In mid-October 2017 the names of the successful organisations in the NSW social housing management transfers (SHMT) were announced. While at times the whole tender process has been shrouded in near North Korean secrecy, this article gives an assessment from a largely independent housing consultant about what this all means.

The biggest winners? Community housing providers in across Australia. An extra 14,000 homes in the sector marks a dramatic shift. We might expect more of these ‘contractual outsourcing’ arrangements in future. Remember we’re not talking about full-blooded ‘real’ stock transfer where housing providers receive asset ownership and can manage tenancies indefinitely.

The transfers in NSW were good news for NSW community housing providers. This wasn’t necessarily going to be the case. We did not see successful bids by large British housing associations such as Places for People, private sector facilities management companies like Serco, or out-of-state providers. SHMT was a local tender for local organisations.

In nine selected areas of NSW nine housing providers will take management responsibilities for all public housing in addition to running FACS housing services. The latter is a unique -and some would say risky - responsibility for community housing providers.

The tender winners will receive between around 950 and 2,200 tenancies. In strictly alphabetical order, champagne corks will have been popping at the offices of Bridge/
Women’s Housing, CHL, Compass, Homes North, Hume, Link, Mission Australia, SGCH, and Southern Cross.

In terms of national rankings by tenancy numbers the top three community housing providers - CHL, Compass and SGCH - all won tenders in NSW, and their relative sizes remain unchanged. However they are starting to pull away from the pack as Evolve and Argyle received no transfers. Is big best? – this hasn’t been proven, though governments often think so.

With the exception of Housing Choices, after these housing management transfers nine of the largest ten community housing providers in Australia will be those with a large foothold in NSW.

NSW Government arguably chose organisations thought to be ‘safe pairs of hands’. All except Mission Australia Housing had operated in their core patch since the Community Tenancy Schemes of the 1980s. But the traditional geography is breaking down - Bridge Housing and SGCH crossed the Harbour bridge, and Hume has gone to the Hunter.

Homes North, Link Housing and Southern Cross all faced the ‘nuclear option’ of a transfer to another provider in their home patch. All three will be relieved to have been successful. They are some of the most important winners today as in future they will be able to operate at critical size.

Homes North will rocket from number 29 in the national rankings to number 10 - a considerable achievement. Link will rise from number 21 to six, and Southern Cross from number 25 to 16.

I’ll be controversial and say Hume Housing is the biggest single winner. They audaciously bid outside their home territory and won the largest package, and in Compass’ back yard. Hume Housing will become the fifth largest community housing provider in Australia.

Bridge Housing also did well, and it is good to see their partnership with Women’s Housing paying off. All other bidders went alone.

Not everyone won a prize. Evolve, Argyle and Wentworth are all large housing providers in NSW without transfer packages. Medium-sized providers such as the Housing Trust, Housing Plus and North Coast either did not bid or bid unsuccessfully. Compass, Link and CHL might all have hoped for more than one package, but there seems to have been a policy decision to spread the goodies.

A cynic might feel the real winners were professional advisors. I had great fun – and the odd sleepless night – helping Southern Cross in the Shoalhaven. Yet many bidders tendered successfully with only modest help from consultants. Dare I say this is good news for the sector, which is coming of age.

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I’d like to congratulate the winning organisations as their hard work paid off. The lucky transfer tenants should be in line for high quality services if the new landlords’ promises to Government are met. For other community housing organisations, I can’t see the transfers ending in 2020 - so there should be more to bid for in the future.