



**STANDARD OPERATING PROCEDURE (SOP) FOR HOTEL AND LODGING  
HOUSE LICENSE APPLICATION**

**KEMENTERIAN KERAJAAN TEMPATAN DAN PERUMAHAN SARAWAK**



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# **STANDARD OPERATING PROCEDURE (SOP) FOR HOTEL AND LODGING HOUSE LICENSE APPLICATION**

## **1.0 PURPOSE OF THE SOP**

- 1.1 As the implementation strategy of the Way Forward for Excellence Service Delivery for all Local Authority (LA) in line with Post Covid-19 Development Strategy 2030.
- 1.2 As a reference and guide to all Local Authority in managing and handling any application for hotel, resort hotel, budget hotel, inn / motel, lodging house, apartment hotels / serviced apartment, chalet, rest house/ guesthouse, bed and breakfast unit, dorm / hostel and other short term accommodation activities licenses within LA respective area (herein after will be referred as hotel / budget hotel).
- 1.3 To provide a standard operating procedures for the development of budget hotels in terms of building plans and business license applications.
- 1.4 Coordinate procedure for planning permission application, building plan and business license application for budget hotel development in LA area in line with Land Code (Cap 81), 1958, Section 8 of Sarawak Building Ordinance, 1994, Protection of Public Health Ordinance, 1999 and Regulation 3(5) of the Protection of Public Health (Licensing of Hotels and Lodging Houses) Regulation, 2003).
- 1.5 Determining the criteria for suitable locations and allowed for budget hotel development.
- 1.6 Coordinate the technical requirements that must be complied with for the development of hotels.

## **2.0 BACKGROUND**

The demand for hotel, budget hotel business or other accommodation activities are increasing in the LA area. These are made possible by the advancement of internet of things and communication technology where people can make booking and payment online and in some instances access to the rented units via passcode or barcode.

It is a challenge to all LA in addressing the various connotation and names for these accommodation activities particularly on the aspect of licensing requirements, processing and issuance of license.

The registered establishments involved in accommodation services Under Part 3 of Annual Economic Statistics 2018 on Accommodation Services by the Department of Statistics Malaysia consists of 8 industries at a 3-digit level in accordance with Malaysian Industry Classification Standards (MSIC) 2008 Ver.1.0 (International Standard Industrial Classification of All Economic Activities (ISIC), Revision4) covers the following main activities:

- i. Hotels and resort hotels
- ii. Budget hotel
- iii. Apartment hotels / serviced apartment
- iv. Chalet
- v. Rest house/ guesthouse
- vi. Bed and breakfast unit
- vii. Dorm / lodging house / hostels
- viii. Short-term accommodation activities

These SOP are prepared to assist the LA in controlling and determining development directions of hotel / budget hotel in a more controlled, systematic and planned manner. The SOP is expected to facilitate the increase of stock of budget hotel rooms in meeting local demand and provide proper regulation of hotel / budget hotels on safety and public health.

In addition the SOP will enhance the image of hotel industry in the State and support the growth of domestic tourism / activities. It will be as a reference to LA and general public as well.

### **3.0 OBJECTIVES**

- 2.1 There is a need to control and curb the mushrooming of unlicensed hotel / budget hotels and to ensure safety and security for the patrons.
- 2.2 To increase the stock of budget hotel rooms by ensuring hotels which meet the minimum safety and security requirements.

- 2.3 To strictly enforce the law in curbing new illegal hotel by illegally misuse of land usage (land title condition).

#### **4.0 DEFINITIONS**

"accommodation services" means the services that refers to the provision of paid short-term accommodation, either open to the public or limited to members of a particular establishment. It does not include long term furnished rentals of residences classified in Real Estate.

"bed & breakfast" means an establishment run by the homeowner or contacts of family members living in the house. Guests will stay in a private bedroom in the evening and breakfast will be provided in the morning.

"budget hotels" means any building used to provide accommodations that have limited facilities compared to hotels. The budget hotel usually does not have banquets, conference halls, swimming pools, gymnasium, sauna games facilities (outdoor and indoor) and so on. The budget hotel classification is based on a rating of 2 stars and below or according to the Orchid classification issued by the Ministry of Tourism Malaysia.

"camping sites, land vehicles and trailer parks" means the provision of accommodation that are provided at camping sites, trailer parks, recreational camps, fishing and hunting camps for visitors who stay for a short period of time as well as the provision of sites and facilities for recreational vehicles.

"chalet" refers to any building used to provide the concept of accommodation which are built using wood or concrete or modern materials and built separately. Chalets are usually built in tourist areas such as the seaside and mountains and can be part and parcel of accommodation in a resort hotel area.

"hostel" means any building that provides short-term accommodation for students or travellers. Facilities include beds, bathrooms and shared waiting areas. Private rooms are rare. Boarding fees are usually cheaper than hotels.

"hotel" under Protection of Public Health (Licensing of Hotels and Lodging Houses) Regulation, 2003 means any building where separate accommodation is offered to the public at a charge, with outlets and facilities for refreshment, dining, entertainment and recreation, and includes serviced apartments (*Hotels including resort hotels, hotel apartment, inn and lodge are establishments that provide short-term accommodation especially to tourists. The hotel also provides side facilities such as restaurant, swimming pool etc. Some hotels have conference facilities and*

*encourage working groups to hold conventions and meetings on their locations. Hotel classification (including resorts) is based on rating of 3 stars and above according to the classification system issued by the Ministry of Tourism, Arts and Culture Malaysia);*

"lodging house" under Protection of Public Health Ordinance, 1999 means any premises in which general accommodation, with or without partition, is offered to the public at a charge, and includes a boarding house or dormitory not belonging to the federal Government or the Government;

"rest house/ guesthouse" refers to private house that has been exclusively changed for guests accommodation to stay at a charge or no charge.

## **5.0 LEGAL PROVISIONS AND REFERENCES**

Source of authority as a reference for the LA to carry out the actions required under this SOP are as follows:

- a. Land Code (Cap 81), 1958;
- b. Local Authorities Ordinance, 1996;
- c. Sarawak Building Ordinance, 1994;
- d. Protection of Public Health Ordinance, 1999 and
- e. Protection of Public Health (Licensing of Hotels and Lodging Houses) Regulation, 2003).
- f. Malaysian Industry Classification Standards (MSIC) 2008 Ver.1.0 (International Standard Industrial Classification of All Economic Activities (ISIC), Revision 4)

## **6.0 PROCEDURE FOR APPLICATION OF HOTELS & LODGING HOUSES LICENCE AT COMMERCIAL AND/OR OFFICE AND/OR RESIDENTIAL SHOP HOUSES.**

### **6.1 PART I PLANNING APPROVAL APPLICATION**

6.1.1 All types of hotel or budget hotel activities must submit application for planning approval in accordance with Part X of Land Code [Cap. 81 (1958 Ed.)]

and Section 3(2) of Building Ordinance, 1994 to Land and Survey Department for State Planning Authority (SPA) approval the following types of changes :-

- (a) involving any change in the use of the building or land to which the building is merged; or
- (b) involves any addition or alteration to a building.

6.1.2 A planning brief for hotel or budget hotel shall be submitted to SPA through Divisional Land and Survey Department. The application can be for:

- (a) Application for Variation of Title Condition [AVTC] – Permanent Conversion; or
- (b) Temporary Usage.

## **6.2 PART II TECHNICAL DEPARTMENT SUPPORT AND REVIEW**

6.2.1 Upon approval by SPA, the applicant shall engage a Consultant for the submission of building plan to respective Local Authority in accordance to Section 8(2)(a) of Building Ordinance, 1994 for approval.

6.2.2 The applicant shall obtain approval and support letter from Fire and Rescue Department or any other relevant authority as stipulated under Section 8(2)(b) of Building Ordinance, 1994.

6.2.3 The applicant shall obtain Occupation permit from LA upon completion of any renovation or construction prior to any application for licence.

## **6.3 PART III HOTEL / BUDGET HOTEL LICENCE APPLICATION**

6.3.1 Upon obtaining Occupation Permit for hotel / budget hotel, the applicant can apply to respective LA for licence to operate a Hotels and Lodging Houses Licence (e.g. Hotel/Lodging House/Boarding House/Dormitory etc).

6.3.2 LA will only process the application for Hotels & Lodging Houses Licence after Occupation Permit for Hotel/Lodging House/Boarding House/Dormitory had been issued.

6.3.3 Application for Hotel and Lodging Houses Licence shall be submitted by using the application form for licence (Appendix A).

## **6.4 PROCESS FLOW**

- a. LA received application with required documents;
- b. Check and verify the content e.g. Correct Occupation Permit, Right of Occupancy/Management, etc;
- c. Despatch to relevant divisions for investigation;
- d. Compilation of investigation reports and make recommendation to Council for issuance of licence or otherwise;
- e. Upon approval from Council, prepare licence and inform the applicant of the outcome, licence fee payable, etc;
- f. Upon payment, licence will be issued over the Treasury Counter.

## **7.0 LOCAL AUTHORITY RESPONSIBILITIES AND ACTIONS**

This SOP was drafted to assist LA and hotel operators in planning, controlling and monitoring the development of hotels / budget hotels so as not to conflict with planning policies and principles. The provision of this SOP will facilitate the application process to hotel / budget hotel operators.

The SOP provides the frameworks to LA to avoid the confusion in the requirement and provision that need to be provided in handling hotel / budget hotel licence application. To ensure the effectiveness of these SOP, reference to the detailed requirements as specified under Building By-laws as contained in the Fourth Schedule Building Ordinance, 1994, Protection of Public Health Ordinance, 1999 and Protection of Public Health (Licensing of Hotels and Lodging Houses) Regulation, 2003) is a must.

Local authorities are expected to fully enforce the requirements contained in the SOP and are to ensure that the requirements are being complied with by all operators.

## **8.0 ENFORCEMENT DATE**

This SOP is effective with immediate effect.

## APPENDIX A

Council Logo

## HOTELS & LODGING HOUSES LICENCE APPLICATION FORM

Applicant /  
Nominee Photo**PART I: DECLARATION**

I, \_\_\_\_\_ (NRIC / PASSPORT NO.: \_\_\_\_\_)  
HEREBY DECLARE THAT THE INFORMATION GIVEN IN THIS FORM IS CORRECT AND I UNDERTAKE TO  
NOTIFY THE COUNCIL OF ANY CHANGES IN THESE CIRCUMSTANCES.

I UNDERSTAND THAT THE COUNCIL IS ENTITLED TO REVOKE ANY LICENSES ISSUED IN CONNECTION  
WITH THIS APPLICATION ON ACCOUNT OF ANY FALSE INFORMATION GIVEN BY ME IN THIS FORM.

I ALSO UNDERSTAND THAT IT IS AN OFFENCE UNDER THE PENAL CODE (F.M.S. CAP 45) TO GIVE FALSE  
INFORMATION ON THIS FORM AND THAT I SHALL BE LIABLE ON CONVICTION BY A COURT TO A FINE OF  
RM2,000/-OR IMPRISONMENT FOR SIX MONTHS OR BOTH.

\_\_\_\_\_  
(SIGNATURE OF APPLICANT / \*NOMINEE)

DATE:

**PART II: PARTICULARS OF APPLICANT/NOMINEE**

|    |                                  |  |    |                       |                                                                  |
|----|----------------------------------|--|----|-----------------------|------------------------------------------------------------------|
| 1  | NAME OF APPLICANT /<br>*NOMINEE: |  | 2  | IDENTITY<br>CARD NO.: |                                                                  |
| 3  | PASSPORT NO.:                    |  | 4  | DATE OF<br>BIRTH:     |                                                                  |
| 5  | POSITION HOLD:                   |  | 6  | RACE:                 |                                                                  |
| 7  | NATIONALITY &<br>COUNTRY:        |  | 8  | SEX:                  | <input type="checkbox"/> MALE <input type="checkbox"/> FEMALE    |
| 9  | TELEPHONE NO.:                   |  | 10 | RELIGION:             |                                                                  |
| 11 | HAND PHONE NO.:                  |  | 12 | MARITAL<br>STATUS:    | <input type="checkbox"/> MARRIED <input type="checkbox"/> SINGLE |
| 13 | RESIDENTIAL ADDRESS:             |  |    |                       |                                                                  |

|    |                                                                                           |    |   |                           |
|----|-------------------------------------------------------------------------------------------|----|---|---------------------------|
| 14 | *IF APPLICANT IS A FIRM / CORPORATION, TO NOMINATE A NOMINEE & ALSO FILL IN 14 (a) - (g): |    |   |                           |
| a  | NAME OF FIRM / CORPORATION:                                                               |    | b | REGISTRATION NO.:         |
| c  | ADDRESS OF FIRM / CORPORATION:                                                            |    |   |                           |
| d  | DATE OF REGISTRATION:                                                                     |    | e | LICENCE EXPIRY:           |
| f  | TELEPHONE NO.:                                                                            |    | g | FAX NO. & E-MAIL ADDRESS: |
| 15 | TOTAL INVESTMENT:                                                                         | RM |   |                           |

**PART III: PARTICULARS OF HOTEL/LODGING HOUSE**

|   |                                                              |                              |                              |                                   |
|---|--------------------------------------------------------------|------------------------------|------------------------------|-----------------------------------|
| 1 | HOTEL/LODGING HOUSE NAME:                                    |                              |                              |                                   |
| 2 | HOTEL/LODGING HOUSE ADDRESS:                                 |                              |                              |                                   |
|   | LOT(S) NO.: _____                                            | <input type="text"/> G/FLOOR | <input type="text"/> F/FLOOR | <input type="text"/> OTHER: _____ |
|   | _____                                                        | <input type="text"/> G/FLOOR | <input type="text"/> F/FLOOR | <input type="text"/> OTHER: _____ |
|   | _____                                                        | <input type="text"/> G/FLOOR | <input type="text"/> F/FLOOR | <input type="text"/> OTHER: _____ |
|   | _____                                                        | <input type="text"/> G/FLOOR | <input type="text"/> F/FLOOR | <input type="text"/> OTHER: _____ |
|   | *PARCEL NO.: _____                                           | *BLOCK / SECTION NO.: _____  |                              |                                   |
|   | NAME OF ROAD: _____                                          | POST CODE: _____             |                              |                                   |
| 3 | LAND TITLE CONDITION:                                        |                              | 4                            | TOTAL NO. OF ROOMS:               |
| 5 | *VALIDITY PERIOD FOR TEMPORARY USAGE AS HOTEL/LODGING HOUSE: |                              |                              |                                   |

NOTE: \* IF APPLICABLE, TO BE FILLED.

#### **PART IV: CHECKLIST FOR APPLICANT**

**1 RETURN THIS FORM TOGETHER WITH THE FOLLOWING DOCUMENTS:-**

**CHECKLIST**

I THREE (3) COPIES OF THE COMPLETED APPLICATION FORMS.

☐

II ONE (1) COPY OF IDENTITY CARD (BOTH SIDES) OR PASSPORT OF APPLICANT / NOMINEE. \*IF APPLICANT / NOMINEE IS A NON-SARAWAKIAN, ONE (1) COPY OF WORK PERMIT.

☐

III ONE (1) COPY OF PASSPORT SIZE PHOTOGRAPH OF THE APPLICANT / \*NOMINEE.

☐

IV IF APPLICANT IS A FIRM / CORPORATION, ONE (1) OF THE \*MEMORANDUM AND ARTICLES OF ASSOCIATION, AND \* FORM 49 (RETURN GIVING DETAILS IN REGISTER OF DIRECTORS, MANAGERS AND CHANGE OF PARTICULARS) IN ACCORDANCE WITH THE COMPANIES ACT 1965.

☐

V ONE (1) COPY OF THE \*TRADING LICENSE ISSUED IN ACCORDANCE WITH BUSINESSES, PROFESSIONS, AND TRADES LICENSING ORDINANCE (CAP. 33 [1958 EDITION]).

☐

VI TWO (2) COPIES OF OCCUPATION PERMIT OF THE PREMISES CONCERNED.

☐

VII TWO (2) COPIES OF LAND TITLE.

☐

VIII LOCALITY PLAN &/OR SITE OF THE PREMISE(S) ON A3 SIZE PAPER.

☐

IX ONE (1) COPY OF TENANCY AGREEMENT / LETTER OF CONSENT OR CONFIRMATION FROM THE OWNER OF THE PREMISE(S).

☐

X ONE (1) COPY OF THE LATEST PAID ASSESSMENT BILL OF THE PREMISE(S).

☐

XI PHOTOGRAPH SHOWING THE FRONT & REAR PORTION OF THE PROPOSED PREMISE(S) (3R SIZE).

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## PROCESS FLOW

