



Client

Eight Australian and State Territory Revenue Agencies formed a Consortium to implement the Federal Government's First Home Owner Grant (FHOG) scheme.

Project	First Home Owners Grant (FHOG)
Project Duration	Ross continues an ongoing programme of support and enhancement work for the application with current agreement to run to June 2007 Initial project development: Jan 2000 to Jul 2000
Outcome	A core business application, using Internet technology to link financial institutions around Australia with State Revenue organisations, in order to implement the Federal Government's First Home Owner Grant.
Key Points	<ul style="list-style-type: none">- Project Management- Critical time frames- ColdFusion business application- Oracle Database- User interface design- Stakeholder involvement
Web Site URL	www.firsthome.gov.au

The Need

STATE REVENUE DEPARTMENT
WESTERN AUSTRALIA

fhogOnline

First Home Owner Grant

Create Application

Save Application

Add Applicant

Cancel and Exit

Help

1. Will this be the first time each applicant(s) or their spouse(s)/de facto(s) will receive a grant under the First Home Owner Grant Act 2000 in any State or Territory of Australia?	<input type="radio"/> Yes	<input type="radio"/> No
2. Is each applicant(s) and their spouse(s)/de facto(s) a first home buyer who has never owned a home separately or with some other person before 1 July 2000, in any State or Territory of Australia?	<input type="radio"/> Yes	<input type="radio"/> No
3. Is each applicant(s) and their spouses(s)/de facto(s) a first home buyer who has never owned and occupied a home, separately or with some other person after 1 July 2000 in any State or Territory of Australia?	<input type="radio"/> Yes	<input type="radio"/> No
4. Is every applicant a natural person? (ie. not a company)	<input type="radio"/> Yes	<input type="radio"/> No
5. Is at least one of the applicant(s) a Permanent Resident Visa Holder or Australian Citizen?	<input type="radio"/> Yes	<input type="radio"/> No
6. Will every applicant be occupying the home as their principal place of residence within 12 months of the date of settlement or completion of construction?	<input type="radio"/> Yes	<input type="radio"/> No
7. Has each applicant on or after 1 July 2000 , either: a) entered into a Contract of Sale or Agreement for the purchase of an established home? or b) entered into a contract to have a home built? or c) in cases of an owner-builder, commenced construction of a home?	<input type="radio"/> Yes	<input type="radio"/> No
8. Are all the applicant(s) acquiring 100% ownership in fee simple in the land on which the home is (or to be) situated?	<input type="radio"/> Yes	<input type="radio"/> No

With the introduction of the GST by the Federal Government in July 2000, a scheme was established to offset the effect of the GST on home ownership by providing a grant to first homebuyers. The scheme provides a one off payment of up to \$7,000 to eligible first homebuyers to help with their purchase or construction.

Requirements included: Lodgement of grant applications with any of the approved financial institutions in any of the jurisdictions; Payment of funds by State and Territory Revenue Agencies using direct deposit into the approved financial institution's trust account, for payment to the eligible applicants; Security; Compliance with legislative and administrative requirements; and application turn around time.

The Solution

The FHO System was developed as a secure web application using Cold Fusion Application Server and an Oracle database.

Financial institutions access the FHO System to lodge details of the parties making the application, and the property to which the grant is to be allocated. All applications are stored in a central database, irrespective of the originating jurisdiction.

The custom-built workflow system then progresses and monitors each application through lodgement, approval and payment with little need for manual intervention. Powerful name and address searching and matching capabilities ensure that grants are only paid once to eligible applicants, regardless of the State or Territory where the application was lodged.

The FHO Scheme is designed to distribute over \$1billion per year and thus compliance and security are of paramount importance. Each jurisdiction can select the appropriate level of compliance from the FHO System, to ensure conformance with that jurisdiction's particular legislative and administrative requirements. This can be pre or post payment verification of all, random or no applications. Security is implemented as a role-based model with certain

administration functions (such as adding new users, resetting passwords, etc) delegated to the financial institutions. Within the database, any financial institution can only view applications that they have created themselves.

The Result

The FHOG System has been deployed to over 150 financial institutions in eight legislative jurisdictions around Australia. There are over 2,500 registered users who, on average, process in excess of 650 applications each day. In the first seven months of operation, the FHOG System processed 92,000 applications and paid 81,000 grants to a value of \$565 million. Average turn around on applications was less than four days.