

Striving to do better

Improved licensing services for hotel and guesthouse operators

Hong Kong welcomes an increasing number of tourists every year, which has led to a growing demand for hotel and guesthouse accommodation in the region. The Hong Kong government is continuing its efforts to improve the licensing services to support the development of one of Hong Kong's key sectors while also ensuring public safety.



A more efficient and transparent licensing service

All new hotel/guesthouse operators must obtain a licence from the Office of the Licensing Authority (OLA) of the Home Affairs Department before commencement of their business. To help get hotels/guesthouses up and running as soon as possible, the OLA has introduced a series of additional measures recently to improve the efficiency and transparency of its services from beginning to end of the licensing process on top of those already introduced in 2018 (click [here](#) for details of the 2018 measures).

Enhancing the Letter of Requirement

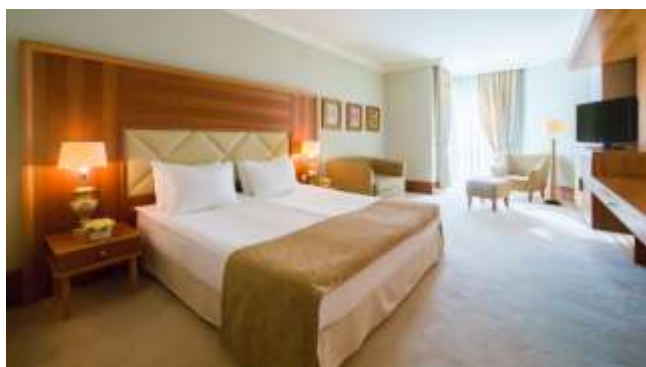
Upon receipt of an application, the OLA will issue a "Letter of Requirement" listing out all the

required upgrading works for the applicant to follow. The OLA has simplified the format of this letter by putting all the required upgrading works along with the supporting documents required upon its completion, if any, concisely in a table format to facilitate easy grasp of the requirements, and the OLA will mark in it whether a certain upgrade is applicable to a particular application. The simplified Letter of Requirements is more user-friendly and gives applicants a clear understanding of the required upgrades before the renovation starts. This will minimise abortive works and make the overall application process smoother.

Facilitating report of compliance

To facilitate submission of the supporting documents upon completion of upgrading works,

the “Report of Completion” to be submitted to the licensing authority has also been revised by providing a checklist of all the required documents in an easy-to-read format with the type of documents to be submitted (such as, whether it is a plan or a photo) specified. This will facilitate the applicant to submit all the necessary supporting documents in one go in an earlier manner, ensuring the completeness of the submitted report and hence enabling the authority to conduct site inspections to ensure full compliance with the regulatory requirements sooner.



Strengthening guidance

The authority has also enhanced its guidance to the trades by strengthening its website information. A new “What’s New” section is added to OLA’s website to keep trades abreast of the latest information from the authority. The “Hints on Successful Application for a new Guesthouse Licence” has also been enhanced, providing more detailed guidelines on the supporting documents required, the common mistakes made by applicants and a sample layout plan drawing for guesthouse licence applicants’ reference.

Setting a new performance pledge

Finally, for the issuance of a licence, the OLA is committed to informing the applicants of the application result within 35 working days upon receipt of the report of completion of the required upgrading works and all the required supporting documents. This new performance pledge will

provide greater certainty to the trades on the time required to get a new licence upon completion of works. This initiative, together with all the new business facilitation measures above, will help expedite the licensing process. The applicants could then obtain their licences sooner for earlier commencement of business.

Streamlining the approval process for ventilating systems

In addition to these measures, the Fire Services Department (FSD) has taken steps to make it easier for hotel licence applicants to comply with fire safety requirements on ventilating systems without compromising fire safety.

The FSD is responsible for certifying the ventilating system of the premises in hotel licence application. Fire dampers are installed in the ventilating system to maintain the fire resistance rating of compartment walls/floor slabs. All fire dampers shall be fitted with FSD approved fusible links. The FSD has now streamlined the arrangement for acceptance of these fusible links by accepting submission of valid product certification documents issued by accredited laboratory instead of conducting practical tests by FSD on the fusible links. The measure enhances the customer-friendliness and efficiency of the licence application.



Facilitating compliance with the Trade Effluent Surcharge requirement

Meanwhile, the Drainage Services Department (DSD) understands the difficulties for hotel restaurants to install separate water meters for the payment of Trade Effluent Surcharge (TES). For existing hotel restaurants without separate water accounts, installing a separate account may incur considerable costs for the operators and may also cause disruption of hotel services during construction of the required plumbing works. Though the operators are allowed to install private sub-meters for calculation of TES if the installation of separate water account is impracticable, there will still be the significant compliance costs for installing, calibrating and reading of the sub-meters.



To cut the cost of compliance, secondary water meters to be installed and maintained by the Water Supplies Department (WSD) in lieu of private sub-meters are now acceptable to DSD. Hotel operators can apply to the WSD for the installation of a secondary water meter without having to demonstrate beforehand that separate water account is impracticable, and WSD will use smart meters for remote readings where appropriate to allow greater flexibility in the location of the secondary meters. This not only reduces compliance costs, but also allows restaurants to start business within the hotel with greater flexibility and hence facilitates business planning. This new measure will be implemented in 2020.

Helping your business thrive

Overall, new hotel/guesthouse operators will now find it quicker and easier to apply for a licence, thanks to clearer specifications and a more efficient application process. Existing operators will also benefit from business-friendly measures devised by regulatory bodies to ensure that existing businesses continue to run smoothly while facilitating new businesses get off to a flying start.

Business Facilitation Team

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