he had been asked to attend by a friend named ██████████. Officers presented evidence including a staff rota, which showed ██████████ working four days a week over the past month. ██████████ denied this, stating that it was not his name. When informed that CCTV footage shows him entering and working in the kitchen, he again denied working and claimed he had only been present that day. ██████████ initially stated that he was not being paid, however later said that his friend would take him for a meal in return for helping and had also paid for his bus ticket. ██████████ acknowledged that he is not allowed to work

and suggested this was why he did not want to admit working, stating he did not wish to upset his friends or take money from them.

Home Office checks showed that [REDACTED] entered the UK on a student visa which was valid from September 2009 to February 2011. [REDACTED] has submitted multiple applications for leave which have all been refused. [REDACTED] did not have any outstanding applications at the time of the enforcement visit. [REDACTED] did not hold the right to work in the UK.

[REDACTED] – Assistant manager

During the illegal working employer interview, [REDACTED] stated that he is the assistant manager of the premises, a role he has held for approximately one to two years. He confirmed that the business is owned by KOAY.

When questioned in relation to [REDACTED], [REDACTED] confirmed that [REDACTED] had been working at the restaurant for one month as a kitchen porter. [REDACTED] stated that [REDACTED] works three to four days per week. [REDACTED] stated that KOAY would have hired [REDACTED] as he normally hired staff. [REDACTED] was unsure if any right-to-work documents were provided, whether checks were carried out, or whether the business was aware of [REDACTED]'s immigration status.

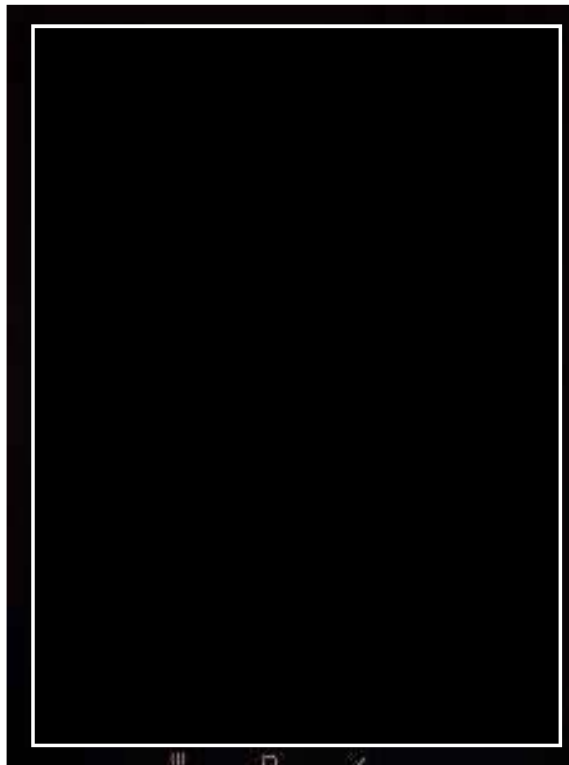
Enforcement Visit: 10 December 2025

Entry was gained to the premises at 17:48hrs. Upon entering, immigration officers encountered the following individuals:

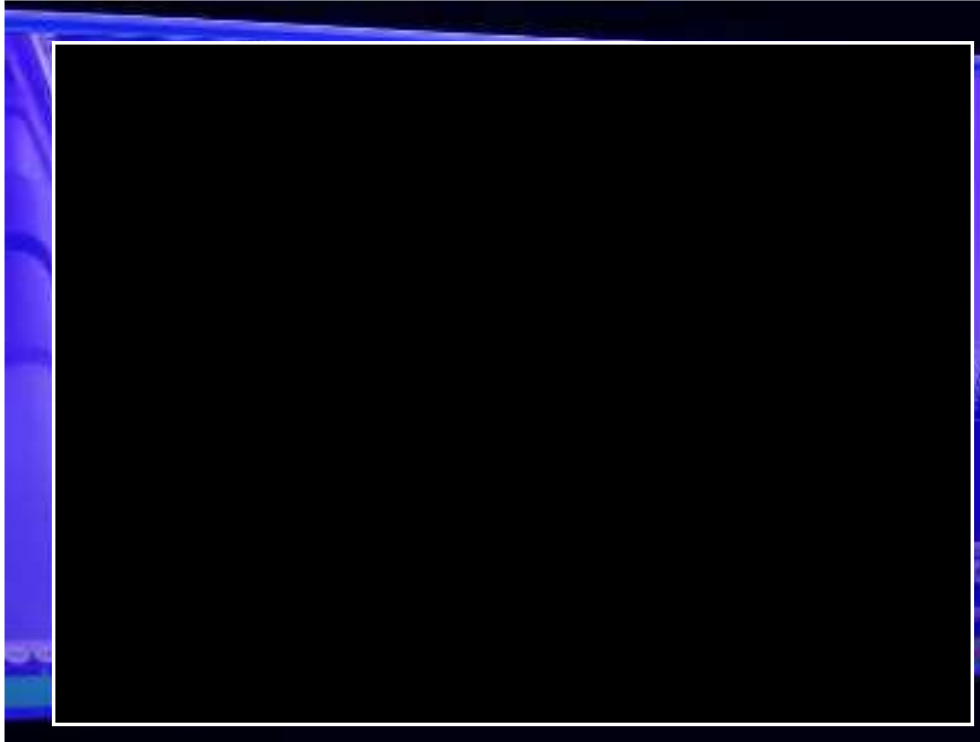
██████ (no full name found on any systems) – Worker

██████ was encountered in the kitchen and appeared nervous when approached by officers. An illegal working interview was conducted in Indonesian with the assistance of an interpreter. █████ confirmed that he understood the questions put to him and signed the interview record to confirm that his answers were true and accurate. █████ stated that he arrived at the premises at approximately 10:00am and normally remains until around 21:00hrs. He stated that he attends the premises around twice a week and described his role as preparing food in the kitchen, including prepping vegetables. █████ confirmed that he is paid £30–£40 per shift and sometimes receives food. █████ also confirmed that he is provided accommodation nearby free of charge, arranged by restaurant workers, and that he does not pay rent. He stated that a colleague known as █████” allowed him to work, although he confirmed that this individual is not the boss.

Officers also found pictures on his phone of him working in the kitchen and messages between colleagues. CCTV footage also showed him cleaning the karaoke room.



Text confirming █████ has been working.



CCTV footage of [REDACTED] cleaning the karaoke room.

In relation to pre-employment checks, [REDACTED] stated that he was not asked to provide any documents and did not show proof of his right to work. He confirmed that he was simply asked to help and began working without any checks being carried out.

Home Office checks showed that [REDACTED] entered the country on a visit visa which was valid from February 2017 to August 2017. No further applications were submitted to regularise his stay in the UK. [REDACTED] has never held the right to work in the UK. [REDACTED] departed the UK on 11 January 2026 using the Voluntary Return Scheme (VRS).

Reasons for Review

Section 36 and Schedule 4 of the Immigration Act 2016 amended the Licensing Act 2003 to introduce immigration safeguards in respect of licensing applications made in England and Wales on or after 06 April 2017. The intention is to prevent illegal working in premises licensed for the sale of alcohol or late-night refreshment.

Across two enforcement visits, Immigration Enforcement encountered two individuals working illegally at the premises. In both instances, the individuals were clearly carrying out duties integral to the operation of the business, including preparing food, cleaning, and assisting in the kitchen. Evidence obtained, including rota information, CCTV footage and mobile phone images, demonstrated that their work was ongoing rather than incidental. Both individuals confirmed that no right-to-work checks were conducted prior to them undertaking duties at the premises.

The repeated encounter of illegal workers over separate visits demonstrates a pattern of non-compliance. The visits were approximately six months apart and, despite the passage of time, illegal working was identified on both occasions.

Illegal workers were engaged in activity at the premises on two separate occasions. Employers are required to conduct right-to-work checks before employment commences and guidance on carrying out those checks is readily available. All employers are dutybound by law to conduct these checks, and guidance can be found on the GOV.UK website. It is also an offence to employ illegal workers where there is reason to believe that a person does not have permission to undertake the work in question.

Further concerns arise from the way work was arranged and remunerated. In one case, [REDACTED] was paid approximately £30–£40 for shifts, another worker, [REDACTED], was not paid wages and instead received meals and travel support in return for his work. These practices indicate a lack of proper employment controls while also providing an unfair commercial advantage over compliant businesses.

Under Section 15 of the Immigration, Asylum and Nationality (IAN) Act 2006, employers can face a civil penalty if they employ someone who does not have the legal right to work in the UK. The civil penalty process is administered by an independent separate team.

A civil penalty referral notice was served based on the findings of officers. This referral was considered by the Civil Penalty Compliance Team.

Sky Blue York Ltd has been subject to multiple civil penalties, including a £40,000 penalty issued on 14 October 2025 and a further £45,000 penalty issued on 22 January 2026. An objection was received for the second civil penalty on 12 November 2025, which was maintained on 18 November 2025. An appeal was received on 17 February 2026, though it was struck out on 24 March 2026. Both penalties have been maintained following consideration and remain unpaid and outstanding.

Section 182 guidance at point 11.27 states that certain activity should be treated particularly seriously, and this includes employing someone who is disqualified from that work by reason of their immigration status in the UK. 11.28 of the guidance states that it is expected that revocation of the licence even in the first instance should be seriously considered.

Immigration Enforcement submits that for commercial reasons those engaged in the management of the premises employed illegal workers and a warning or other activity falling short of a review is inappropriate; therefore, Immigration Enforcement has proceeded to review the premises licence.

Outcome Sought

The objective of the Licensing Act 2003 (the Act) is to provide a clear, transparent framework for making decisions about applications by individuals or businesses wishing to sell or supply alcohol or provide certain types of regulated entertainment and late-night refreshment.

There are four licensing objectives which underpin the Act, and which need to be taken into account and promoted throughout the licensing process.

The licensing objectives are:

- the prevention of crime and disorder
- public safety
- the prevention of public nuisance and
- the protection of children from harm.

Sky Blue, under the control of Kheng Chooi KOAY, has been found employing illegal workers on two separate occasions. The license holder would have been aware of his responsibilities to uphold the licensing objectives as they are clearly defined as part of the premises license application.

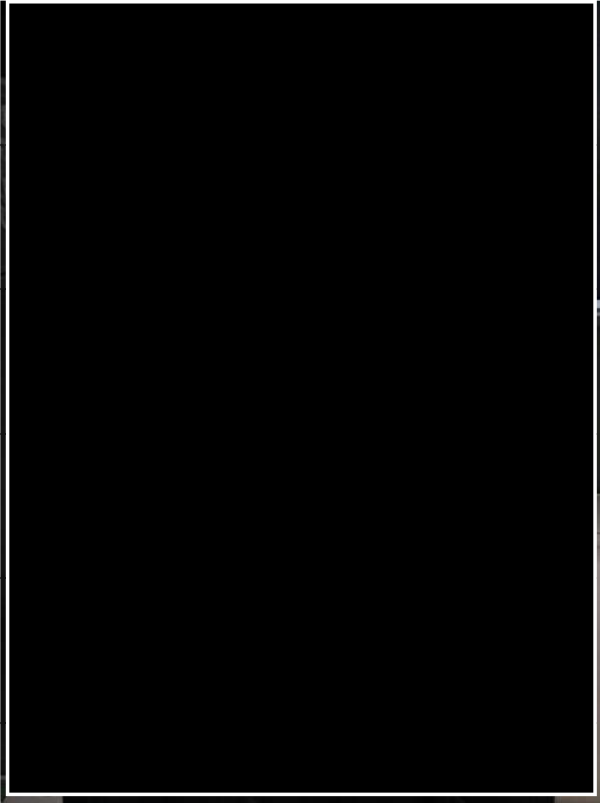
Immigration Enforcement asks that the premises licence is **revoked**.

Immigration Enforcement submits that merely remedying the existing situation, for example through the imposition of additional conditions or a period of suspension, would be insufficient in light of the repeated illegal working identified at the premises.

The information and supporting evidence contained within this review application are provided for the Sub-Committee's consideration when determining the appropriate and proportionate outcome.

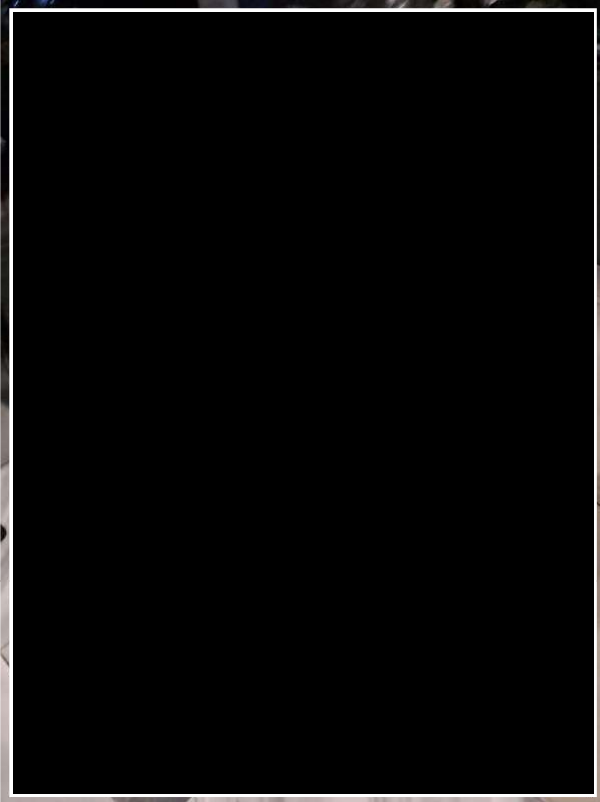
Encounter	
Details	
[REDACTED]	
[REDACTED]	
[REDACTED]	
[REDACTED]	
[REDACTED]	[REDACTED] [REDACTED]
Time	17:49
Creation date	17-07-2025 17:49:51
[REDACTED]	
[REDACTED]	[REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]
[REDACTED]	
[REDACTED]	
[REDACTED]	
[REDACTED]	
[REDACTED]	
[REDACTED]	
[REDACTED]	
Languages	
Languages spoken	English, Mandarin
Interpreter used?	No
Encounter	
[REDACTED]	
[REDACTED] [REDACTED]	[REDACTED]
[REDACTED]	
[REDACTED] [REDACTED]	[REDACTED]

Why do you suspect the person of an immigration offence?	Intel suggests illegal workers present. Previous visits have found illegal working.
Where was the person located?	Kitchen was wearing apron removed apron.
Declared immigration status	Applying for a student visa.
How and when did the subject last enter the UK?	2009 on a student visa,
[REDACTED]	[REDACTED]
[REDACTED] [REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED] [REDACTED]	[REDACTED]
[REDACTED]	[REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]
[REDACTED]	[REDACTED]
[REDACTED] [REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

Photo of subject	 
Identity Documentation	
No documentation provided.	
Notes	
He was wearing an apron and found in the kitchen area but removed this when I started to speak to him.	

where did you sleep last night	My friends. In Birmingham
you travelled from Birmingham this morning and arrived at 1pm.	Yes
do you have bus ticket to show me	No they printed ticket on the spot
what time did you leave Birmingham	8 or 9
what time do you intend to stay at blue sky for tonight	About 9pm going back tonight.
How much was bus ticket?	About £21
who asked you to come here today	My friend. [REDACTED]
How have you supported yourself?	I don't have a job I care for my friends child and clean the house
your name is on a rota and it shows you have been working 4 days a week for the last month	I don't know
can you confirm or deny you have been working here four days a week	That's not my name
we are going through cctv footage and have footage showing you going in and out of the kitchen	I don't know.
I would prefer you were honest with me and tell the truth	I have only been working here today
Are you being paid to shoe your friend what to do today?	No I just helped my friend he will take me for a meal next week
who paid for bus ticket?	The ticket was £10 or £20 he was going to take me for a meal.
so having spoken to the manager downstairs, she has told officers you have worked here for one month as a kitchen porter, why are you not admitting this yourself?	No she is confusing me with someone else
she knows exactly who she is speaking about why will you not admit this?	No no she is confusing me.
are you willing to open your phone and show me your photos?	*opened the phone and showed us*
what is this photo of? it's a postit note taken from this location	It's a note for me
why have you taken a picture of stock here in blue sky on the 8th July 2025 on your phone?	Why are you asking me all these?
why do you have orders pinned up to the kitchen taken inside the sky blue	I don't know

restaurant on your phone that you have taken here in the last month?	
please tell me the truth you are clearly working here, why are you lying to me?	I'm not allowed to come to work
it's that why you are lying about working?	I don't want to upset my friends for working
your friends are here at blue sky?	No my friends I live with they told me not to make money
why would your friends tell you to not make money?	No I feel bad taking my friends money, it is shameful.
OK so let me just clarify, are you working here?	No I'm just helping my friend
Control	
No details provided.	
Remuneration	
No details provided.	
Pre-employment Checks	
No details provided.	
Additional Questions	
No details provided.	
Photographs	
No photographs.	
Declaration	
I confirm that I have understood all the questions and that the details are true and correct.	
Interviewee signature [REDACTED]	A large black rectangular box redacting the interviewee's signature. 17-07-2025 19:01:31

Observations	
Observations	He was wearing a black apron on arrival wwhich he quickly removed when he was stopped from leaving the kitchen
Do you suspect this person of illegal working?	Yes
Photo 1	 Caption wearing kitchen cloggs

Freetext	
[REDACTED]	
[REDACTED]	
[REDACTED]	
[REDACTED]	
[REDACTED]	[REDACTED]
[REDACTED]	
[REDACTED]	
[REDACTED]	
[REDACTED]	
[REDACTED]	
[REDACTED]	
[REDACTED]	
[REDACTED]	
[REDACTED]	
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED] [REDACTED]
Time	18:18
Creation date	17-07-2025 18:18:49
Entry	
Title	Apron he was wearing
Text	He removed this when he was encoured by immigration officers

Photographs

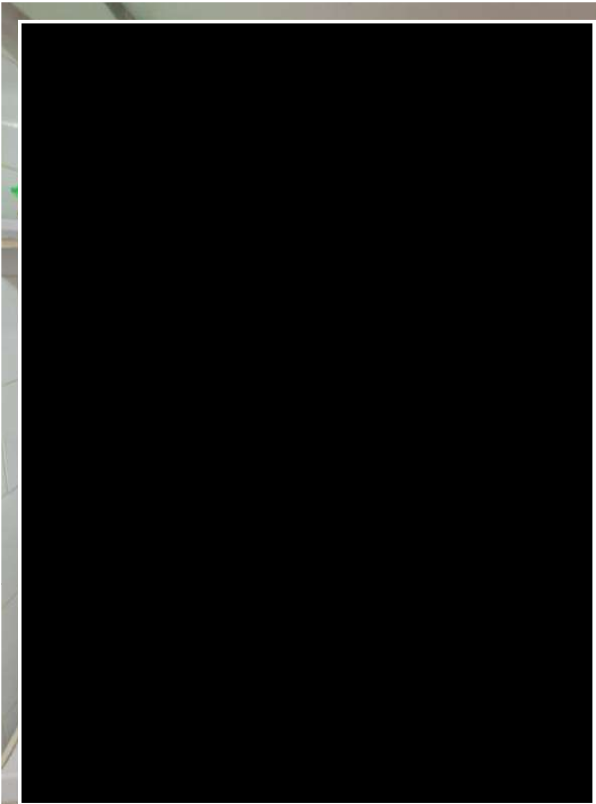
he took his apron off when
immigration officers encountered him



apron



what time did [REDACTED] start this evening?	I don't know it's my day off.
Who employed [REDACTED]?	I don't know.
I find that odd your the assistant manager and you don't know.	It must have been Mr Koay.
do you know if [REDACTED] provided any documents?	I don't know.
Who is in charge of hiring staff here?	Normally Mr Koay.
Were you or Mr Koay aware of [REDACTED] [REDACTED]'s immigration status?	I don't know.
Do you know how [REDACTED] is paid?	I don't know.
How are other members of staff paid?	By card.
do you have any pay details for [REDACTED] [REDACTED]	Normally Mr Koay deals with it.
do you know [REDACTED]'s home address?	No sorry.
Declaration by Employer	
I confirm that I have understood all the questions and that the details are true and correct.	
Signed by [REDACTED]	 17-07-2025 18:47:43
[REDACTED]	
[REDACTED]	
[REDACTED]	
[REDACTED]	
[REDACTED]	

[REDACTED]	
A [REDACTED] [REDACTED]	[REDACTED]
[REDACTED]	
[REDACTED] [REDACTED]	
[REDACTED]	[REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]
Photo of Subject	
[REDACTED] [REDACTED]	[REDACTED]
[REDACTED]	
[REDACTED]	 [REDACTED]

Photographs

photo

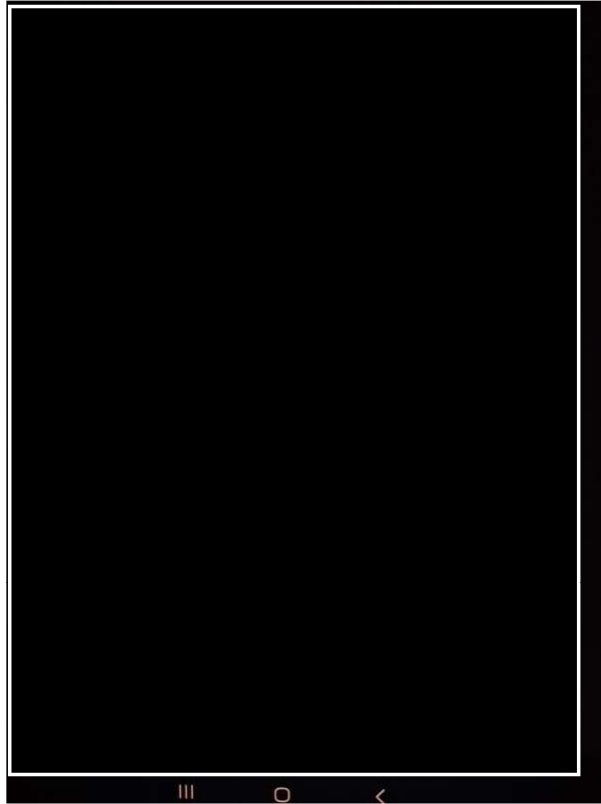
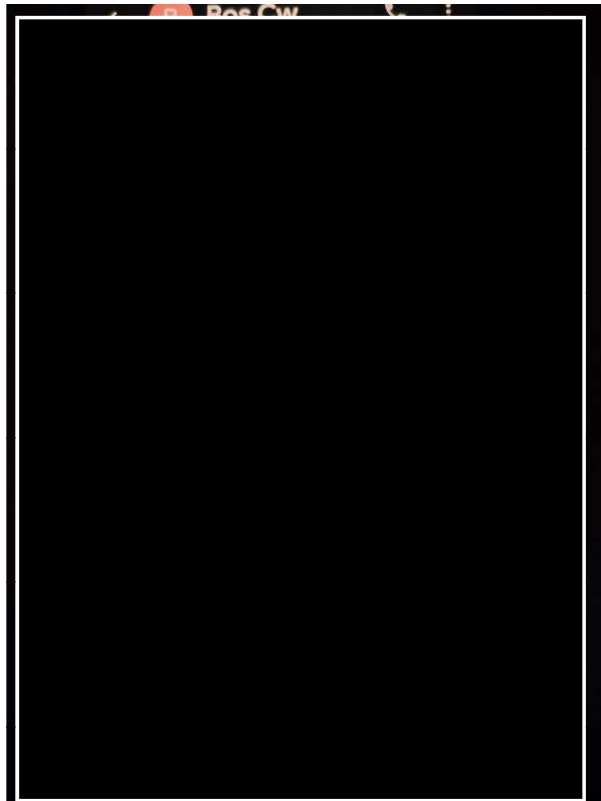
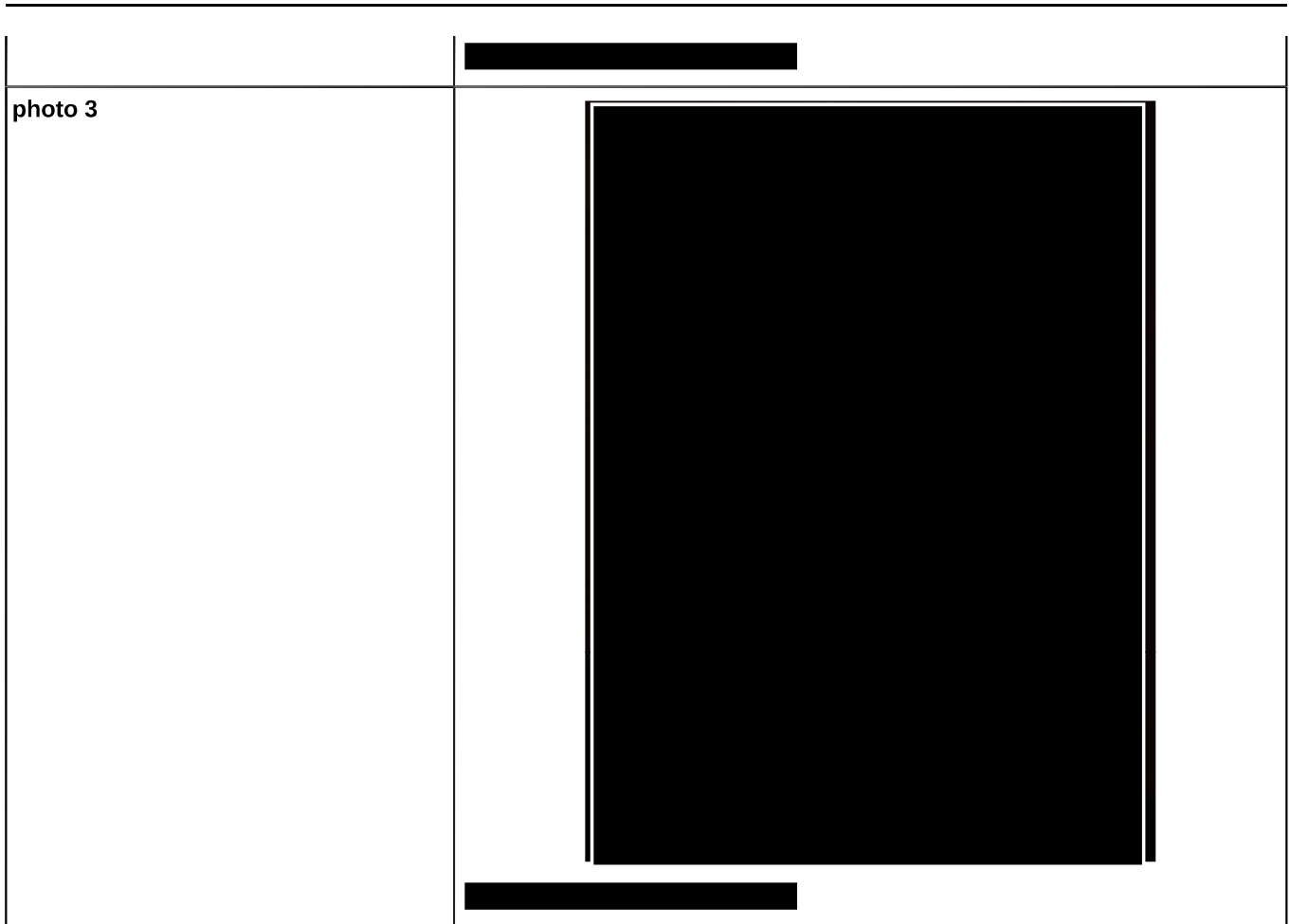
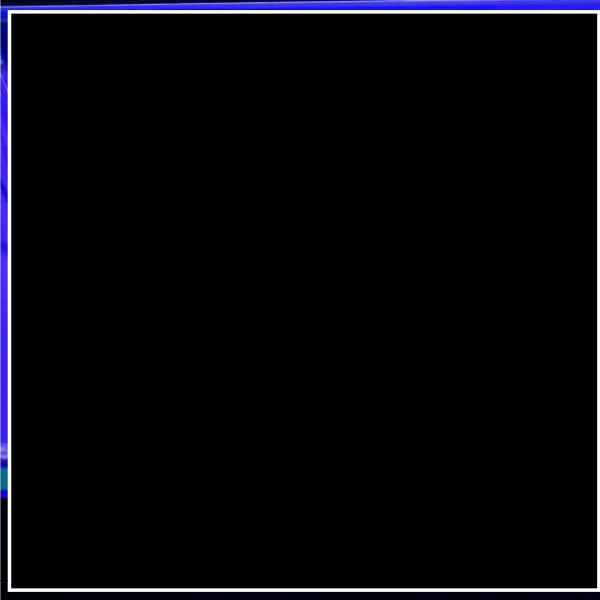
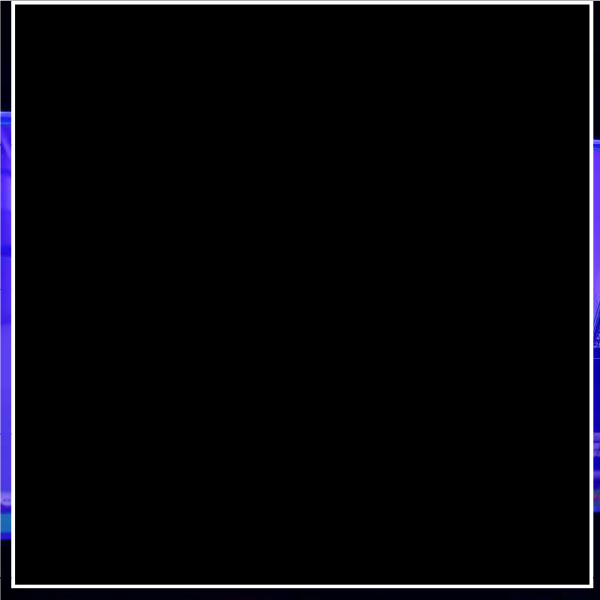


photo 2

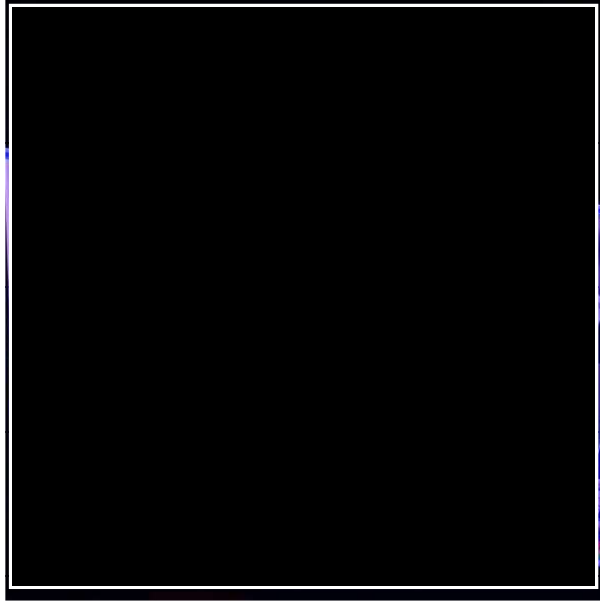




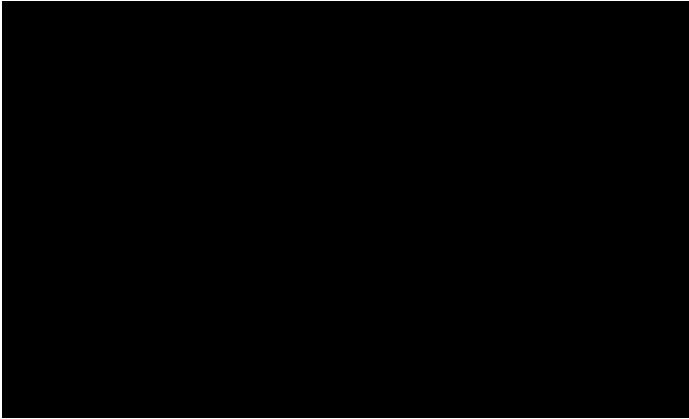
[illegible]

Photographs	
arrested person cleaning	
again cleaning	

Sat down having a break



So you don't know who allowed you to start working in blue sky?	No
So why did you arrive today if nobody allowed you to?	████ allowed me
Who is █████	A colleague who works in the kitchen
████ told us that she is the boss	No she isn't
Remuneration	
do you get paid for this help?	Yes
how much?	£30/40 a shift
so you are working 12 hours a shift for £30/40?	Yes, I just help them
I advise you be honest	I am sticking to my work
so you get paid less than £3 an hour?	I only work 3/4 hours a shift?
but you arrived at 10am this morning and you're leaving at 9?	yes sometimes I meet my friends in the kitchen and just talk to them
do you get anything else for working?	Sometimes I get food
who gives you the £30/40 you get for work?	I don't know the name of who it is, it's a man
you live in the building next to blue sky, who allowed you to live there?	I stay for here by the restaurant workers for free
do you pay rent?	No
Pre-employment Checks	
when █████ allowed you to work at blue sky, did she or any other manager ask you to show proof you have permission to work in the UK?	They asked me for help
helping, especially as you are being paid if a form of work. so did any manager or owner ask you for proof you have permission to work in the UK?	They asked me to work, so I showed nothing

Additional Questions	
No details provided.	
Photographs	
No photographs.	
Declaration	
I confirm that I have understood all the questions and that the details are true and correct.	
Interviewee signature ([REDACTED])	 10-12-2025 13:23:19
Observations	
Observations	Admission, observed working in the kitchen preparing food
Do you suspect this person of illegal working?	Yes

Identity Documentation	
No documentation provided.	
Notes	
Did initially give me wrong name said he was but they gave me his driving licence	

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