



An agile, flexible future for the Australian Library and Information Association



This is an exciting time for the library and information industry, with technologies creating new ways of fulfilling our fundamental role of connecting people with information and ideas. Change brings with it challenges, and ALIA needs to keep pace with what is happening in the industry and provide the kind of support our Members need to stay ahead. We are constantly evolving as an association, reflecting the rapid changes in the information marketplace. We will be agile, vocal and responsive; we will focus on our leadership role in advocacy, education and professional development.

Australian Library and Information Association strategic plan 2019-2023



Introduction

The Australian Library and Information Association (ALIA) has a proud history dating back to 1937. For more than 80 years, we have made sure we remain relevant to the needs of our members, as the national peak body for library and information professionals and for people from other disciplines who work in the sector.

ALIA continues to be highly active as a strong and successful advocate on the national stage, and we provide world class support for LIS education and professional development.

Today's technologies are bringing exciting new ways of connecting with members in every corner of Australia, and they help us improve services and communicate more effectively with all our stakeholders.

Looking ahead, the ALIA Board has committed to ensuring the Association is as agile and flexible as the industry and the people we serve.

"Our aim is to ensure the Association reaches its 100th anniversary in 2037 fit for purpose and in a strong and sustainable position."

Background

In 1990, ALIA moved from offices in central Sydney to a purpose-built property in Canberra, at 9-11 Napier Close, Deakin. Since then, we have occupied a quarter of the space, letting out the remainder to other businesses.

The space was ideal when we had 30 staff in Canberra, but now that we have 10 full time and 7 part time staff based in Napier Close and 7 staff working remotely, we no longer need such a large office.

While the rental income from tenancies has been a useful revenue stream for the Association, the time and cost of maintaining the premises has become a distraction from the core business of ALIA – serving our members.

A new future

In this context, in 2019 the ALIA Board sought advice from an Advisory Committee comprising ALIA members with a long-standing interest in the Canberra property. The Committee received presentations and detailed reports from property and town planning experts and commissioned independent financial modelling.

On the advice of the Committee and with supporting evidence from Civium real estate, Purdon planning and Deloitte finance consultants, the ALIA Board has agreed to progress the sale of 9-11 Napier Close.

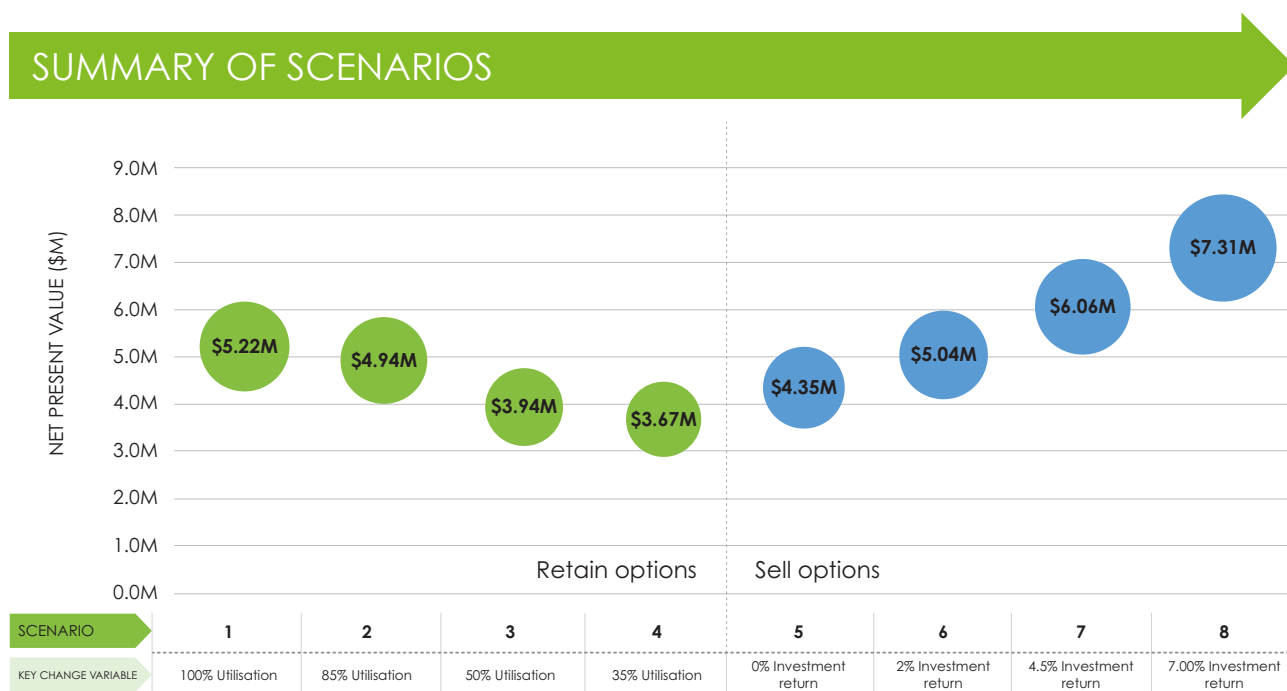
- The sale will enable ALIA to create a substantial, flexible asset base, with several million dollars held in a balanced investment vehicle.
- It will enable the future leaders of the Association to choose how and where to employ staff, providing a smaller base in Canberra, with the potential for hubs in other cities, or for more remote workers.
- It will free ALIA from the burden of property management, the ups and downs of the Canberra real estate market and the cost of building maintenance.

It is interesting to note that the American Library Association has recently sold its Chicago headquarters building, saying, "The ALA headquarters are an important part of our history and have served members and staff well. But just as our communities, our libraries, and our work lives have changed, so have the needs of the Association—including those of our workplace."

Financial benefit

Deloitte was asked to assess the financial impact of ALIA selling 9-11 Napier Close. Scenarios were based on the current rental income, the risks associated with less than 100% occupancy, the future return on an alternative form of investment, the cost of alternative accommodation, essential maintenance requirements and the capital value of the building going forward to 2030.

Deloitte's model provided the following results (chart 1), which indicated that a modest 4.5% return on a future investment would provide an \$800,000 uplift in ALIA's finances, compared with the best possible scenario of 100% building occupancy for the next 10 years (noting that we experienced 50% occupancy between 2016 and 2018).



In summary

The ALIA Board has made the decision to progress with the sale of 9-11 Napier Close. The decision is based on evidence gathered from property, planning and financial experts, assessed by ALIA Members with a long history of engagement with the office building. It is in line with the ALIA Strategic Plan 2018-2022, "Future-proofing: we will ensure the Association's financial sustainability and responsibly manage the Association's assets." The property will be listed for sale in May 2020.