

Guideline on New Licensing Requirements
Under the Hotel and Guesthouse Accommodation Ordinance (Cap. 349)

Pursuant to the Hotel and Guesthouse Accommodation Ordinance (Cap. 349) (the Ordinance) and Condition 4 of the licence issued under the Ordinance, the operation, keeping, management and other control of a hotel or guesthouse shall be under the continuous and personal supervision of the licensee.

2. To enhance the safety and management of premises being licensed as a hotel or a guesthouse under the Ordinance (“licensed premises”), from 28 December 2015 (the Implementation Date) onwards,

(A) a third party risks insurance (public liability insurance) policy with a minimum limit of indemnity of HK\$10 million per event and cover for unlimited events for any one period of insurance is required to be taken out by the licensee in respect of the use of the licensed premises by any person;

(B) a 24-hour manned counter is required to be installed at the licensed guesthouse (general); and

(C) four different forms of licences will be issued by the Hotel and Guesthouse Accommodation Authority (the Authority) under the Ordinance on the basis of the approved use of the premises.

3. This guideline is issued to provide the details of the above measures for the trade’s information and preparation for making an application for a new licence or a renewal of the existing licence under the Ordinance. The Authority may refuse an application for a licence or a renewal of a licence under the Ordinance if an applicant fails to make the necessary arrangements to meet the above requirements after 28 December 2015.

(A) Procurement of Third Party Risks Insurance (Public Liability Insurance)

4. Procurement of a third party risks insurance policy for the use of the licensed premises by any person is regarded as an essential measure whereby the lodgers and the public can be better protected. If a licensee procures sufficient third party risks insurance for the use of the licensed premises by any person, the financial risk faced by the licensee in times of accidents will also be reduced.

When taking out third party risks insurance, consideration should be paid to the coverage, terms and conditions of the policy.

5. The third party risks insurance policy required to be taken out by a licensee shall cover liabilities of the licensee for any death, injury and damage suffered by any third party arising from or in connection with the use of the licensed premises and/or anything provided therein. The minimum limit of indemnity of the policy shall be HK\$10 million per event and cover for unlimited events for any one period of insurance in respect of the licensed premises. The indemnity of the policy is provided for paying claims in respect of death or bodily injury of the third parties and third party property damage due to the negligent acts of the licensee and/or its employees, contractors, agents, etc. during the course of its business.

6. The licensee shall maintain a valid third party risks insurance policy during the entire licensing period of the licence. The licensee shall keep a copy of the insurance proof in the licensed premises and produce it for inspection on demand. The insurance proof (e.g. the valid insurance policy, certificate of insurance, etc. issued by the insurance company) shall contain detailed information, including the insurance policy/reference number, name of the insurance company, the limit of indemnity and aggregate limit (minimum limit of indemnity of HK\$10 million per event and cover for unlimited events for any one period of insurance in respect of the licensed premises), effective date and date of expiry of the insurance policy, name of the insured and address of the insured premises.

(B) Provision of 24-hour Manned Counter (applicable to licensed guesthouses (general) only)

7. Provision of a 24-hour manned counter inside the licensed guesthouse is essential as the patrons may require assistance from time to time. A counter required to be provided inside a licensed guesthouse shall be as follows :-

- a) The counter shall be located near the entrance of the guesthouse, as far as practicable, for easy identification by the patrons.
- b) The area of the counter shall not be less than 0.6m² (6.5 ft²).
- c) The name(s) of the manning staff shall be displayed in a prominent position in the vicinity of the counter.

8. The following building safety requirements shall be observed :-
 - a) The counter shall not reduce the effective width of any exit route.
 - b) The counter shall be properly secured to the floor or wall as necessitated by the circumstances.
9. The following fire safety requirements shall be observed :-
 - a) The counter shall be installed with one actuating point of the manual fire alarm system (optional for all existing licences issued before the Implementation Date).
 - b) All fire service installation control panels shall be installed at the counter or near the main entrance inside the premises (optional for all existing licences issued before the Implementation Date).
 - c) Other fire safety requirements such as Polyurethane foam filled mattress and upholstered furniture items, electrical installations, fire extinguisher, fire retardant treatment, etc. shall be applicable to the counter.
10. If there is insurmountable physical constraint in the premises in meeting the above requirements, the licensee/applicant may submit a proposal with detailed arrangements for any alternative measure in place of a 24-hour manned counter requirement. The alternative measures should provide some other means of 24-hour manned direct communication between the guesthouse operator and patrons and are subject to the consideration and approval by the Authority.
11. After installation of the counter, the licensee shall man the counter for 24 hours.

(C) Different Forms of Hotel or Guesthouse Licences

12. To differentiate the use of the premises approved or accepted by other relevant authorities, four different forms of licences will be issued on or after the Implementation Date in accordance with the categorization as follows under the Ordinance :-

- a) “hotel licence” for premises/buildings approved by the Building Authority for hotel use;
- b) “guesthouse (general) licence” for premises providing short-term sleeping accommodation located in residential buildings;
- c) “guesthouse (holiday camp) licence” for premises providing short-term sleeping accommodation within camp sites; and
- d) “guesthouse (holiday flat) licence” for premises providing short-term sleeping accommodation in village type houses in the New Territories.

13. To facilitate the public to identify the specific type of the licensed premises, guesthouse licensees are required to indicate clearly “(licensed guesthouse)” in all promotional materials/advertisements related to the guesthouse. The font size shall not be smaller than the smallest print of the promotional materials/advertisements.

Hotel and Guesthouse Accommodation Authority
11 December 2015