

SPECTRUM FOUNDATION

Ahākoa ko wai te tangata, ahākoa nō hea

2022 Year in review

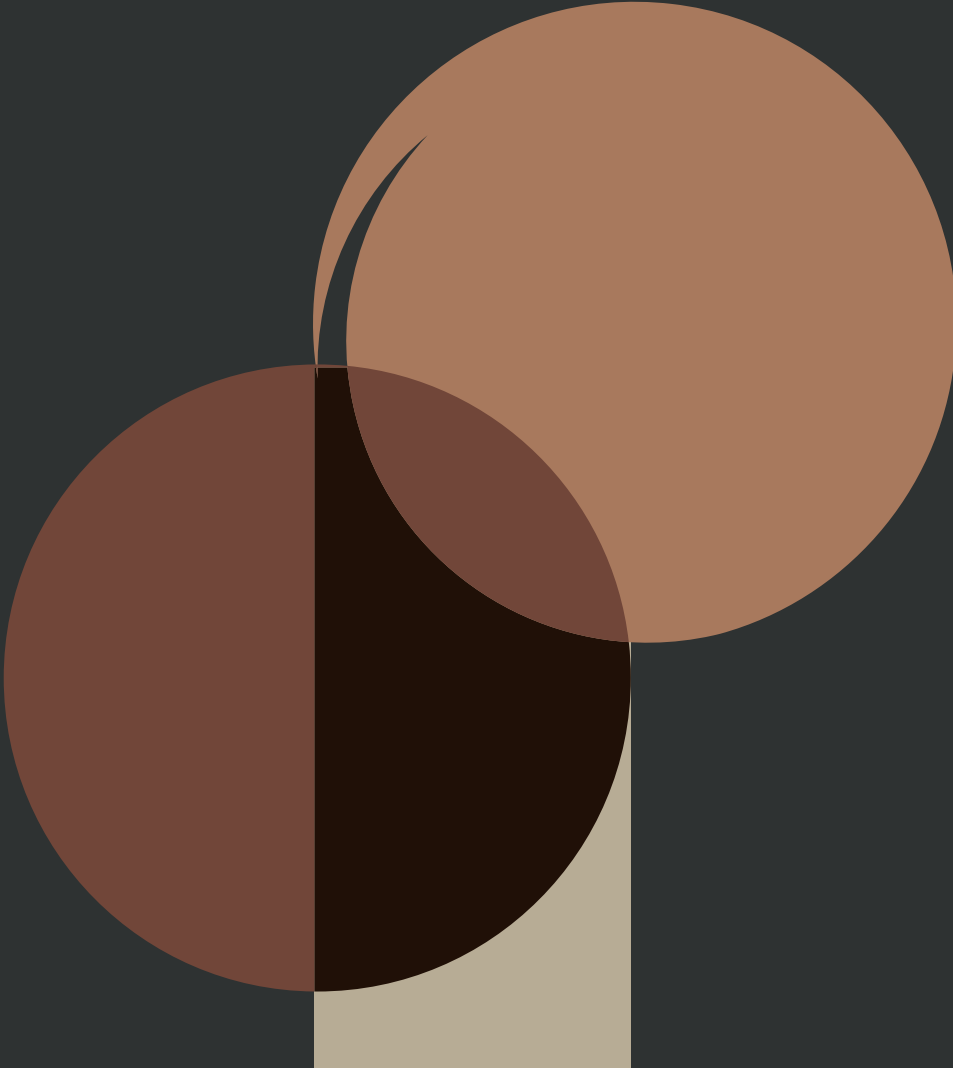
SPECTRUM FOUNDATION GROUP



Too many of us are completely isolated, with worse housing, education, employment and health outcomes than any other group of New Zealanders.

Contents

- Chair report2
- CE report4
- Key insights.....6
- Group financial statements.....8
- Spectrum Foundation Group Trustees and Directors.....10
- Spectrum Care key highlights12
- Spectrum Care financial overview.....15
- Homes of Choice key highlights.....16
- Homes of Choice financial overview19



Chair report

The 2021-22 financial year saw the renaming of Spectrum Care Trust Board to Spectrum Foundation to recognise our philanthropic and impact focus. It also saw the implementation of a more comprehensive parent-and-subsidiary structure, with the incorporation of Spectrum Care as the services arm of Spectrum Foundation Group.



Aligned to our legal restructure was the commencement of a governance refresh with three new appointments to the Spectrum Foundation Board, two to the Spectrum Care Board and another two to the Homes of Choice Board.

While most of these appointments were part of our succession planning, one was in response to the resignation of Jane Bawden from the boards of Spectrum Foundation and Spectrum Care, as she took up a role with the Royal Commission of Inquiry into Abuse in Care. Jane played a significant role on both boards in ensuring we remained cognisant of the growing voice and changing expectations of disabled people and whānau, where choice and control are fundamental to the support delivered.

The past financial year has been focused on building the various processes and systems required for the Foundation to begin fundraising. This will enable the Foundation to begin addressing our priority areas of empowering access to health and wellbeing, housing, education,

employment, and mana enhancement/self-determination. Decades of research have proven these are the five most impactful steps we can take as a society in breaking barriers to human potential. Given we're building something from the ground up, I'm pleased with our progress and the Board looks forward to launching these initiatives in 2023.

Another important function of Spectrum Foundation is the delivery of shared services (including Finance, HR, IT, Communications/Marketing/Brand etc) to our two wholly owned subsidiaries Spectrum Care and Homes of Choice. With one year of delivering these important support functions now under our belt, we're in a better position to ensure that each of our business units are effective and efficient, are adding value and achieving their strategic objectives.

In a rapidly changing world, I'm confident that Spectrum Foundation Group is positioning itself to capitalise on its opportunities and that our eye remains – at all times – on our vision of 'an Aotearoa where all disabled people have equal opportunity to live good lives.'

Ensuring that the Group has sound governance, with a strong representation of lived experience of disability, will set the tone of expectations moving forward. We're well on the way to achieving this.

This will be my last Chairperson's report, as I've now completed my final term (following a tenure of nine years) with Spectrum Foundation. I'd like to acknowledge my colleague Aroha Hudson, who is also retiring after nine years. Not only has Aroha been a strong advocate in ensuring issues of equity for Māori remains at the forefront of our planning, but her Chartered Accountancy skills have been invaluable on our Finance and Audit Committee. While we're an independent charitable trust, it should not be forgotten that we also have a Group revenue of more than \$90m that needs to be prudently managed and overseen.

I've considered it a privilege to hold the Chair role over the past six years and I'm pleased to be able to hand the baton to fellow Board member Graeme Edwards for the next chapter of the organisation.

I wish to acknowledge our CEO, Sean Stowers for his outstanding leadership of Spectrum Foundation Group and also the Executive Team for their efforts in ensuring the Board's strategic plan has been executed so effectively and professionally. The team has worked hard to support the changes in our structure over the past year, while keeping everyone safe by managing the ongoing pandemic. Thank you also to both management and staff across the Group for ensuring our values are upheld and our promises kept, as we seek to make a positive difference within the disability sector. Lastly, thank you to the people we support and their whānau for allowing us to be a trusted partner in supporting lives of choice, freedom and independence.

Our promise is to leave no one behind.

I'm confident that Spectrum Foundation Group is well positioned for the significant new chapter we're entering and will achieve its purpose of breaking the barriers those most in need face in achieving equitable outcomes in health, housing, education, employment and self-determination.

'Ko te mea nui, ko te tangata. Ahākoa ko wai te tangata, ahākoa nō hea.'
– 'The important thing is people. No matter who the person is, no matter from where.'

Garry Smith

Chair, Spectrum Foundation

CE report

The past financial year has been one of 'finding our feet', as we bedded in new ways of working following the reorientation of Spectrum Foundation towards its philanthropic priorities and the incorporation of Spectrum Care as a wholly owned subsidiary. A rebrand of Spectrum Foundation (from Spectrum Care Trust Board) also saw the development of a new website showcasing our philanthropic priorities and social impact aims.



We've worked closely with our philanthropic partners Giving Architects to implement our fundraising and impact strategy, and appointed Fenella Humphreys to the role of Director of Philanthropy and Impact to lead the development of impact initiatives that will be rolled out in 2023. These fundraising initiatives and programmes will enable donors to contribute to breaking the barriers those most in need face in achieving equitable outcomes in health, housing, education, employment and self-determination.

We're also developing our approach to funding, with the aim of achieving our impact goals and strategic objectives in a manner that promotes both Enabling Good Lives and Te Tiriti o Waitangi principles. Promoting equality of access in the funding community by developing impact reporting practices and partnerships that promote trust and share power with fund recipients is also a key priority.

In pursuit of continually improving the services we're providing, service-level agreements have been implemented with our subsidiary

companies Spectrum Care and Homes of Choice, which have ensured clear expectations are set and met in relation to the delivery of shared corporate support functions. The recent implementation of a 'service desk' platform for all business units across the Group also allows us to measure how responsive we are in meeting key performance indicators relating to these service-level agreements and ensures we're effective and efficient in the way we operate.

Workforce shortages across the Group and particularly within the Spectrum Foundation team have, however, been an ongoing challenge. With a small labour pool from which to recruit and little movement in immigration over the past year, we've seen increased turnover as people seek higher-paying roles in other sectors.

Despite these headwinds, the role of Advocacy Manager was created within Spectrum Foundation earlier this year. The purpose of the role is to maximise opportunities for the Spectrum Foundation and its subsidiaries to break the barriers in achieving equitable outcomes

in health, housing, education, employment and self-determination. Spectrum Care's former Advocacy Lead, Helen Peterson, was appointed to the role and is now responsible for advocating, networking and lobbying on behalf of the Foundation, and reporting on issues affecting disabled people in having equal opportunities to live good lives, while also ensuring Spectrum Care and Homes of Choice are supported on key advocacy issues. I look forward to the Group having a stronger advocacy role in the years ahead.

As Chief Executive across all three entities of the Group – Spectrum Foundation, Spectrum Care and Homes of Choice – a significant focus has been on ensuring relevant information is shared and acted on to enable each entity to meet its strategic objectives. This continues to be a work in progress as we finalise governance roles and as the Executive Team aligns its efforts with the Board's expectations.

I'm particularly proud of the way the Group has gone about its work over another COVID-interrupted year. We've done everything possible to ensure service continuity within Spectrum Care and that our homes and sites have been well maintained by the Homes of Choice team. This speaks to the commitment of all our staff across the Group.

Finally, I'd like to acknowledge our Board trustees for their understanding and commitment to ensuring management has clarity of expectation and the support required to effectively execute the Group's strategic priorities. While we've seen several governance changes over the past financial year, I'd also like to acknowledge Aroha Hudson and Garry Smith, who will have completed their nine-year terms in October 2022. Both have contributed significant governance experience over their tenures. It's been a pleasure working with both

With support, we can provide disabled people of all ages equal opportunity to live life to the fullest.

individuals over my six years as Chief Executive. I couldn't have asked for a better Chair to work with in furthering the aims of Spectrum Foundation Group.

'Our vision is an Aotearoa in which all disabled people have equal opportunity to live good lives.'

Sean Stowers

Chief Executive, Spectrum Foundation

Key insights

Our vision is an Aotearoa in which all disabled people have equal opportunity to live good lives. To achieve this vision and support those with the greatest need, we've identified five key philanthropic priorities which will deliver positive economic, social and emotional outcomes for disabled people.

Our five key philanthropic priorities

1 Empowering access to health and wellbeing



2 Empowering access to housing



3 Empowering access to education



4 Empowering access to employment



5 Empowering mana and self-determination



Our activities

- 1** Removing barriers such as cost and accessibility for primary and oral health care.
- 2** Providing secure-tenure, adequate housing for disabled children and their whānau.
- 3** Both systemic and individually based approaches to promote and implement children's right to attend school and access the curriculum fully.
- 4** Focusing on the transition time between leaving school and entering the workforce.
- 5** Providing opportunities for people to take part in their community to intentionally build natural networks.

Our short- to medium-term outcomes

- 1** Through the Foundation's fundraising, there are more programmes or greater availability of programmes to support disabled people in the five philanthropic areas.
- 2** Through the Foundation's fundraising, more people are actively engaged in supporting disabled people.
- 3** Through the Foundation's funding, fundraising and advocacy activities, there is a greater awareness of the disabling society and what needs to change.

Our long-term impacts

People accessing programmes funded by the Foundation:

- 1** Are employed (have better financial independence)
- 2** Feel healthier through better access to healthcare
- 3** Have better access to oral healthcare
- 4** Feel more included in society
- 5** Have a natural network or a friend
- 6** Have better access to education
- 7** Have quality accessible housing
- 8** Feel more in control of their life.



Group financial statements

The summarised financial statements have been extracted from the audited Group Financial Statements, signed 29 September 2022.

Income Statement for year ended 30 June 2022

	2022 \$000	2021 \$000
Services		
Revenue		
Contract Income	88,271	73,445
Other service income and recoveries	2,163	6,183
Interest Revenue	35	463
Other Revenue	23	426
Expenses		
Costs of services provided	(72,843)	(68,694)
Administrative expenses	(15,044)	(8,658)
Depreciation and amortisation expense	(1,214)	(1,422)
Net surplus from Services	1,390	1,743
Property		
Revenue	5,676	6,398
Expenses	(4,973)	(4,362)
Gain on revaluation of land and buildings	-	13,072
Net surplus from Property	703	15,108
Fundraising		
Donation revenue	801	-
Other revenue	1,470	-
Fundraising administration	(255)	-
Net surplus from Fundraising	2,016	-
Shared Service Income	8,288	-
Shared Service Costs	(7,076)	-
Depreciation recovered	2,288	-
Net Surplus	7,609	16,851

Balance Sheet as at 30 June 2022

	2022 \$000	2021 \$000
Assets		
Current assets	36,975	27,851
Non-current assets	87,473	85,517
Total Assets	124,448	113,368
Liabilities		
Current liabilities	16,392	12,921
Non-current liabilities	-	-
Total Liabilities	16,392	12,921
Net Assets	108,056	100,448
Equity	108,056	100,448

Statement of Cash Flows for year ended 30 June 2022

	2022 \$000	2021 \$000
Net cash inflow from operating activities	10,590	(1,004)
Net cash inflow/(outflow) from investing activities	(2,703)	1,294
Net cash inflow/(outflow) from financing activities	-	-
Add opening cash brought forward	10,836	10,546
Ending cash carried forward	18,723	10,836



Spectrum Foundation Group Trustees and Directors

Spectrum Foundation Board

- **Garry Smith** BMS, CA (Non-executive Chair)
- **Aroha Hudson** ACA, MBA (Trustee)
- **Jade Farrar** (Trustee)
- **Graeme Edwards** (Trustee)
- **Mariette van Ryn** (Trustee)
- **Terri Eggleton** (Trustee)
- **Colin Theyers** CA, GDip (Finance), FInstD (Trustee) *Resigned 20 August 2021*
- **Vicki Lee** (Trustee) *Resigned 26 October 2021*
- **Jane Bawden** LLM (Trustee) *Resigned 29 March 2022*

Spectrum Care Board

- **Geoff Hosking** BCom, LLB (Interim Board Chair)
- **Aroha Hudson** ACA, MBA (Director)
- **Jade Farrar** (Director)
- **Alan Thorp** BCom, BTheol, MTheol, CA (Director)
- **Jane Bawden** LLM (Director) *Resigned 29 March 2022*
- **Colin Theyers** CA, GDip (Finance), FInstD (Director) *Resigned 20 August 2021*

Homes of Choice Board

- **Louise Ward** BBS (Chair)
- **Brian Donnelly** (Director)
- **Terri Eggleton** (Director)
- **Craig Haycock** B Agr Sc, PG Dip Bus (Finance) F FINSIA, CMInstD (Director)
- **Colin Theyers** CA, GDip (Finance), FInstD (Director) *Resigned 18 August 2021*
- **Sean Stowers** MBA CMInstD (Director) *Resigned 31 October 2021*
- **Aroha Hudson** ACA, MBA (Director) *Resigned 31 December 2021*



Key highlights

The past year saw Spectrum Care deliver resilient performance in the face of ongoing COVID-related headwinds. This continues to be achieved through competent governance, pragmatic and innovative leadership, and a resilient and committed workforce.



Despite more than 1100 staff absences due to COVID-19 and nearly 200 positive cases among the people we support in residential settings, our staff embraced new ways of working in order to assure continuity of support for people and whānau, and help deliver on our vision of every person with a disability living a life of choice, freedom and independence.

Our commitment is to support processes and opportunities that ensure a longer-term view for career advancement, through more training, better wages and greater equity for disability support workers. Our willing participation in the current Pay Equity claim brought by the E tū, NZNO and PSA unions is a reflection of this. Pay Equity is a crucial step towards valuing our essential workers and we remain committed to working collaboratively to achieve a fully funded solution.

Our Waiheke Island support options are now embedded in the local community, with seven people and whānau now using combination of the newer forms of disability support services funding, such as Flexible Disability Support and Individualised Funding, as well as planned breaks and holiday programmes.



We also continue to develop unique support options, such as new, individualised support approaches developed for complex individuals; and new, sustainable support options delivered in collaboration with Oranga Tamariki, Whaikaha – Ministry of Disabled People and the regional NASC.

This shift towards more flexible support options that empower greater choice and control for people and whānau includes a growing cohort selecting Choices in Community Living and Supported Independent Living for their support packages, which are now being accessed by 26 and six people respectively.



Another key achievement was the launch of our new planned break support site in Mount Roskill for adults with physical disabilities. This was the culmination of a multiyear collaboration between Kāinga Ora, Whaikaha – Ministry of Disabled People, Homes of Choice, Spectrum Care and the people and whānau we support, and was a fantastic example of wholehearted optimism, maximising potential and finding a way together...

Our new 'Twin Vines' programme in Henderson has seen a significant increase in community access and community-based activities, with at least 80 per cent of this support now occurring out in the community. Similarly, our Onehunga Mall-based Media Lab programme has continued to build its attendance, programmes and equipment quality.



Every person with a disability deserves a life of choice, freedom and independence

Northland – 21 people/whānau

Auckland – 1489 people/whānau

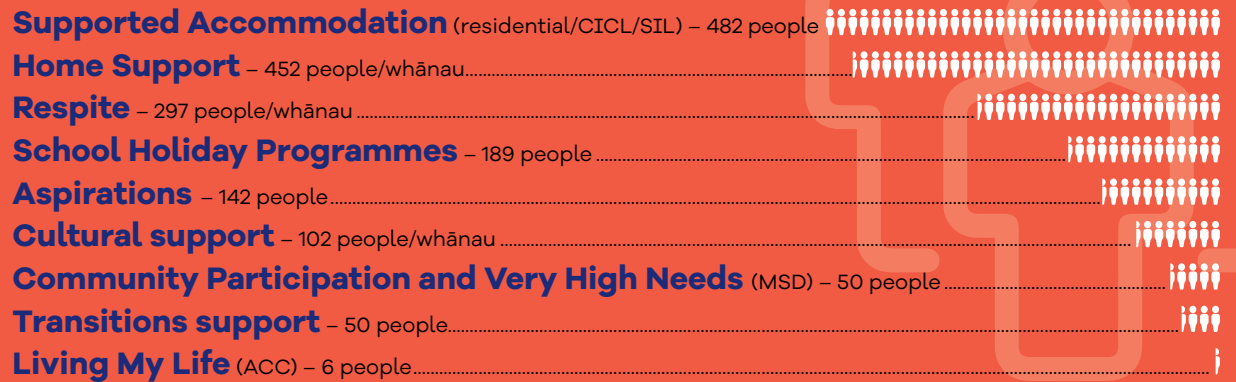
Waikato – 86 people/whānau

Bay of Plenty – 51 people/whānau

Number of people/ whānau supported by region*

*Note that many people/whānau access multiple support options across Spectrum Care.

Wellington – 134 people/whānau



Number of people/ whānau supported by service

Support hours

Supported Accommodation – 1,245,427 hours

Home Support (incl Transitions) – 97,820 hours

Respite – 141,840 hours

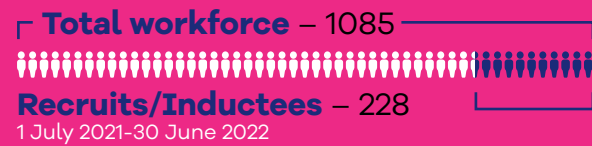
Aspirations – 33,824 hours

Cultural/Advocacy/Specialist support – 135,924 hours

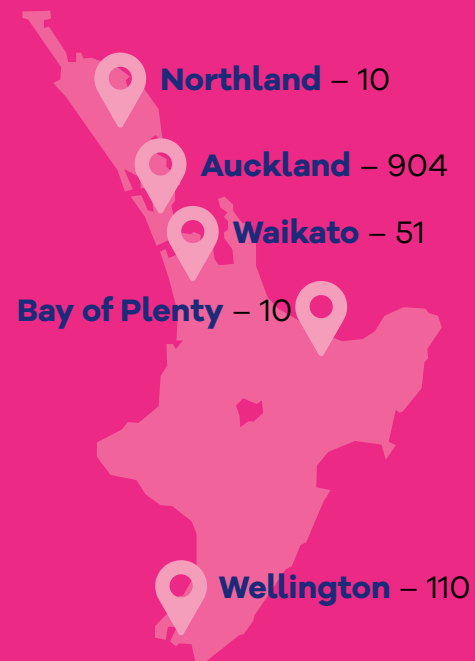
School Holiday Programmes – 5,678 hours



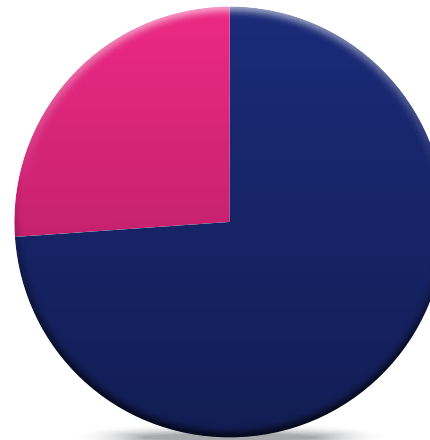
Spectrum Care workforce



Workforce by region:

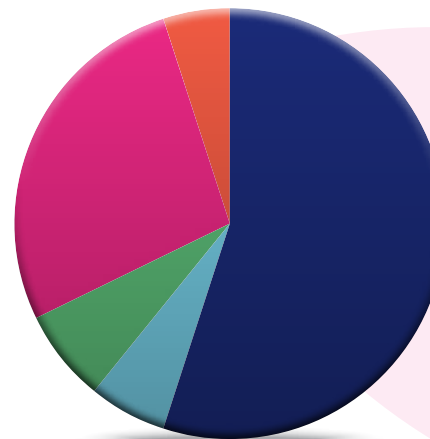


Financial overview



Expenditure

2022	\$000	%
Employee costs	66,159	74
Supplies	22,943	26
Total expenditure	89,102	100



Breakdown of Supplies

2022	\$000	%
Administration	12,608	55
Transport	1,384	6
Property repairs and maintenance	1,614	7
Utilities, rates, rent	6,122	27
Depreciation	1,214	5
Total supplies	22,943	100

Key highlights

Homes of Choice welcomed our new General Manager, Ratenesh Sharma, and two new Board members, Craig Haycock and Terri Eggleton, during the past year.



Homes of Choice refreshed our brand, launched our new website and also undertook a review of our strategic plan through to 2026. While our underlying strategic focus remains on 'housing people better', 'housing more people' and 'growth through partnerships', our focus over the next four years will be to demonstrate our capability and expertise as a housing solutions provider and build operational agility, flexibility and responsiveness to the evolving needs of our customers, their whānau and the disability and social housing sectors.

We established a new team structure and reviewed our existing portfolio to determine what's fit for purpose, what's fit for redevelopment and what properties might be relinquished; along with planning and organising the portfolio's financial modelling and funding requirements.



We developed a Universal Design Standards Guideline to assist our partners to better understand specialised disability accommodation when renovating, designing and constructing our homes. Our Specialised Disability Accommodation Design and Construction Guidelines better meet the complex support needs of many of our customers by prioritising four key design criteria: 'Improved liveability', 'Fully accessible', 'Robust', and designed to accommodate 'High-needs physical support'.

We worked hard on planning and design to enable the redevelopment of a number of properties and provide 40+ additional bedroom and living arrangements for people with disabilities over the next 24 months.



We completed 17 planned property upgrades, as well as making significant progress on a 14-level, 75-apartment complex in Wellington, which is being developed in partnership with Kirva Trust, Emerge and the Ministry of Housing and Urban Development. The scheduled completion date is August 2023.

A second custom-designed 'planned break' facility for people with high physical support needs was also completed in Auckland and signified the culmination of a multiyear collaboration between Kāinga Ora, Whaikaha – Ministry of Disabled People, Homes of Choice, Spectrum Care and the people and whānau we support. This home was purchased specifically for people with physical disabilities who need a break for an afternoon, an evening, a weekend or even a week and is genuinely a 'home away from home'.

Each of these projects have been productive, sincere examples of how we walk alongside our customers and partners to create welcoming home environments, tailored to people's needs.





**New possibilities
for great lives.**

Property portfolio



Owned properties



Rented properties



New additions in the past year - 7
(Owned: 0, Rented: 7)



Auckland - 123 (Owned: 101, Rented: 22)

Bay of Plenty - 2 (Owned: 0, Rented: 2)

Northland - 2 (Owned: 1, Rented: 1)

Waikato - 11 (Owned: 5, Rented: 6)

Wellington - 14 (Owned: 2, Rented: 12)

Property use



- Aspirations facility (4)
- Group living (139)
- Land for development (2)
- Supported independent living (7)




 **Northland** – 2 properties
100% Group living

 **Auckland** – 123 properties
2% Aspirations facility (3)
90% Group living (111)
2% Land for development (2)
6% Supported independent living (7)

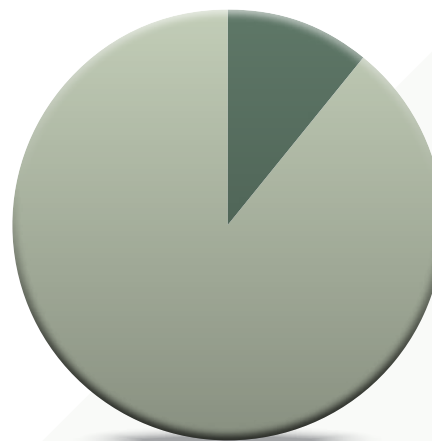
 **Waikato** – 11 properties
100% Group living

 **Bay of Plenty** – 2 properties
100% Group living

Property use

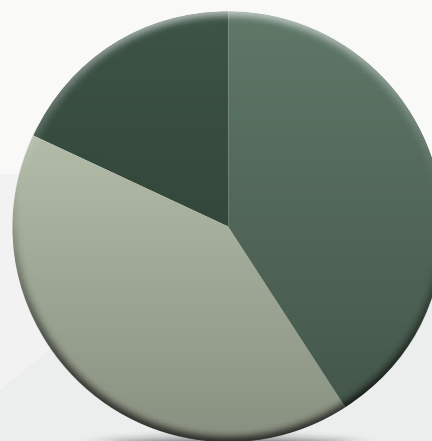
 **Wellington** – 14 properties
7% Aspirations facility (1)
93% Group living (13)

Financial overview



Expenditure

2022	\$000	%
Employee costs	534	11
Supplies	4,439	89
Total expenditure	4,973	100



Breakdown of Supplies

2022	\$000	%
Administration	1,811	41
Transport	15	0
Property repairs and maintenance	1,802	41
Utilities, rates, rent	800	18
Depreciation	12	0
Total supplies	4,439	100

**SPECTRUM
FOUNDATION**

Ahākoa ko wai te tangata, ahākoa nō hea

Spectrum Foundation

Level 2, 205 Great South Rd
Greenlane, Auckland 1051

PO Box 74422
Greenlane
Auckland 1546

09 634 3790
spectrumfoundation.org.nz

**Ko te mea nui, ko
te tangata. Ahākoa
ko wai te tangata,
ahākoa nō hea.**

**The important
thing is people.
No matter who
the person is, no
matter from where.**