

Assessment report

2024



Helsinki

Helsinki

Sisällys

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Greetings from the Audit Committee

The purpose of the Audit Committee's assessment activities is to provide the City Council with information on the achievement of the objectives set for the City and on the performance of the City's operations. This annual assessment report presents the findings and recommendations of the Audit Committee, which can be utilised by the City Council, the City Board, other governing bodies, Central Administration and the City divisions in the development of the City's operations. Towards the end of the year, the City Board reports to the Council on the measures that have been taken based on the recommendations.

As in previous years, the choice of assessment themes for 2024 was steered by the Helsinki City Strategy. During its 2021–2025 operating period, the Committee has reviewed the implementation of the objectives and policies of all of the key priorities of the strategy.

For the assessment, the Audit Committee was divided into two subcommittees. The first subcommittee's areas of responsibility are Central Administration and the Urban Environment Division. The assessments show that Helsinki is well prepared for extreme weather events, but adaptation and preparedness require changes in land use planning and construction, as well as decisions on the level of preparedness. The City has already taken action to reduce the negative impacts of street works, and the measures must be continued.

The Committee's second subcommittee's areas of responsibility are the Education Division, the Culture and Leisure Division, and the Social Services, Health Care and Rescue Services Division. The assessments showed, for example, that Helsinki has succeeded in reducing homelessness in a number of ways, but there is still room for improvement. The City's daycare centres can be easily reached on foot or by public transport. The daycare facilities largely provide a good learning environment, but there is a lack of quiet spaces suitable for small groups, according to users. Access to long-term 24-hour care for elderly home care clients has improved and waiting times have been reduced. The City has mainly promoted access to social and health services for Swedish-speaking families with children.

You can read the assessment report and its background notes at www.arviointikertomus.fi/en

The Audit Committee consulted experts on the data breach in the Education Division and expresses in the assessment report its concerns about the state of the City's data protection and security. The Committee recommends clarifying the management of and responsibilities related to data security.

This assessment report summarises the main findings of the Audit Committee on the selected topics. A more extensive background note on each assessment topic is available on the [arviointikertomus.fi](http://www.arviointikertomus.fi) website.

This is the last assessment report of this Audit Committee. The work has been interesting and varied, and the Committee has found it important. The Audit Committee would like to thank the City Council, the assessment sites and the experts of the Audit Department for the entire operating period.

Best regards,
City of Helsinki Audit Committee

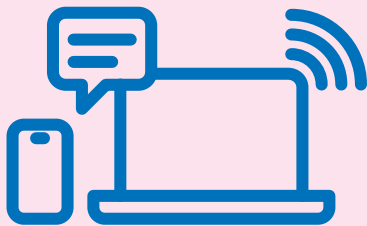


Summary

The Audit Committee is tasked with assessing whether the operational and financial objectives and targets set by the City Council have been achieved in the municipality and local authority corporation and whether the operations have been organised in an effective and appropriate manner. Here are some highlights of the results of the 2024 assessments.

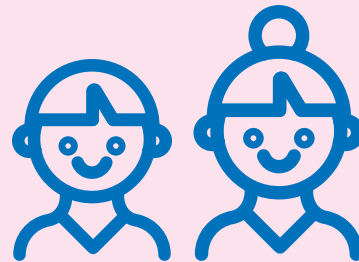
Home care clients have smoother access to 24-hour care.

Elderly clients of home care can usually access 24-hour care in a timely manner and in accordance with their needs, but the application process can be long. In some cases, views on how well the client can manage at home differ. The Audit Committee recommends that the skills of the home care staff in identifying and assessing risk factors affecting the wellbeing and health of elderly people be developed.



A data breach in the Education Division highlighted data security weaknesses.

The data breach in the Education Division in the spring of 2024 was exceptional in its scale. The hacker gained access to a large amount of data on Helsinki residents and City staff. The data breach revealed weaknesses in data security controls and ambiguities in the data security responsibilities of different operators. The Audit Committee recommends ensuring clarity in the management of data security and data management, as well as ascertaining the responsibilities between different operators. At the same time, the issues arising from the City's digital development debt need to be addressed.



Daycare centres are accessible, but quiet spaces can be in short supply.

The City of Helsinki's daycare centres can be easily reached on foot or by public transport, and for the most part, they provide a good learning environment. The Audit Committee recommends that a sufficient number of enclosable quiet spaces be reserved at daycare centres. The Committee also recommends that the users of daycare facilities and the families of children be informed in good time of any renovation or alteration work on the facilities.

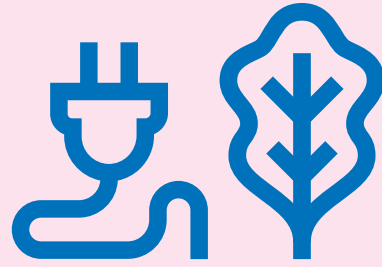


Homelessness has been reduced in Helsinki in a sustainable manner.

The service process for the homeless has been successful in reducing long-term homelessness, and the housing advice service has been successful in reducing evictions. However, supported housing and the City's own rental housing stock only partially meet long-term needs. The outreach work unit has identified shortcomings in substance-free, gender-segregated accommodation and personal hygiene services. The Committee recommends ensuring that housing advice is adequate to meet the growing demand for services and that emergency accommodation services are provided in such a manner that homeless people can safely access them, regardless of gender.

Helsinki is only partially prepared for extreme weather events.

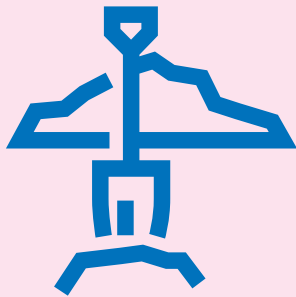
Extreme weather events include increased rainfall and floods, as well as heat waves and high temperatures. The inner city of Helsinki is particularly vulnerable to stormwater floods and heat islands. This is because the densely built inner city is located on a low-lying seafront. Sea water and stormwater floods have started to occur annually. Prolonged heat waves have increased the workload of emergency medical services. The Audit Committee recommends defining the level of preparedness and coordinating preparedness work more extensively. Increasing and maintaining the tree stock and green areas should be systematically taken into account in land use planning and in renovation and new construction to reduce the adverse effects of extreme weather events.



Helen Ltd has mainly promoted the strategic environmental objectives of the City Group.

The Audit Committee recommends that Helen Ltd be steered towards promoting ecologically effective forest management practices in the harvesting of energy wood. Helen is likely to achieve carbon neutrality in accordance with the City Group's environmental objectives in 2030. Additionally, the Committee recommends continuing advocacy work to ensure that legislation enables the implementation of small-scale nuclear power and that the main power grid of Helsinki is sufficient to meet future electricity transmission needs.

A lot of work is being done to reduce the negative impacts of street worksites, but the City is unable to adequately control worksites.



The Urban Environment Division assesses the traffic impacts of major projects and phases projects to avoid unnecessary overlaps. The Division has issued few bulletins regarding this. Efforts have been made to reduce the duration of street works, e.g. by increasing the charges for street works and targeting them at areas of particular importance to traffic. On small worksites, negligence is more common than in large projects. The vast majority of street and excavation work in Helsinki is carried out by operators other than the City. A key obstacle to reducing the negative impacts of street work sites is the Maintenance Act, which does not give the City sufficient control tools to tackle non-compliance with regulations.

The flow of information and cooperation between basic education and Child Welfare is largely in line with the guidelines.

The cooperation and exchange of information between basic education and the child welfare needs assessment unit is mainly carried out in accordance with the City's guidelines. However, there are many guidelines and they are not clear and consistent in all respects. The Audit Committee recommends that the cooperation guidelines be made easier to find and more readily available at comprehensive schools. Additionally, the Committee recommends that the author of a child welfare service needs assessment be in contact with the notifying party in the Education Division regarding the progress of the assessment.



The City has developed the operating conditions of businesses.

Helsinki has been successful in supporting the strengthening of its business and innovation environments. The Audit Committee recommends that measures be taken to ensure that there are opportunities for different business activities to be located in a way that meets the needs of businesses. The availability of business services has been improved and cooperation with universities in the region has been strengthened. On the other hand, the amount of research, development and innovation funding available for City projects has decreased.

Activities of the Audit Committee

The Audit Committee's tasks and composition

The Audit Committee is a statutory body directly subordinate to the City Council. It is tasked with organising the audit of the administration and finances of the City of Helsinki and the Helsinki Group as well as assessing the achievement of objectives and targets and whether the operations are organised in an efficient and appropriate manner according to the Finnish Local Government Act. The Committee prepares the matters decided upon by the City Council that concern the audit of the administration and finances, and it also monitors compliance with the obligation to declare private interests as laid down in the Local Government Act. The Audit Committee is a body independent of the City's management and other organisations.

The City Council appointed the Audit Committee for the period 2021–2025 on 2 August 2021. The Committee has nine members, each with a personal deputy. The Committee's assessments are prepared by two subcommittees, the compositions of which are presented on the next page. The division of responsibilities between the subcommittees is provided as an appendix to the assessment report.

The Audit Department assists the Audit Committee in assessing the achievement of the objectives set by the Council and the efficient and appropriate organisation of its activities, as well as in monitoring its declarations of private interests. The Audit Department also assists the City's Auditor in the statutory audit.

In 2024, Audit Director Timo Terävä served as the Audit Department's manager and the Audit Committee's presenter. Assessment Manager Timo Cantell was in charge of the assessment activities, Audit Manager Arto Ahlqvist in charge of the audit activities, and Controller Vilma Lamminpää in charge of the monitoring of declarations of private interests. Vilma Lamminpää served as the secretary of the Audit Committee. A total of 17 people worked at the Audit Department.

Assessment activities

In accordance with its duty defined in the Local Government Act, the Audit Committee annually assesses whether the operational and financial objectives set by the City Council for the City and the City Group have been achieved and whether the operations have been organised in a productive and appropriate manner. The

Committee's findings and recommendations related to the assessment are presented in this assessment report.

The background notes of the assessment report can be found at www.arviointikertomus.fi/en.

The assessment report will be submitted to the City Council on 18 June 2025. Before the report is processed by the Council, the Audit Committee requests the statements required from the City Board and other governing bodies and submits them to the Council for information. At the end of the year, the City Board must report to the Council on the measures that have been taken by the persons responsible and accountable for operations in response to the assessment report.

The assessment work of the Audit Committee is carried out in a structured manner. In its action plan approved on 14 December 2021, the Committee outlined that the majority of the changing assessment themes will be linked to the City Strategy, and will focus on all the main elements of the strategy during the Council term.

The contents of the assessment report are primarily based on the emphases of the City Strategy. The annually repeating assessment subjects are the achievement of binding targets, financial assessment and monitoring the effectiveness of recommendations. The annually changing assessment subjects are decided on in each year's assessment plan.

The 2024 assessment plan was prepared jointly by the Audit Committee and the Audit Department. The Committee approved the assessment plan on 14 May 2024. The plan was prepared taking into account the suggestions for assessment subjects made by councillors, councillor groups and City management, as well as suggestions made by residents through the Kerro-kantasi service.

During the year, the assessment report was prepared by the two subcommittees, which met to discuss the assessment implementation plans, assessment memos and the draft texts of the assessment report. In addition, the subcommittees carried out a total of six assessment visits to Central Administration, the City divisions and the City Group entity. Most of the practical assessment work is carried out by the staff of the Audit Department. The assessment is based on criteria that may be based on sources such as legislation,

the City Strategy or other relevant City policies. The information base for the assessment typically consists of documents, interviews, written requests for information and statistical data. The conclusions and recommendations presented in the assessment report are based on observations made on the assessment materials.

The assessment work of the subcommittees is coordinated by their secretaries. Principal Performance Auditor Petri Jäske was the secretary of the first subcommittee, while Principal Performance Auditor Liisa Kähkönen served as the secretary of the second subcommittee. Principal Performance Auditor Aija Kaartinen was responsible for methodological support and training for the assessment work. The Assessment Manager and the Principal Performance Auditors are responsible for ensuring the quality of the assessment work. In addition to internal quality assurance, the accuracy of the content of the assessment memos and assessment report texts is inspected at the assessment sites.

Figure 1 shows the chronology of the Audit Committee's assessment work.

Audit activities

The auditor of the City of Helsinki for the financial years 2023–2024 was KPMG Oy Ab. The principal auditor, Jorma Nurkkala (JHT, KHT), submitted three reports on the audit of 2024 to the Committee and presented the findings of the audit at meetings of the Committee. The audit report and public summary report of the 2024 audit will be processed by the Council on 18 June 2025.

Monitoring declarations of private interests

According to the Local Government Act, certain elected officials and local government officers are obligated to submit a public declaration of private interests. The Audit Committee is tasked with monitoring compliance with this obligation and making these declarations known to the City Council. The Committee recorded the declarations of private interests submitted by elected officials and local government officers as a matter of record at its meetings on 4 June and 5 November 2024. The declarations were discussed by the City Council on 19 June and 13 November 2024.

Composition of the Audit Committee

First subcommittee



Vice-chair Dani Niskanen
Deputy member Leila Kaleva



Sandra Hagman
(until 27 November 2024)
Deputy member Jani Valpio



Jussi Junni
Deputy member Virve Magdaleno



Terhi Peltokorpi
Deputy member Jukka Ihanus



Johanna Virtanen
(as of 28 November 2024)
Deputy member Jani Valpio

Second subcommittee



Chair Nuutti Hyttinen
Deputy member Marika Sorja



Nita Austero
Deputy member Pertti Hyvärinen



Iida Haglund
Deputy member Juha Christensen



Ahmed Hassan
(as of 20 June 2024)
Deputy member Emma Ringbom

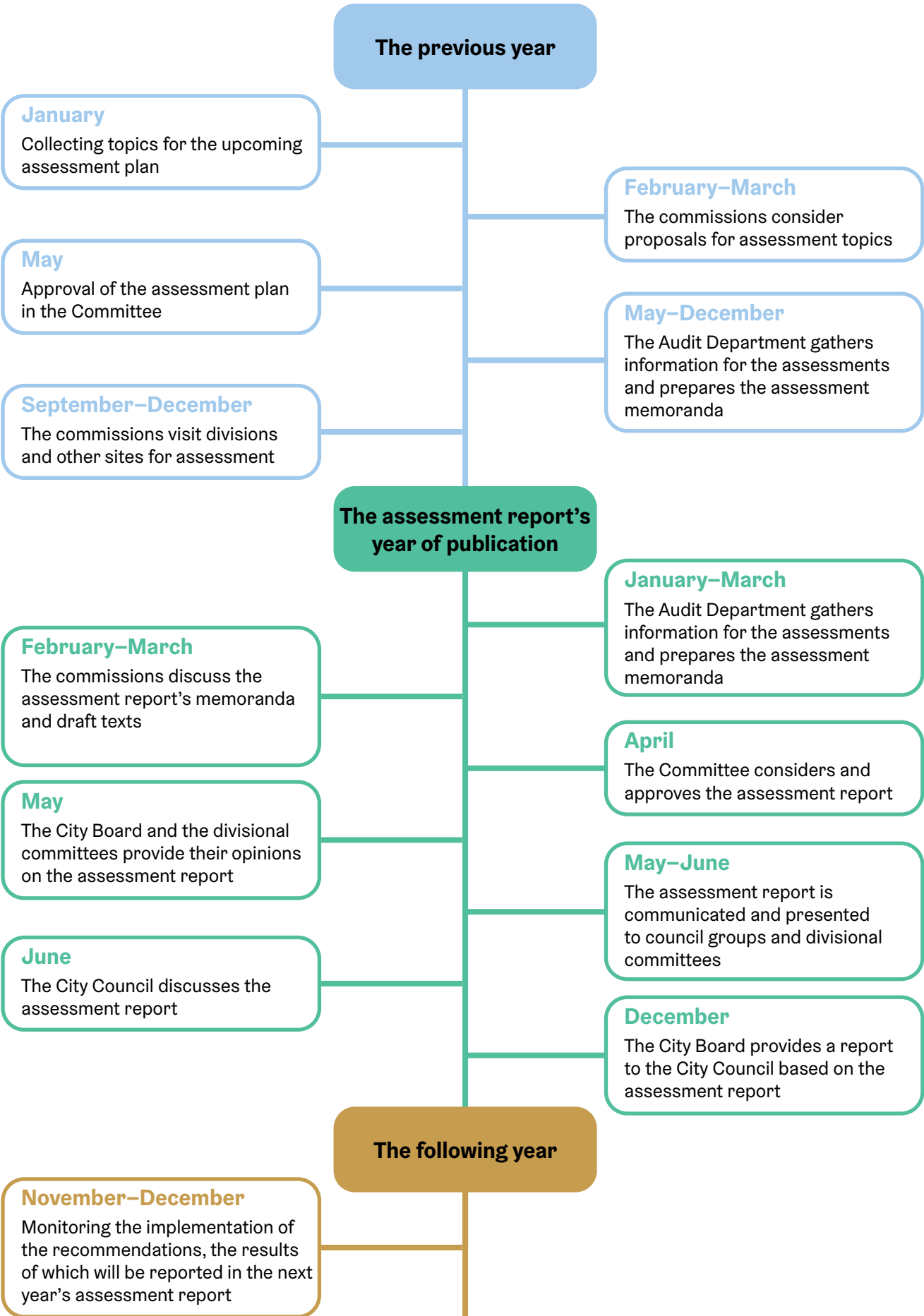


Mikael Jungner
Deputy member Kimmo Niemelä



Petrus Pennanen
(until 19 June 2024)
Deputy member Emma Ringbom

Figure 1. The annual plan for the assessment work of the Audit Committee.



Assessment of binding operational objectives and targets

A higher proportion of objectives and targets was met than before

The budget for 2024 contained a total of 25 binding operational objectives and targets approved by the City Council for the City divisions, public enterprises and departments. The Audit Committee estimates that 16 of them, i.e. 64%, were met. The achievement rate was six percentage points higher than last year. 16 objectives were assessed to have been met in the financial statements as well. Nine binding operational objectives were estimated in the financial statements as not having been met, which corresponds with the Audit Committee's estimate. Unlike in several previous years, it was possible to assess the outturn of all objectives and indicators. There was no difference between the financial statements' and the Audit Committee's assessment of the achievement of the objectives.

The City Council processed and approved the deviations from the objectives and targets at its meeting on 12 March 2025.

The achievement rate for the indicators was slightly better than last year

There were a total of 38 indicators that indicated the achievement of the objectives. Of these, 74% were achieved (Figure 2), which is a higher proportion than in 2023 (60%).

According to the City's guidelines for adhering to the budget, a binding objective is deemed to have been achieved if all of its indicators set out in the budget are met. Failure to meet even one of the indicators means that the objective is not met. The objectives set for the divisions have a varying number of indicators. If an objective is set with a large number of indicators and even one is not met, the objective is not met.

Figure 3 shows that all of the objectives set for the Education Division and the Culture and Leisure Division were met. However, there were two objectives for the Education Division and only one for the Culture and Leisure Division. In all divisions, at least half of the objectives were met. Central Administration includes four enterprises and the Urban Environment Division includes Helsinki City Transport (HKL), which remains officially responsible for metro transport.

The objective of mitigating the growth of operating expenditure was not met

The City Executive Office had four objectives, two of which were met. The objectives had five indicators, of which three were met. The target of having plots started and eligible for conveyance for launching the construction of 8,000 apartments was not met. There were enough plots eligible for conveyance, but the second indicator of the objective was the number of housing projects launched, which was not met. According to the City Executive Office, the main reason for the lower-than-targeted number of housing project launches was the downturn in construction that started back in 2022. However, according to the assessment of the Audit Committee, this indicator does not measure the objective, which was the number of plots available for conveyance. Furthermore, the City cannot through its own actions fully influence the achievement of the indicator.

According to the assessment of the Audit Committee, the same problem pertained to the objective of preparing the transfer of employment services from the state to the City in such a way that the services for clients could continue without interruptions from 1 January 2025 onwards. The indicator of the objective was to achieve 80% of the key results of the sub-projects of the City's transformation programme by 1 January 2025. According to the assessment of the Audit Committee, the achievement of this indicator is not sufficient to guarantee that the services for clients can actually be provided without interruptions.

Of the financial objectives of the City Executive Office, the principle of responsibility for the growth of operating expenditure was not realised in 2024. According to the City Executive Office, the main reasons for exceeding the target level of expenditure growth were the implementation of three-level support required by ECEC legislation, changes in the staff structure and an increase in expenditure in ECEC due to an increase in the relative number of children under the age of three. The excess was also due to the use of discretionary state subsidies for vocational education and training and the supplemental organisation permit, for which the state has granted additional funding to the City. By contrast, the City Executive Office's objective of

Figure 2. Achievement of the indicators of the binding objectives and targets of City divisions, public enterprises and departments in 2024, per cent.

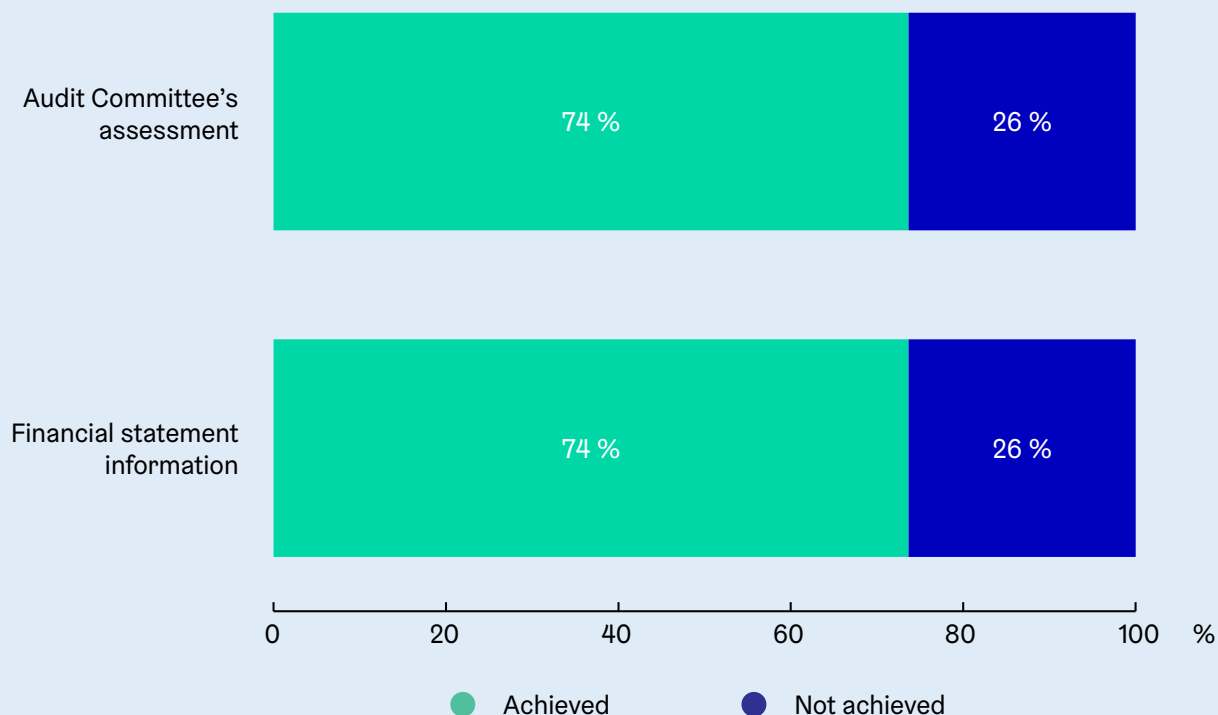
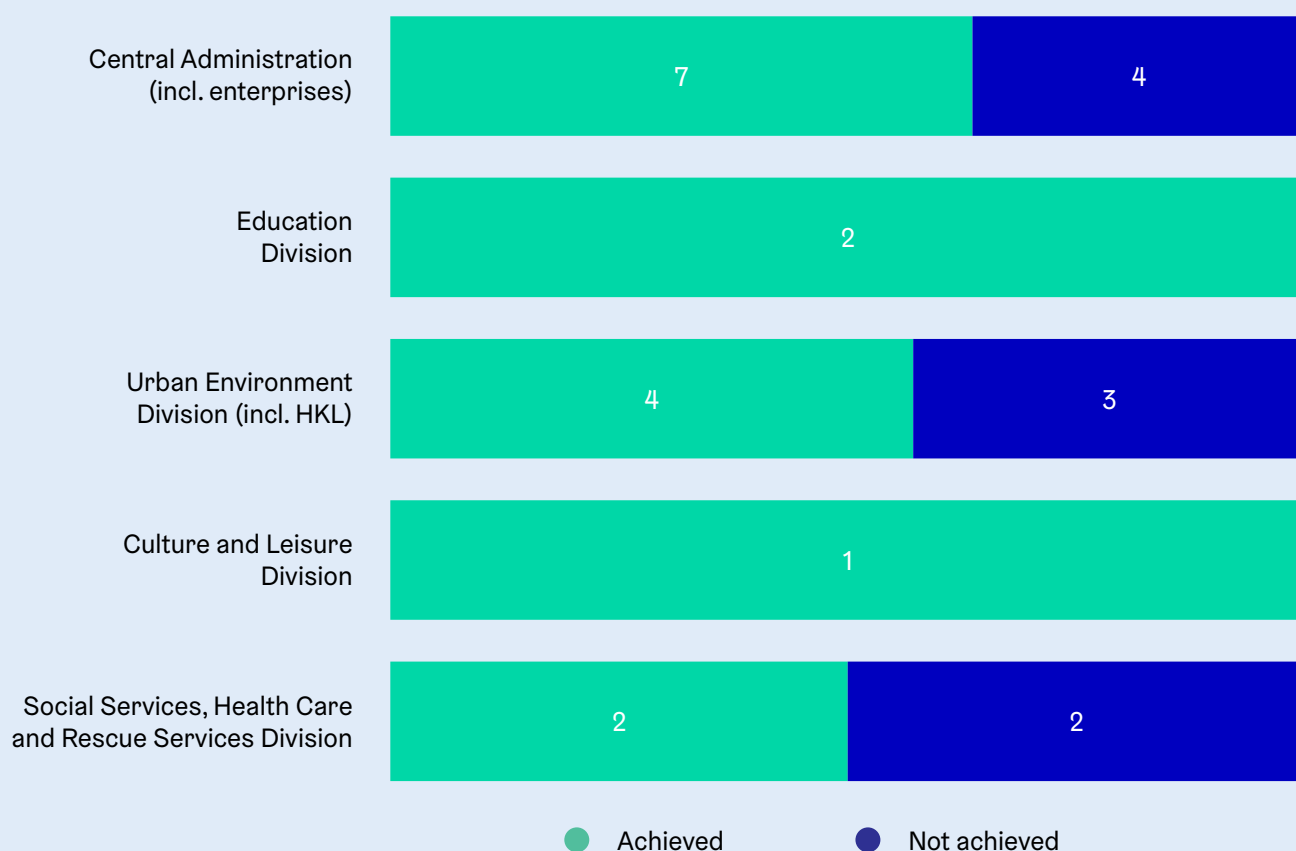


Figure 3. Achievement of binding objectives and targets by division in 2024, number.



scaling total investments to a financially sustainable level was met.

The service centre enterprise Palvelukeskus Helsinki, Occupational Health Helsinki and Helsinki City Construction Services (Stara) all had one binding target related to the customer experience. Of these, the objective set for Stara was not met. The Financial Management Services enterprise had two binding operational objectives with one indicator for each. The financial performance target was met, but the customer satisfaction target was not. Both of the Audit Department's binding objectives were met.

One of the four binding objectives of the Urban Environment Division was met. There were eight indicators, five of which were met. The target for energy efficiency in buildings and public areas was met. The objective of securing biodiversity conditions, the integrity of the green network and ecological networks was not met. According to the division, the division failed to submit the number of proposals for nature reserves prescribed in the second indicator of the objective to the decision-making process because the consultant was unable to complete management and use plans for three nature reserves. The objective of improving the resident and customer experience was not met because the results of customer satisfaction surveys were not sufficiently high.

The target for meeting the city-level growth and housing production targets was not met, as the indicator of 400,000 square metres of floor area planned for development on City-owned land did not reach the target value. The shortfall was roughly 6,000 square metres of floor area. According to the division, the planning target was not met due to a number of small factors. The year was the first in which the value of the indicator was calculated as an average over several years and only on land owned by the City.

The Urban Environment Division also includes Helsinki City Transport (HKL), which met all of its three objectives. The objectives were related to the reliability and customer experience of the metro and to financial balance. Since the establishment of Metropolitan Area Transport Ltd at the beginning of 2022, HKL has been responsible only for metro operations and infrastructure.

No reliable data on the implementation of non-urgent care is available

Two of the four objectives for the Social Services, Health Care and Rescue Services Division were met. Six of the nine indicators of the objectives were met and three were not met. Examples of indicators that reached their target level include jobseekers' applicant experience and turnover rate. The financial target of an on-budget or better result was also met. The indicators for response times for emergency services and

transfer delays between specialist and primary health care also met their target levels.

The indicators for the waiting time for a non-urgent doctor's appointment, the number of homeless people and the recommendation index of social welfare and health care services did not reach their target level. For example, the number of homeless people increased and was at roughly 2.5 times the target level. Reliable data was not available for the non-urgent care indicator, as not all data is reliably transferred from one system to another.

Two of the objectives for the Education Division were met, and three indicators reached their target levels. The indicators concerned the strengthening of emotional and interaction skills in early childhood education and basic education, and increasing the opportunities for upper secondary school students to study simultaneously in general upper secondary and vocational education.

The Culture and Leisure Division had one binding operational objective with one indicator. The objective and its indicator were met. The target level of the indicator was the creation of a service network planning operating model for the division.

Conclusions

64 per cent of the binding operational objectives and targets and 74 per cent of the indicators in the budget for 2024 were achieved. The binding targets were particularly well met in the Education Division and the Culture and Leisure Division, although they only had three objectives in total. The Audit Committee's assessment of the achievement of the objectives and indicators was in line with the financial statements.

According to the Audit Committee's assessment, the indicators for two objectives for the City Executive Office were not sufficient to measure the achievement of the objectives. The data regarding the achievement of the indicator for non-urgent care in the Social Services, Health Care and Rescue Services Division is not reliable.

The Audit Committee concludes that

the City Executive Office must

- ▶ pay particular attention to ensuring that the indicators selected for binding operational objectives measure the actual objectives.

the Social Services, Health Care and Rescue Services Division must

- ▶ develop statistical reporting on access to non-urgent care in such a manner that reliable data is yielded on the lengths of care queues.



Objectives set for the Group

The process of setting objectives for subsidiary communities has been specified

According to the financial statements, Municipal Helsinki had 86 subsidiary communities and 10 foundations at the end of 2024. In 2024, the ownership strategies of the subsidiary communities set a total of 309 objectives and targets, of which 28 were set for market-based subsidiary communities and 281 for other subsidiary communities. The City's 2024 budget confirms the objectives and key performance indicators defined in the ownership strategies for those subsidiary communities that receive a subsidy from the City, sell a significant amount of services to the City and/or are otherwise strategically or operationally significant. There were 20 such subsidiary communities.

The achievement of the objectives and the progress of the communities in the desired development direction are regularly monitored as part of the reporting and other monitoring of the subsidiary communities. The results are reported to the City Group Division at least 1–2 times a year in the context of community reports. The City Council is provided with an annual report on the achievement of the objectives set in the budget in connection with the Group's financial statements. The 2024 budget adopted by the Council states that any unmet objectives and targets are to be reported separately to the City Council. According to the Local Government Act, operations and financial management must comply with the budget.

In 2024, the Audit Committee assessed the achievement of the objectives confirmed in the 2024 budget for the main subsidiary communities of the City Group and the sports sector. The City determined Helen Ltd, Helsingin kaupungin asunnot Oy (hereinafter Heka), Port of Helsinki Ltd, Metropolitan Area Transport Ltd and Seure Henkilöstöpalvelut Oy as its most important subsidiary communities in financial terms. The City's subsidiary communities in the sports sector are the Ice Hockey Foundation, Mäkelänrinteen Uintikeskus Oy (Mäkelänrinne Swimming Centre), Urheiluhallit Oy and Vuosaaren Urheilutalo Oy (Vuosaari Sports Hall).

Around half of the objectives of the most important subsidiary communities were achieved

In the City's 2024 budget, a total of 18 objectives and targets conforming to the ownership strategy were set for the five most important subsidiary communities. However, 25 objectives were reported in the financial statements, of which almost half, 48%, were achieved. Almost half of these, 48%, were achieved. Some of the

objectives and indicators were presented in such a way that it is difficult to determine whether they have been achieved. On the basis of further clarifications received from the companies, they were interpreted as having been achieved in this assessment. Some of the indicators for the subsidiary communities contained two sub-indicators, i.e. two aspects to measure.

Of Helen Ltd's five objectives, three economy and efficiency objectives were met. The unmet objectives concerned customer satisfaction and the environment.

Of Heka's four objectives, the solvency objective was met. Of Heka's indicators, the ratio between investments and depreciations was not clearly recorded in the budget. The customer satisfaction and environmental objectives were not met.

All six objectives of Port of Helsinki Ltd were met. Three of the objectives were financial, two concerned customer satisfaction and one was environmental. Further information had to be requested on the results of the overall economic and employment impact of the Port, based on which the objective could be assessed to have been met.

Of the five objectives of Metropolitan Area Transport Ltd, only the solvency objective was met. The objectives regarding staff and customer satisfaction, the cost-effectiveness of investments and the reliability of departures, as well as environmental objectives, were not met.

Of the five objectives of Seure Henkilöstöpalvelut Oy, only one, concerning competitiveness, was met. However, interpreting how well the competitiveness relative to peers indicator was met required additional information to be requested. The objectives regarding staff, customer satisfaction, cost efficiency and the environment were not met.

Almost all of the objectives and targets for the sports sector subsidiary communities were achieved

In the City's 2024 budget, a total of 20 objectives conforming to the ownership strategy were confirmed for the sports sector subsidiary communities. According to the financial statements, all of the objectives were met. Based on this assessment, 19 objectives were met, representing 95% of all of the objectives. One objective could not be assessed because no clear target levels or criteria had been set for the objective indicator. The objectives and their indicators are not set out clearly in all respects in the budget.

All five objectives of the Ice Hockey Foundation were met according to the financial statements. According to how the matter was interpreted in the assessment, the objectives set for customer and employee satisfaction, the environmental programme, turnover and self-sufficiency were met. The achievement of the objectives set for the physical activity programme could not be assessed because no target levels or criteria had been set for the indicator in the budget.

Mäkelänrinteen Uutikeskus Oy, Urheiluhallit Oy and Vuosaaren Urheilutalo Oy all achieved their objectives and targets according to the financial statements and also according to the interpretation made in the assessment. Each company had five objectives and six indicators concerning customer and employee satisfaction, the environment and finances.

All the sports sector subsidiary communities had an objective to promote the City's physical activity policy and the indicator for this objective was either the achievement of the objectives of promoting physical activity or the achievement of the objectives of the physical activity programme. According to additional information provided by Urheiluhallit Oy, the objective is measured by the development of visitor numbers. On the basis of the visitor statistics, the objective could be interpreted as having been met for Mäkelänrinteen Uutikeskus Oy, Urheiluhallit Oy and Vuosaaren Urheilutalo Oy.

Interpreting the achievement of some indicators is difficult

According to the City's guidelines, the objectives must be as clear and unambiguous as possible. The achievement of an objective for binding and non-binding objectives set in the budget is conditional on the achievement of all of its indicators. The indicator is achieved when its target value is reached. Baseline and target values are set for the indicators. The realised value from the previous financial year is used as the baseline. One indicator can have only one target value, meaning that the indicator cannot be divided into several sub-indicators with different target values.

In its 2023 assessment report, the Audit Committee recommended that the City Executive Office ensure that the indicators of the objectives set out in the subsidiary communities' ownership strategies each contain only one measurable item, that target levels or criteria are determined for the indicators of the objectives set out in the subsidiary communities' ownership strategies, and that they are described in the budget so that the achievement of the objectives can be verified.

The process of setting objectives and indicators for the subsidiary communities has improved in line with

the recommendations. However, the budget does not always specify a target level or criteria for the indicators of the objectives. Some of the indicators are rather general and leave room for interpretation as to what is meant by the indicator. Furthermore, one indicator may cover two different aspects. It was therefore difficult to assess the achievement of the objectives on the basis of the information reported in the financial statements alone.

Several of the objectives and indicators for the subsidiary communities examined in this assessment refer to programmes in which more specific measures and objectives are defined. One such example is the indicator for the objective 'Climate and reducing environmental impacts'. It is difficult for an external party to verify the achievement of the indicators, as there is a lack of more precise information on what the objectives and measures are. Only Helen Ltd had described its environmental indicator in its financial statements.

The 2024 budget stipulates that unmet objectives are to be reported separately to the City Council. In the view of the City Group Governance Unit, the achievement of the objectives is to be reported in connection with the Group's financial statements.

Conclusions

The budget approved by the City Council confirmed objectives and targets conforming to the ownership strategy for 20 subsidiary communities. Contrary to what is stated in the budget, the procedure is not to report on unmet targets separately to the City Council.

Of the 25 objectives and targets of the five most important subsidiary communities, Helen Ltd, Helsingin kaupungin asunnot Oy, Port of Helsinki Ltd, Metropolitan Area Transport Ltd and Seure Oy, almost half, 48%, were achieved according to the assessment. A total of 20 objectives conforming to the ownership strategy were set for the sports sector subsidiary communities. Based on this assessment, 19 of the objectives, i.e. 95%, were met. One objective could not be assessed because no target levels or criteria had been set for the objective indicator.

Although the process of setting objectives and indicators for the subsidiary communities has developed in line with the recommendations made by the Audit Committee in the previous year, the achievement of some objectives is difficult to assess in some respects. Some of the objectives and indicators were vague or general or did not have a baseline or target value described in the budget. Furthermore, one indicator may cover many aspects to measure, making it difficult to interpret the results.

The Audit Committee concludes that

the City Executive Office must

- ▶ pay attention to ensuring that the indicators for the objectives of the subsidiary communities set out in the budget contain only one item to be measured each.
- ▶ ensure that the objectives set in the budget for the subsidiary communities are clearly defined and that the indicators are unambiguous so that their achievement can be verified.
- ▶ report separately to the City Council on the subsidiary communities' unmet budget targets, as required by the budget.



Data breach in the Education Division

The City of Helsinki was subjected to a major data breach at the end of April 2024. The Audit Committee decided to include the City's data protection in its assessment plan and consulted the Mayor, the City Manager, the Chief Digital Officer, the Data Protection Officer, the Head of the Education Division and the Information Management Director, as well as the CEO and the Production Director of DigiHelsinki Oy on the data breach. In addition, documents produced by the City and other authorities were made available to the draftspersons of the Audit Department.

The hacker gained access to a huge amount of data

The data breach was detected on 30 April 2024. According to the investigations, the hacker had used criminal means to obtain working user IDs and passwords for the City of Helsinki's educational environment. By exploiting user accounts and a vulnerability in the remote access server, the perpetrator managed to connect to the Education Division's network. The hacker accessed the network on 25 April 2024 and managed to download roughly two terabytes of data from the Education Division's network drive before the breach was detected.

According to the Office for the Investigation of Accidents and Emergency Situations (OTKES), the data breach affects around 300,000 people. The perpetrator gained access to a large amount of data about Helsinki residents and City staff stored on the Education Division's network drive. The data included, among other things, personal data and personal identity codes of children and pupils and their guardians. It has not been possible to determine the exact amount and content of the data that the hacker obtained.

According to the City's reports, the data breach and data theft were made possible by several weaknesses in the City's data security controls related to remote access server settings, network differentiation and data security monitoring. Factors contributing to the breach included a lack of clarity between the City's operators regarding data security maintenance responsibilities, data retention practices and the development debt in the City's ICT environment.

Swift action taken after the discovery of the data breach

Immediately after the breach was detected, the City initiated measures to protect the network and prevent further damage, successfully stopping the hacker's activities within the network. A coordination group set up by the City Manager set about investigating the situation and taking remedial action. As a result, the data security, maintenance and management of the City's ICT services, among other things, were strengthened.

External experts and service providers were involved in investigating the situation and implementing protection measures. The data breach was immediately reported to the Office of the Data Protection Ombudsman and a notification was submitted to Traficom's Cyber Security Centre. The scope of the data breach was exceptional, due to which the Government set up an independent investigation team within the Office for the Investigation of Accidents and Emergency Situations (OTKES) on 4 July 2024 to investigate the matter.

The City immediately reported the data breach to the police, and a preliminary investigation was launched in May 2024. On 13 March 2025, the Central Bureau of Investigation announced that it had opened a preliminary investigation into the data breach targeting the City of Helsinki to determine whether the City has protected its data properly.

Information about the City's data breach was quickly provided to residents and City staff through various channels. Communication has been carried out in different languages, but the main focus has been on Finnish and Swedish. The communication efforts have not been met with full satisfaction. The data breach has raised concerns among those whose data may have been compromised.

Unclear responsibilities between different operators

The City of Helsinki is a data management unit that must monitor the state of data security in its operating environment and ensure the security of its data materials and information systems. At the City,

responsibilities related to data management, data security and data protection are defined in documents such as the City's Administrative Regulations, City-level policies and operating guidelines.

The City Board is responsible for ensuring that the City complies with its obligations under data protection legislation. The management of the City's divisions, departments and enterprises is responsible for the lawfulness of the processing of personal data. At the City level, the City Executive Office is responsible for issuing instructions on data security and data management and for ensuring that the ICT services provided by the City's subsidiary community DigiHelsinki Oy meet the City's needs. The City's divisions procure services from DigiHelsinki Oy as a client in accordance with the service descriptions, including data security services. The Education Division has been an exception, as it has been responsible for its own basic ICT services, the transfer of which to DigiHelsinki Oy has been expedited after the data breach.

During the hearings of the Audit Committee, it came up that there has been a lack of clarity regarding responsibilities in the agreements, division of labour and management of data security between the different operators of the City. The unclear division of responsibilities enabled the data breach to occur and prevented its timely detection.

Development measures have been launched

From 2021 onwards, Helsinki has centralised its data administration functions and ICT infrastructure services to make the whole more manageable and controllable. As of 2023, the City's ICT services have been provided by DigiHelsinki Oy, whose operational management and supervision needs to be further developed according to the City Executive Office.

In the summer of 2024, a cross-divisional action plan entitled *Turvaa yhteinen tietomme* ('Secure Our Shared Data') was launched by the City Manager to strengthen data management, data security, data protection and staff competence across the City and clarify responsibilities. In addition, a data security

management reform project is being launched, focusing on data security management and organisation, ICT continuity management and technical measures, as well as investments. The City has an identified digital development debt concerning aspects such as the maintenance of information systems, competence related to it and the management thereof.

Conclusions

The Education Division's data breach has revealed weaknesses in the City's data security controls, data security maintenance responsibilities and data retention practices. The City has also accumulated a digital development debt over the years. These shortcomings have contributed to the occurrence of a data breach of exceptional magnitude, and therefore the technical and administrative capacity of the City's data security needs to be improved.

The City is a large organisation in which tasks and responsibilities related to data protection, data security and data management are shared between several different operators. Development measures have been taken with commendable urgency, but it will take years to embed them into the normal workings of the organisation. The data breach has highlighted the need to clarify data security management.

The Audit Committee concludes that

the City Board must

- ▶ ensure that the City's data protection measures are at an appropriate level.
- ▶ ensure that the governance of data security and data management is clearly defined.
- ▶ ensure that the responsibilities of the City's operators regarding data security and data management are clearly defined.
- ▶ ensure that the shortcomings resulting from the digital debt are remedied.

Responsible financial management as the basis for sustainable growth



The City's finances

The City of Helsinki's financial operations are divided into Municipal Helsinki, which is comparable to other municipalities, and the state-funded Social Welfare, Health Care and Rescue Services Division (sotepe), which is comparable to the wellbeing services counties. This assessment looks separately at the finances of Municipal Helsinki and its group, and the finances of the Social Welfare, Health Care and Rescue Services Division.

Finances of Municipal Helsinki

Achievement of the financial and budgetary objectives of the strategy

Expenditure growth not in line with the responsibility principle of the City Strategy

The City Strategy 2021–2025 aims at a principle of responsibility for growth in operating expenditure. According to the strategy, annual budgets must not exceed the level of expenditure defined in accordance with the principle of responsibility. The City Executive Office has also made this a binding objective. The increase in operating budget expenditure is tied to changes in the general cost level and population growth, as well as the productivity target of the City organisation, which is 0.5% for the period of 2023–2025. The change in the cost level is represented by the price index for basic services. Population growth is represented by the age-specific population growth in the youth services of the Education Division and the Culture and Leisure Division, and otherwise by the change in the total population.

Based on the financial statement data, the target was not met (Table 1). Expenditure under the principle of responsibility increased by around €99 million, or 4.7%, in 2024. The allowed expenditure increase would have been 3.1%, or EUR 65.1 million. The largest increase in expenditure was in the Education Division, roughly EUR 84 million. The 2022 and 2023 financial statements implemented the principle of responsibility. The principle of responsibility set out in the 2025 budget will only be achieved if the planned productivity reforms are implemented.

Higher than estimated growth in tax revenue and central government transfers

The operating expenditure of Municipal Helsinki was EUR 2.97 billion, EUR 41 million below budget. Expenditure increased by EUR 80 million, or 2.7%, from the previous year. The increase was mainly due to higher personnel costs and leases in the Education Division, as well as increased public transport, external office lease and housing production interest costs in

the Urban Environment Division. Operating revenue amounted to EUR 1.38 billion and was EUR 51 million better than budgeted. The annual contribution margin was better than budgeted at EUR 715 million. The surplus in the accounts was EUR 334 million.

Tax revenue amounted to EUR 1.87 billion and was EUR 27 million higher than budgeted. Municipal taxes totalled EUR 1.07 billion in 2024, which was EUR 69 million more than budgeted. Municipal tax revenue decreased by roughly 10% from 2023. At that time, the tax accounts included the one-off tax payments related to the social welfare, health care and rescue services reform. The municipal tax rate in Helsinki was kept at the previous year's level of 5.3%. Corporate tax revenue was EUR 446 million, which is roughly 17% less than in 2023. Property tax amounted to EUR 353 million, which by contrast is 15% more than in the previous year. Central government transfers amounted to EUR 302 million and were roughly EUR 41 million better than budgeted. The central government transfer for basic municipal services was EUR 170 million.

In the budget for 2024, the operational economy section included a total of 26 binding allocations or operating margins. Of these, 21, or 87%, were realised either according to the budget or better than budgeted. Five binding allocation items exceeded their operating expenditure. The proportion of overruns in the binding allocations was the lowest since 2016. The City Council has granted overrun rights for allocation overruns.

The largest overruns were the municipal funding for the labour market subsidy and services provided by the Education Division, which both exceeded their expenditure by roughly EUR 8 million. The municipal funding for the labour market subsidy exceeded the budget by 11%, and the Education Division exceeded the budget by 0.6%. The overrun in the municipal funding for the labour market subsidy is explained by the increase in the number of labour market subsidy recipients from 2023. The overrun in the budget for services in the Education Division is explained by increased personnel costs in early childhood education and care and an increase in the number of students in vocational education and training.

Table 1. Increase in operating expenditure in 2024 in line with the principle of responsibility.*

	Budget 2024	Financial statements 2024
Percentage change in population growth	1.2	1.5
Percentage change in the price index for basic services	2.2	2.1 (Ministry of Finance, December 2024)
Productivity improvement target, percentage points	-0.5	-0.5
Expenditure growth percentage facilitated by the strategic objective	2.9	3.1
Expenditure growth facilitated by the strategic objective, EUR million		65.1
Principle of responsibility	Financial statements 2023	Financial statements 2024
Expenditure actually incurred under the strategic objective, EUR million	2,120**	2,219
Actual expenditure growth, EUR million		98.8
Actual growth percentage		4.7

*Source: City Executive Office

** Changes in the budget structure taken into account.

The objective steering investments under the City Strategy was met

The objective set in the City Strategy 2021–2025 is that the total cash flow from operations and investments during the council term may not exceed the deficit target for local government set in the public finance plan and the municipal finance plan. The City Executive Office's binding objective for 2024 was for total investment to be set to a financially sustainable level in terms of cash flow from operations and investments and loan growth. The indicator for this objective specified in the budget is that the maximum cash flow from operations and investments may not exceed -0.5% of Helsinki's GDP. According to the financial statements, this was achieved. The cash flow from operations and investments was EUR 258 million in deficit. The targeted deficit, the City's share of the GDP and the City's guarantee liabilities for public transport investments could have been up to €294 million in 2024.

In 2024, Municipal Helsinki invested EUR 823 million, excluding the investments of Metropolitan Area Transport Ltd. The budget available, taking into account overrun rights, was EUR 1,042 million. This outcome represents 79% of the available investment budget. The total investments of Municipal Helsinki and Metropolitan Area Transport Ltd in 2024 amounted to EUR 991 million. The largest investments were in buildings

at 277 million, streets and traffic routes at 97 million and major transport projects at 87 million.

The investment section included a total of 18 binding allocation items. Exceptionally, all binding investment allocations were under-spent. The largest under-spending was in building investments, where the outturn was 114 million below budget.

Stara's operating deficit was higher than budgeted

The binding operational objectives and targets set for public enterprises were examined as part of the achievement of binding objectives. These included two financial performance targets, both of which were met. The objective set for Helsinki City Transport (HKL) was to achieve a positive result for the financial year, and the actual figure was EUR 0.2 million. From the beginning of 2022, HKL has only been responsible for metro operations and infrastructure due to the establishment of Metropolitan Area Transport Ltd. The performance target for the financial year for City of Helsinki Financial Management Services (Talpa) was met. The surplus for the financial year was EUR 16,000.

No binding target for financial performance had been set for the City's other enterprises. The operating surplus of the City's service centre enterprise,

Palvelukeskus Helsinki, as a proportion of its turnover exceeded the budget. Occupational Health Helsinki, which ceased operations at the end of October, reported a deficit of EUR 0.2 million. The operating deficit of Helsinki City Construction Services Stara was EUR 4.9 million higher than budgeted.

Trends in financial indicators

The annual contribution margin remains at a good level

The annual contribution margin shows the amount of internal financing, after current expenditure, that remains available for investments, reinvestments and loan repayments. The annual contribution margin is a key indicator for assessing the adequacy of internal financing. Particularly in Helsinki, where the level of investment is high, it is essential to look at the funds statement alongside the profit and loss account, as the funds statement shows how investments have been financed. Alongside the annual contribution margin, cash flow from operations and investments is an important indicator of the City's financial situation.

Table 2 shows that the City's annual deficit has almost doubled in recent years relative to the depreciation level, although it did weaken in 2024. The internal financing percentage of investments indicates how large a portion of internal investment purchase costs has been covered with the annual contribution margin. In 2024, 88% of investments were funded with internal financing. Debt servicing coverage and the internal financing percentage of investments remain at a good level.

Figure 4 shows that, with the exception of investments in public transport, the annual surplus has long been sufficient for investments. In 2024, the situation was slightly worse.

In 2024, Municipal Helsinki's cash flow from operations and investments was EUR -94.8 million, compared to EUR 23.3 million in 2023. The cash flow accumulation from operations and investments shows the amount left over from the cash flow for net lending, amortisation of loans and strengthening the treasury. When this figure is negative, expenses must be covered either by reducing the existing cash reserves or by taking out more in the way of loans. Table 2 shows that the accumulation was negative in 2024. However, Municipal Helsinki's self-sufficiency has improved slightly and its relative indebtedness has decreased. Its cash sufficiency is also excellent.

The guarantees for loans issued to Group entities are greater than Helsinki's own loan portfolio

The City's loan portfolio continued to decrease. However, rental liabilities, and contingent liabilities

in particular, continued to increase. The contingent liabilities are greater than the loan portfolio (Figure 5). Contingent liabilities are guarantees for loans issued to Group entities financed by the City.

Helen's investments are reflected in the Group's finances

Table 3 shows that the economic indicators for Municipal Helsinki Group deteriorated from 2023. The economic indicators are weaker than those of the parent City. The cash flow from operations and investments for the past five years is negative and has continued to fall. The Helen Group's high level of investments in 2023 and 2024 have a large impact on the cash flow deficit from operations and investments. The Group's loan portfolio and rental liabilities are high, due in particular to Helsingin kaupungin asunnot Oy's large amount of liabilities. However, the company's debt servicing costs are, in practice, paid for by rental income from the tenants of the rental buildings. The Helen Group's loan portfolio also increased.

Conclusions

Municipal Helsinki's finances were better than budgeted, with a surplus of EUR 334 million. However, unlike in the previous two years, the increase in operating expenditure did not remain within the limits set by the principle of responsibility of the City Strategy 2021–2025. The target for cash flow from operations and investments for investment financing was met in line with the strategy. In 2024, 88% of the investments could be funded with internal financing.

The financial situation has remained at a good level. The City's expenditure growth has been moderate for some time. Between 2020 and 2022, the City received COVID-19 compensation funding from the state, and the retroactively rendered tax accounts temporarily improved the financial situation in 2023. Although the investment level is high, many of the investment allocations set in the budget have not been used. There have been high revenues from the sale of land and real estate. Only five binding allocation items exceeded their operating expenditure, which is the lowest number since 2016. The amount of long-term debt has been successfully reduced, but off-balance-sheet rental liabilities and, in particular, contingent liabilities issued to Group entities have been increasing for several years. The loan portfolio of the Municipal Helsinki Group continued to grow.

Helsinki's investments, including Metropolitan Area Transport Ltd, amounted to EUR 991 million in 2024, of which Metropolitan Area Transport's share is EUR 168 million. By far the largest investments were made in buildings, coming to a total of nearly EUR 300 million. The targets were met as the budgeted investment allocation was not exceeded.

Table 2. Development of key figures in the profit and loss account, funds statement and balance sheet of Municipal Helsinki 2023–2024.*

Municipal Helsinki	2023	2024
Annual contribution margin, EUR/resident	1,208	1,045
Annual contribution margin, % of depreciations	223.3	188.5
Percentage of investments funded with internal financing	98.6	87.8
Cash flow from operations and investments, EUR million (accumulation from 2023–2024)	23.2	-71.7
Debt servicing margin	10.2	8.3
Cash sufficiency, days	111	91
Equity ratio, %	82.5	83.2
Relative indebtedness, %	65.6	60.7

* Source: The City of Helsinki's financial statements

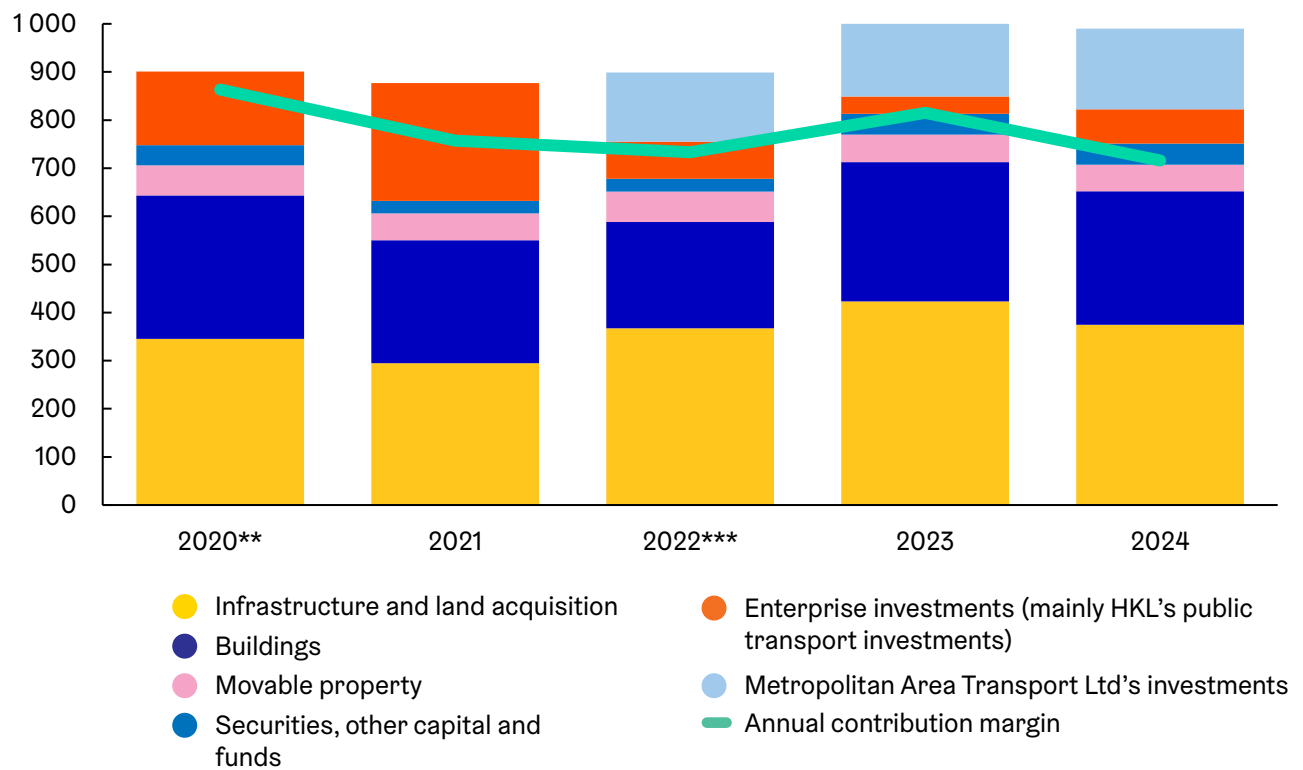
Table 3. Development of key figures in the profit and loss account, funds statement and balance sheet of the Municipal Helsinki Group 2023–2024.*

Municipal Helsinki Group	2023	2024
Annual contribution margin, EUR/resident	2,069	1,994
Annual contribution margin, % of depreciations	145	144.4
Percentage of investments funded with internal financing	64.6	56.8
Cash flow accumulation from operations and investments from five years, EUR million	-2,183	-2,857
Debt servicing margin	3.0	3.1
Cash sufficiency, days	72	62
Equity ratio, %	60.3	59.5
Relative indebtedness, %	133.6	148.5
Loans and rental liabilities, EUR/resident	12,340	13,747

* Source: The City of Helsinki's financial statements

Figure 4. Sufficiency of the annual contribution margin for investment expenditure 2020–2024, EUR million.*

EUR million



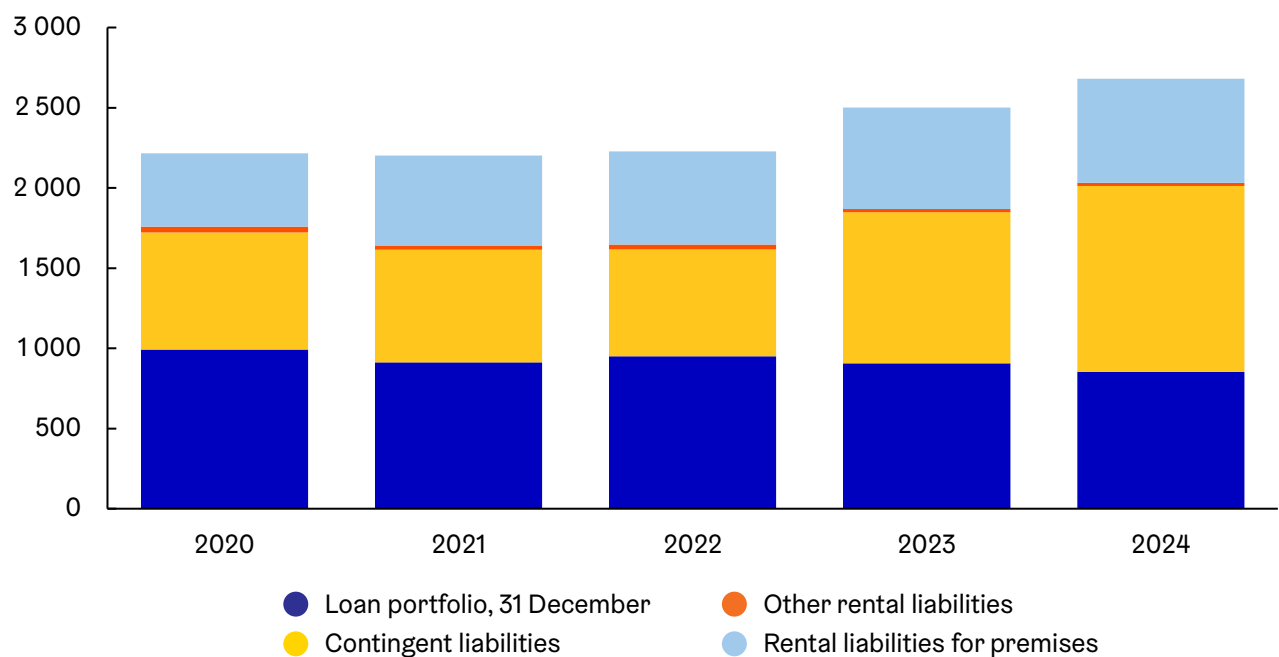
* Source: City Executive Office

**For comparability, the 2020 investment expenditure is shown without the capitalisation of the Urban Environment House (EUR 130 M).

***For comparability, the 2022 investment expenditure is shown without the shares of Metropolitan Area Transport Ltd (EUR 265 M).

Figure 5. Development of Helsinki's loan portfolio, guarantees and rental liabilities in 2020–2024, EUR million.*

EUR million



* Source: City Executive Office

Finances of the Social Services, Health Care and Rescue Services Division

The City of Helsinki Social Services, Health Care and Rescue Services Division was the only one to achieve a balanced financial result in 2023 and 2024 compared to other wellbeing services counties. Table 4 shows that the financial situation is good and that the criteria for a financial assessment procedure set in the Act on Wellbeing Services Counties are not met in Helsinki. Table 5 shows the evolution of operating and investment expenditure, as well as some financial key figures.

Operating expenditure in the Social Services, Health Care and Rescue Services Division amounted to EUR 2.9 billion, some EUR 43 million higher than budgeted. The main reason for the increase in expenditure was the higher-than-budgeted purchases of client services in all social and health services.

The operating expenses were mainly funded with EUR 2.7 billion of state funding. Operating profit amounted to EUR 265 million and financing income to approximately EUR 9 million. The annual contribution margin was EUR 38 million in the positive. The annual contribution margin also exceeded depreciations. In 2024, more revenue than estimated was generated to cover expenditure overruns. The surplus for the financial year, EUR 29 million, increased equity.

The central government transfer review concerning deficits in wellbeing services counties will increase Helsinki's funding in 2025, but funding will decrease when the transitional compensations are abolished. The division's service network reforms are expected to increase the rent level.

Table 4. The prerequisites for an assessment procedure concerning the finances of a wellbeing services county under the Act on Wellbeing Services Counties and Helsinki's key figures.*

	2023	2024	Prerequisite for the assessment procedure
Accumulated surplus, EUR million	29	31	the deficit must be covered within a maximum of two years
The group's annual contribution margin, % of depreciations	152.9	154.3	less than 80% for two consecutive financial years
The group's debt servicing margin	5	4.5	less than 0.8 for two consecutive financial years or granted authorisation to take out loans or additional funding

Table 5. Other data and key figures on the finances of the Social Services, Health Care and Rescue Services Division.*

Municipal Helsinki	2023	2024
Operating expenditure, EUR million	-2,800	-2,934
Investment expenditure, EUR million	12.7	8.2
Annual contribution margin, EUR million	40	38
Operating profit from operating expenditure, %	8.2	9
Annual contribution margin, EUR/resident	59	56
Accumulated surplus, EUR/resident	43	85

* Source: The City of Helsinki's financial statements



Implementing productivity-enhancing reforms



Has the planning of productivity-enhancing reforms been launched?



All divisions have at least started planning by autumn 2024, while some divisions and enterprises are in the implementation phase.

Main question of the assessment:

Have the City's divisions and enterprises planned and implemented productivity-enhancing reforms in line with the strategy?

Sub-questions:

1. Has the planning of productivity-enhancing reforms been launched?
2. Have productivity measures been launched if measures to improve productivity have been identified?

Improving productivity has been an objective of the City in previous strategic periods as well. Productivity indicators and productivity matrices have been developed in the City's divisions and enterprises and their services, and productivity changes have been measured by means such as productivity indices.

The aim of the City Strategy 2021–2025 was to launch the planning and implementation of concrete reforms to bring more efficiency, productivity, financial leeway and resources to the City's operations. In the assessment, the objective was referred to as 'planning and launching productivity-enhancing reforms'. The aim was also to calculate and publish the costs of the City's own service production in all parts of the City Group and to overhaul the indicators and key figures so that they can be compared e.g. between years and with other cities.

The assessment was based on responses to an email survey from the City's divisions and enterprises. The assessment excluded the state-funded Social Services, Health Care and Rescue Services Division and Occupational Health Helsinki, the operations of which were outsourced in November 2024. The assessment involved interviews with representatives of the management of the Urban Environment Division and

Helsinki City Construction Services Stara. The assessment describes the situation in autumn 2024.

All divisions and business services have started planning productivity-enhancing reforms

Helsinki City Transport (HKL), the Urban Environment Division and Helsinki City Construction Services (Stara) have been implementing productivity programmes for some time and in a systematic manner. This has been quite systematic in terms of implementation and also in terms of monitoring productivity developments.

Productivity measures in line with the current strategy have been implemented in the Education Division since 2024. The division commissioned productivity surveys in 2022–2023 regarding early childhood education, basic education, upper secondary education and the division's shared services. More than 20 productivity measures were created based on the surveys and have been implemented from 2024 onwards. The key measures are long-term and go beyond the strategic period. The progress of the productivity measures is monitored quarterly at the division management's finance day events and during the reporting days of the division's management group. The service units monitor the achievement of their own objectives in their management teams.

In the Culture and Leisure Division, the preparation of productivity measures was launched with the help of a consultant in spring 2024 with the aim of identifying productivity potential at the division level and in service units. The final report on the survey was completed in October 2024. Productivity measures are drawn up for both the short and the long term. Concrete measures to improve productivity will be planned in the service units during 2025. The Head of Shared Services is the owner of the programme, while the controller coordinates the whole. The programme also has a project group and a steering group. The steering group reports quarterly to the division's management group on the progress of the work. In addition, the division's 2025 action plan and result budget set out objectives aiming to increase productivity.

At the City Executive Office, the preparation of the productivity programme started in spring 2024 with the planning of City-level measures, as well as measures shared by the City Executive Office

and department-specific measures, to increase productivity.

The 2025 action plan and result budget describe the identified City-level and Executive Office-level productivity measures, as well as the areas to be monitored in the productivity programme. The City-level measures concern ICT management, service network planning and occupational health care services. The Executive Office-level measures concern staff planning, consultancy purchases and reducing the number of City-level groups. The owners of the measures coordinate the preparation, phasing, responsibility division, measurement and monitoring of the productivity measure.

Palvelukeskus Helsinki's development and productivity programme covers the years 2023–2025. Development measures are carried out both at individual sites and centrally. The savings achieved through the productivity measures are reported by area, and progress is monitored by a productivity objective monitoring group, a steering group for the development and productivity programme, and at meetings of the Board of Directors and management of the enterprise.

At HKL, productivity measures were launched in autumn 2024. The development of the annual productivity target for the urban rail transport agreement is monitored by a joint transport agreement management group of Metropolitan Area Transport Ltd, HKL and HSL. At Metropolitan Area Transport Ltd, a cost efficiency and synergy programme is one of the strategic development programmes for 2025. The management group of Metropolitan Area Transport Ltd monitors the progress of the programme. HKL participates in the activities of the management group.

At City of Helsinki Financial Management Services Talpa, productivity measures have been implemented from 2023 onwards, and the reform has set department-specific savings targets. Savings have been achieved in staff costs, by reducing administration and by streamlining City-level processes. The objectives for 2023, which were set when the current CEO took over, concerned resolving the wage crisis in particular. Talpa's Board of Directors and management group monitor the progress of the measures.

The Urban Environment Division has systematically implemented its productivity programme

The Urban Environment Division launched a productivity programme in 2022. A thorough examination of services and functions and the identification of productivity potential have progressed to implementation or implementation planning in almost all service units. The organisation, monitoring and responsibility division of the productivity programme are considered to be successful. Staff have been largely positive about the changes. The savings potential of the measures

implemented is EUR 22 million by the end of 2024. The productivity gains are a calculated estimate. They do not have a directly corresponding budgetary impact, but the time saved through the productivity measures has been used for other productive work.

In the Urban Environment Division, there are differences between service units and services, so the potential for applying productivity thinking varies. For example, in the Land Use and City Structure service unit, financial benefits can only be achieved over a very long period of time, so the measures are mainly aimed at improving operations and services and making the work flow more smoothly. The most significant development potential lies in the disposal of redundant facilities, which is estimated to generate a minimum of EUR 217 million in calculated savings by 2029. The savings are partly due to a decrease in the repair debt, which means that there is no longer a need to renovate these properties. The second largest savings potential, EUR 29.5 million, is estimated to come from increased mini tendering processes for shared services procurement services. Savings of EUR 15 million are estimated to be achieved through the development of agreement and implementation models for public areas. The fourth largest savings potential is identified in the re-tendering of advertising equipment for residential and business services, EUR 7.7 million by 2029. The aim is also to identify the extent to which the development of ICT systems could improve productivity.

The development and productivity programme has been implemented intensively at Stara

The background to the productivity development work at Helsinki City Construction Services (Stara) was originally the objective of the 2018 budget to separate the roles of the client (the Urban Environment Division) and the producer (Stara). On 16 November 2020, the City Board approved the policies for a technical service strategy and the development of Stara for 2022–2024. The City Manager set up a steering group for the work. One objective set for the work was that the share of Stara's production should be around 20% in the City's total infrastructure construction, 20% in overall building technology and 50% in the maintenance of public areas. The aim was also to develop the target state for orders and Stara's operations at the same time. According to the final report 2024, the objectives were largely met.

As one of the measures, a development and productivity programme was prepared at Stara in 2021. In 2023, the programme led to the performance of so-called value production ability and production method analyses on services. Since then, the organisation of the project has been refined and the monitoring process has been specified. The efficiency measures started with analyses of production methods and the definition of the management's ownership responsibilities, and

continued with process development. The streamlining included staff transfers and a reduction in bases and equipment. Due to the efficiency and adaptation measures, the savings achieved are estimated to be EUR 20 million by the end of 2024. Employment terminations have been avoided. According to Stara, its competitiveness has improved. At the start of the programme, the staff resisted the changes and occupational wellbeing declined, but the situation has since stabilised.

Significant productivity gains have been achieved through the introduction of a digital ERP system in the building technology and city infrastructure construction departments, as well as through the development of procurements. The savings target has also been raised along the way, with additional savings being thought to come from measures such as mini and individual tendering processes and the setting of a price target for infrastructure construction. In the future, benefits are also expected to be achieved through changes in premises and organisational changes. The role of the client is crucial to Stara's operations, as 90% of Stara's operations are commissioned by the Urban Environment Division. It is worth noting that the productivity of Stara is also reflected in the productivity of the Urban Environment Division, and thus productivity benefits may be reported twice.

Most of the costs of service production have been calculated

Another objective set in the City Strategy was to calculate and publish the costs of the City's own service production. In addition, the indicators and key figures were to be overhauled so that they could be compared e.g. between different years and in relation to other cities. Allocation principles have been established for the calculation of the costs of the City's own service production. Most of the costs have been calculated, allocated to services and published in line with the objective of the strategy in the 2024 budget. Unit costs calculated in this way can be compared between different years. However, there is no uniform cost accounting system for the municipal sector. Comparisons with other cities requires cooperation between the cities to better specify the content and costs of services.

Conclusions

The City's divisions and enterprises have planned and implemented productivity-enhancing reforms in line

with the City Strategy 2021–2025. All of the divisions and enterprises assessed have started planning productivity-enhancing reforms by the end of 2024, although the pace of development has not been the same. According to the monitoring by the City Executive Office, the productivity measures and programmes are on schedule. Allocation principles have been established for the calculation of the costs of the City's own service production. Most of the costs are calculated for and allocated to services. Unit costs calculated in this way can be compared between different years.

In the Urban Environment Division and at Helsinki City Construction Services Stara, which were more specifically assessed, the implementation and impacts of the measures have also been systematically identified, planned, managed and monitored. Productivity-enhancing reforms have achieved their intended effects, such as improved efficiency and financial leeway, or increased resources for the City's operations and service improvement without a substantial decrease in quality, effectiveness or staff wellbeing.

The calculated savings potential of the measures implemented is EUR 22 million in the Urban Environment Division and EUR 20 million at Stara by the end of 2024. Significant productivity potential is expected to be achieved in particular through more efficient procurements, increased tendering, improved agreement models and a reduction in redundant premises. Even in services where there are no monetary benefits, work has been streamlined. Stara's productivity is also reflected in the productivity of the Urban Environment Division, which is why productivity trends may overlap and be reported twice at the level of the entire City.

The Audit Committee concludes that

the City Executive Office must

- ▶ ensure that divisions and enterprises have opportunities to learn each other's good practices in implementing productivity reforms.
- ▶ continue to examine the costs of the City's own service production and revise the indicators and key figures so that they can be compared, at least between different years.

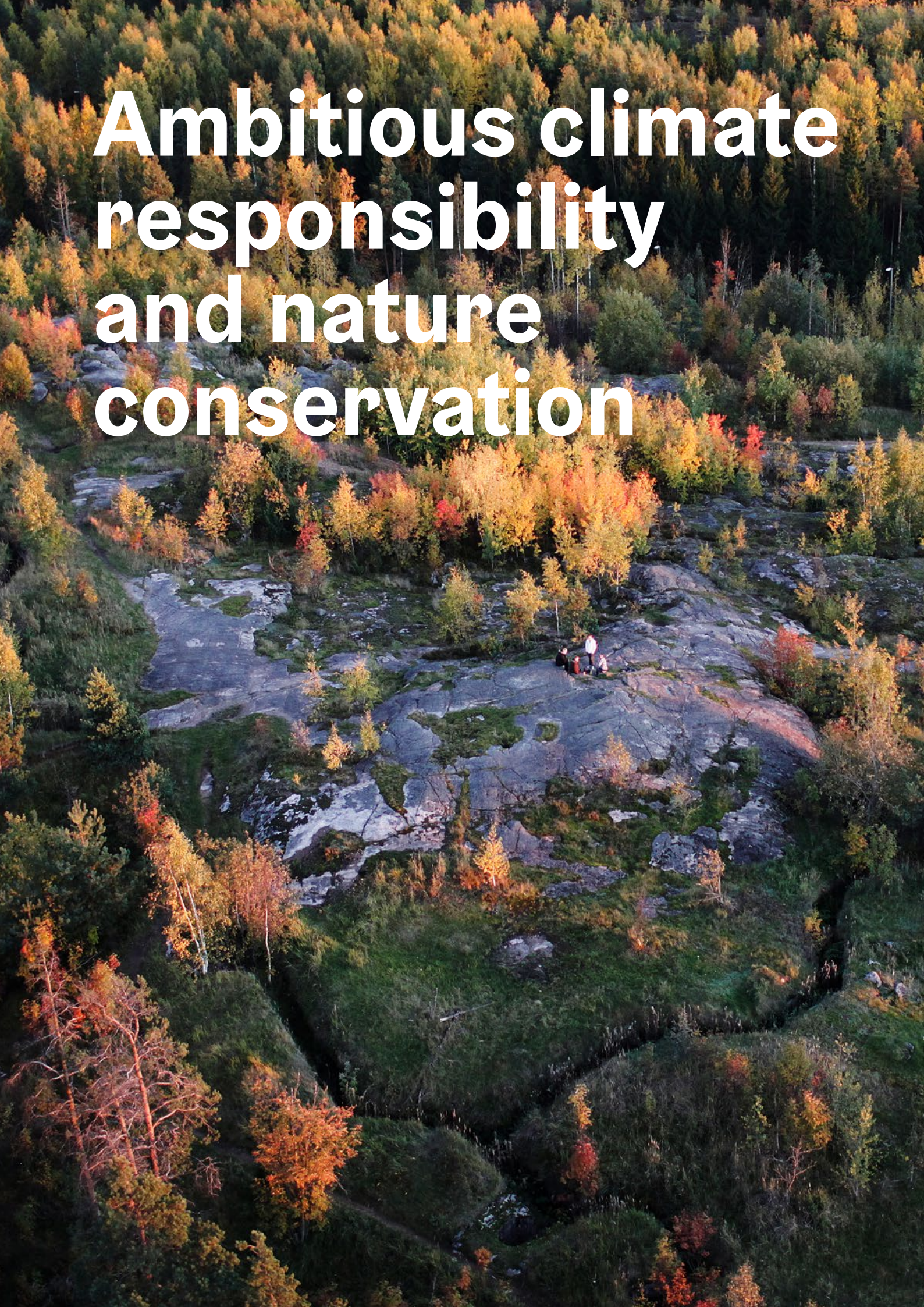


Helsinki

Neutral's
certified organic

GOTS
COTTON

Ambitious climate responsibility and nature conservation



Promoting Helen Ltd's environmental objectives



Has Helen contributed to the environmental objectives of the City Group?



Helen has mostly contributed to the environmental objectives.

Main question of the assessment:

Has Helen contributed to the strategic environmental objectives of the City Group?

Sub-questions:

1. Has Helen contributed to the carbon neutrality objectives?
2. Has Helen promoted moving away from combustion-based energy production?
3. Has Helen ensured the sustainability of the biomass it burns and sufficiently taken into account the impacts of wood burning on biodiversity?

Helen Ltd (Helen) is an energy company owned entirely by the City of Helsinki that provides electricity, heating, cooling and other energy services to its clients. Helen's role in achieving Helsinki's environmental goals is significant. In 2023, the majority of Helsinki's direct emissions, around 58%, came from heating and around 12% from electricity consumption.

The City Strategy 2021–2025 states that Helsinki brings forward its carbon neutrality target to 2030. The strategy obligates Helen to update its development programme during the council period, and Helen must prepare to close the Salmisaari coal power plant before 2029. The strategy also states that Helsinki will no longer make new investment decisions on bioenergy plants. Helsinki's goal is to be a carbon neutral city by 2040.

The City has set environmental objectives and development guidelines for Helen. The ownership strategy approved by the City Board states that Helen must maintain and develop an emission-free, secure, cost-efficient and customer-oriented energy system based on non-combustion-based production solutions. The ownership strategy also sets interim targets for

reducing greenhouse gas emissions for 2027 and 2030. Helen's own strategy also aims to achieve carbon neutral energy production by 2030 and to phase out combustion-based production by 2040. Helen has set more specific objectives for reducing emissions and securing biodiversity in its responsibility and carbon neutrality programmes.

The assessment material was based on interviews with Helen and the City Group Governance Unit, email enquiries and available written materials, studies and statistics. Information was also obtained during an assessment visit to Helen's premises by the first sub-committee of the Audit Committee. The materials for the assessment were mainly collected between May 2024 and January 2025.

Closing coal power plants is the most important measure to reduce emissions

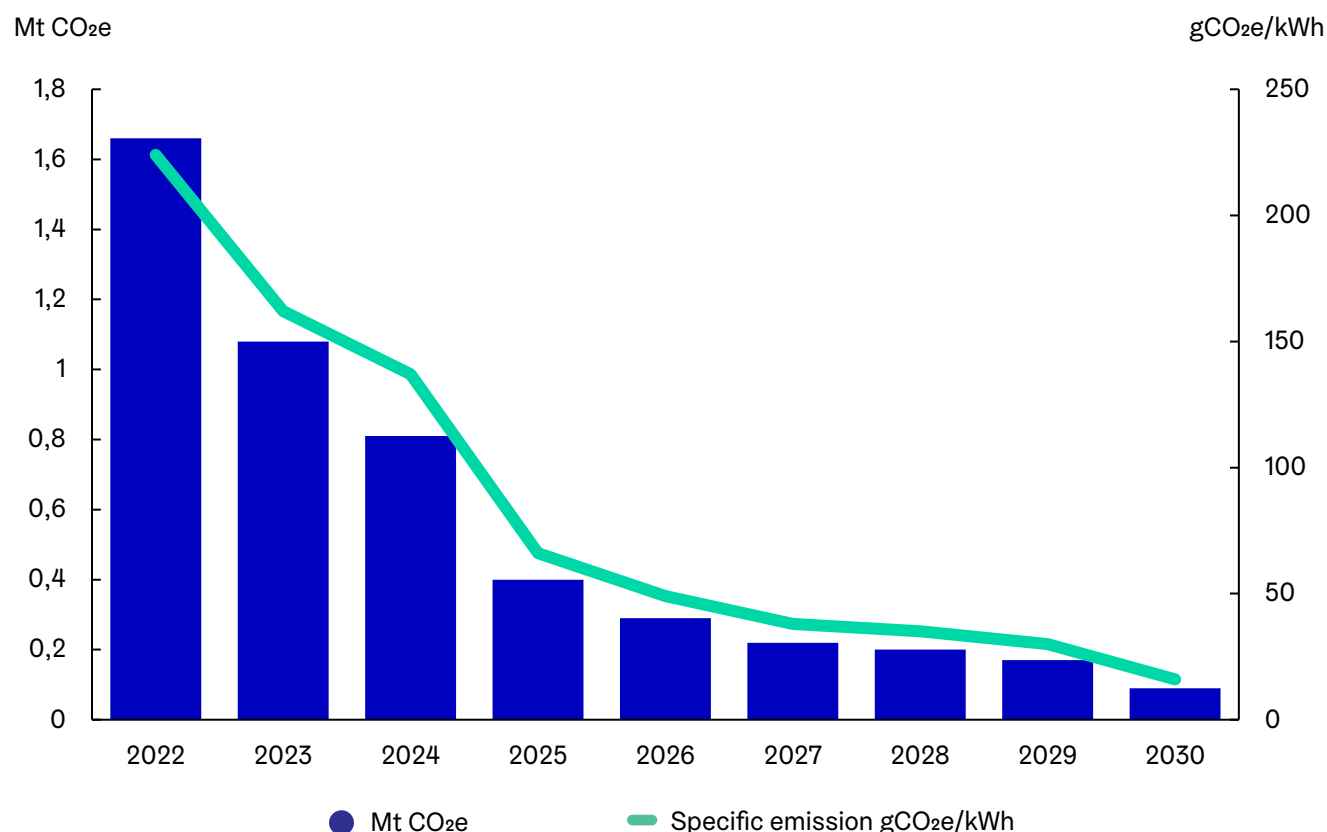
By 2024, Helen has reduced its carbon dioxide emissions by roughly 54% compared to the 1990 level, and 63% of the energy produced by Helen was carbon neutral in 2024. The most significant measure to reduce emissions so far has been the closure of the Hanasaari coal power plant in 2023. As a result, Helen's district heat emissions decreased by around 35% (Figure 6). Helen will abolish the use of coal completely when the Salmisaari power plant is closed in April 2025, further reducing district heating emissions. Helen estimates that in 2030, the emissions reduction from district heating will be 95% of the 1990 level, with the remaining emissions being compensated for.

According to Helen's representatives, the company's carbon neutrality targets have progressed as planned, and the 2030 carbon neutrality target is highly likely to be achieved. According to the City's Climate Director and the City Group Governance Unit as well, Helen is likely to meet its carbon neutrality objective on schedule.

Helen drew up an emissions reduction roadmap

Helen has updated its development programme as outlined in the City Strategy by drawing up an emissions reduction roadmap for 2024. The roadmap describes how Helen will reduce its carbon dioxide emissions and its dependence on imported fossil energy and increase its energy self-sufficiency. Helen has presented the roadmap to councillor groups, the Helsinki-Helen

Figure 6. Emissions development in district heating in 2022–2023 and Helen’s forecast for 2024–2030. Emissions in megatonnes of carbon dioxide equivalent (Mt CO₂e), and specific emissions in grams of carbon dioxide equivalent per kilowatt hour (gCO₂e/kWh).*



* Source: Helen’s emissions reduction roadmap 2024

The carbon dioxide equivalent (CO₂e) is an indicator that can be used to sum up emissions of different greenhouse gases as the amount of carbon dioxide that has an equal global warming effect. Specific emission refers to the amount of emissions per unit of energy sold.

cooperation group and the City Council’s City Group Subcommittee in November 2024.

In district heat production, Helen is switching to electrifying and more decentralised heat production. Heat pumps utilising waste and environmental heat, electric boilers and sustainably produced bioenergy are means to achieve this. Several investments in heat pumps and electric boilers have been planned for 2025–2029. According to Helen’s plan, district heat will be produced mainly through heat pumps and biomass in 2030. In 2024, the share of fossil fuels in district heat production was still 53%.

In electricity production, Helen will replace fossil fuels mainly with wind, solar, hydro and nuclear power. The share of nuclear power in Helen’s electricity production has increased since 2023 when Olkiluoto 3 was commissioned. The need for electricity transmission in Helsinki will increase significantly as renewable energy becomes more widely used, transport is electrified and energy production is decentralised. According

to Helen’s plans, electricity production capacity will increase by around 60% between 2022 and 2026. In the past, Helsinki has been self-sufficient in electricity production thanks to coal, but today, almost all electricity is imported to Helsinki from outside the city, as Helen produces electricity with nuclear, wind, hydro and solar power plants across Finland. Although the electricity grid of Helsinki is robust, investments in the grid are needed to ensure the implementation of the clean transition as the city grows. According to Helen, Fingrid has not succeeded in bringing the main grid to the Helsinki Metropolitan Area fast enough.

Alongside the growth of renewable energy forms, Helen will maintain the capacity to produce energy with fossil fuels. This is for reasons of security of supply and maintenance. Thus, factors such as cold temperatures, commodity market prices or a state of emergency can temporarily increase emissions more above the target level. However, Helen estimates that the use of fossil fuels will remain marginal.

The investment in the Salmisaari pellet-fired heating plant was against the City Strategy

According to the City Strategy, Helsinki will no longer make new investment decisions on bioenergy plants. One of the objectives of the ownership strategy is for Helen to develop an energy system based on non-combustion-based production solutions. However, contrary to the City Strategy, Helen has invested in a bioenergy plant in Salmisaari. In October 2022, Helen's request to deviate from the City Strategy and replace the coal-fired boiler at the Salmisaari heating plant with a pellet boiler was processed by the City Board.

According to Helen, Russia's invasion of Ukraine pushed up the prices of all forms of energy in an unprecedented way. Helen also stated that the new operating environment and the ban on investing in bioenergy plants had become very difficult for the company. For Helen, the policy set in the City Strategy meant significant dependence on electricity in heat production. This would have meant excessive exposure to price fluctuations, which have become permanent in the electricity market.

Investing in a pellet plant is clearly not only contrary to the City Strategy, but it also contradicts the objective of phasing out combustion-based production. It was approved by the City Board for a justified reason. It is possible that the investment was the best option in terms of the objectives set for Helen, taking into account the emission reduction targets, economic objectives, the price of district heat and its security of supply.

There are three different options for abolishing combustion-based production

According to Helen, it has three viable technology options for a controlled shift in heat production towards non-combustion: small-scale nuclear power, biogenic carbon dioxide recovery and environmental and partnership heating, i.e. heat pumps in practice. On a large scale, the different technologies are alternatives to each other. However, it is possible, for example, to promote heat pump solutions alongside other technology choices on a small scale. Changes in energy, climate and safety policies can be extensive and rapid. According to Helen, this argues for a gradual development of the system, and the solutions will be implemented partly in different timescales. According to Helen, the development of the energy system must always strike a balance between security of supply, price and environmental impact.

Helen has compared the benefits, drawbacks, technological maturity, costs and strategic fit of the different options. Small-scale nuclear power is estimated to have a number of benefits, such as independence from the electricity system and the possibility to produce electricity. It is also expected to be the most affordable

of the options. Examples of disadvantages and threats involved include uncertainty about the development of legislation, finding a site for the plant and delays in scheduling. Small-scale nuclear power is combustion-free and economically viable, and it decentralises the risks.

In 2024, Helen launched a nuclear energy programme, the first phase of which involves negotiations with shareholder partners, evaluating plant suppliers and carrying out site surveys. The first phase of the programme is due to be completed in 2026. In the second phase of the nuclear energy programme, Helen is to decide on the plant supplier and the implementation method.

The benefits of biogenic, i.e. bio-based, carbon recovery and storage include the possibility of achieving negative emissions and independence from the electricity market. The disadvantages include a lack of regulation and market, the acceptability of bioenergy and a lack of potential additional heat generation capacity. The technology is also new and very expensive at the moment. Furthermore, combustion-based production would continue with this option.

Environmental and partnership heat, such as waste heat from data centres, would facilitate the utilisation of waste heat and improving the operating conditions for industry. However, the risks involved include the emergence of industry operators utilising waste heat near the district heating network, insufficient capacity in the electricity network and a lack of available land. The technology is mature and it is a cost-competitive form of heat production. This option would end combustion-based production and make production economically viable, but it would increase dependence on the electricity market.

Helen only uses certified biomass

The share of heat produced with biomass has grown rapidly in recent years. In 2024, it accounted for 34% of district heat production, compared to 12% in 2021. According to Helen, the capacity for burning biomass or any other material will not increase following the introduction of the Salmisaari pellet plant. In the 2023 ownership strategy, one of the indicators was an analysis of the origin of, the distribution of and the sustainability criteria for the biomass used. Helen's sustainability programme aims to only use sustainability-certified or origin-controlled biomass. Helen also aims to be net positive in the long term, meaning that its operations will have more positive than negative impacts on nature.

According to the company, it uses only certified and origin-controlled wood fuel. Helen uses biomass with three different certificates: PEFC, FSC and SBP. In 2023, 79% of the biomass was PEFC-certified, 9% FSC-certified and 12% SBP-certified. The share of

PEFC-certified wood increased clearly in 2023 compared to previous years.

According to Helen, the company is able to trace the origin of all biomass used. In addition, the company has stated that its forest fuel procurement procedures and agreements contribute to the development and strengthening of sustainable forestry practices. The energy sector's forest fuel procurement recommendation calls for adherence to general forest management practices that take nature into consideration. Helen is involved in updating the forest energy procurement recommendations of the Bioenergy Association and Finnish Energy.

Energy use of large-sized wood and deadwood is harmful to endangered forest species

In the use of energy wood, the use of deadwood and large-sized stemwood as raw material for wood chip-pings is particularly harmful to endangered species. Stemwood trees that are valuable for biodiversity but useless to the forest industry include old, living aspen, goat willows and other broadleaved trees. According to a separate inventory study of commercial forests, most of the large-sized old broad-leaved and dead trees important to biodiversity are harvested for energy. The selection of retention trees and retaining existing deadwood have not worked as recommended by the forest management recommendations.

The use of small-diameter wood as a raw material for wood chippings has increased about 12-fold between 2000 and 2023, and the use of large-size stemwood has increased 30-fold. Energy wood harvesting is concentrated in southern Finland, where the state of the range of species and forest habitats is already the worst. This highlights the disadvantages of the energy use of wood, particularly in Southern Finland.

The ecological sustainability of the PEFC certification in particular has been criticised

Currently, the only possible restrictions on the harvesting of large-sized hardwood and dead wood in commercial forests come from the requirements set for voluntary forest certification. The PEFC standard used in Finland covers more than 90% of commercial forests. However, from an ecological point of view, the standard has had problems such as a low minimum diameter for retention trees and a low rate of retaining dead wood. Around 10% of commercial forests are covered by the FSC forest certification system. The ecological requirements of the FSC standard are stricter across the board than those of PEFC. The standard is ecologically more ambitious than the PEFC standard, e.g. in terms of retention trees and dead wood.

During the 21st century, the certification systems have not brought about significant improvements in the state of forest nature. For FSC, this is due to a slowly increasing area, and for PEFC, due to a lower level of requirements. Without significant improvements to the certification standards, especially PEFC, or legislation, research shows that Finland's commercial forests cannot reach an ecologically sustainable level. Due to the insufficient ecological sustainability of the PEFC criteria, the Finnish Environment Institute and the ELY Centres withdrew from the work of the PEFC standard group in 2021.

The ownership strategy has clarified Helen's corporate governance

According to the City's corporate governance principles, the City Board approves subsidiary-specific ownership strategies, which define the medium-term objectives and purpose of ownership for the subsidiaries. According to the corporate governance principles, the City's ownership in communities is based on the interests of the City Group and Helsinki residents, and it also contributes to the achievement of the City's climate and biodiversity objectives.

According to Helen, the current ownership strategy is clear and guiding. Helen was incorporated in 2015, but Helen did not have its own ownership strategy until 2023. According to Helen's representatives, before the ownership strategy was approved, there was occasional guidance by the City from several directions. The City Group Governance Unit also says that the ownership strategy has contributed to strengthening corporate governance and clarifying the City's vision. Helen's ownership strategy was updated in June 2024, adding interim targets for emissions in 2027 and 2030 and aligning the carbon neutrality target indicators with Helen's emissions monitoring. The City and Helen have had a joint cooperation group since 2022, which both parties have found to be an effective way to promote shared objectives.

Conclusions

Based on the assessment, Helen Ltd has largely contributed to the strategic environmental objectives of the City Group. Helen is likely to achieve carbon neutrality in accordance with the City Group's environmental objectives in 2030 if the investments planned for the coming years are realised. Helen has drawn up an emissions reduction roadmap as required by the City Strategy, in which it describes its measures to reduce carbon dioxide emissions and move away from fossil-based imported energy.

By 2024, Helen has reduced its carbon dioxide emissions by around 54% from the 1990 level. The closure of the Hanasaari coal power plant in 2023 has been

the most significant measure to reduce carbon dioxide emissions. With the closure of the Salmisaari coal power plant in April 2025, emissions will decrease even further. In the future, district heat will be produced mainly by utilising biomass, heat pumps and electric boilers. In electricity production, nuclear, wind, solar and hydro power will replace fossil fuels. However, Helen has fossil fuel production capacity for maintenance and security of supply reasons, which may have to be used in a state of emergency. Another concern for Helen is the adequacy of main grid connections in Helsinki as the use of renewable energy sources increases. Electricity production in Helsinki is being decreased, and the need for electricity transmission to Helsinki is increasing.

Helen has partly promoted the phasing out of combustion-based energy production. The investment in the Salmisaari pellet plant is clearly against the objectives of the City Strategy, which states that Helsinki will not make any new decisions on bioenergy plants. It is also based on combustion, from which the aim is to move away. On the other hand, Helen has decided that it will no longer invest in combustion-based production.

Helen has looked at three options for moving away from combustion: small-scale nuclear power, biogenic carbon dioxide recovery, and environmental and partnership heat. Of the options, small-scale nuclear power in particular has a number of advantages, such as the district heat production being independent of the electricity system, the possibility of electricity production and economic efficiency. It would also put an end to combustion-based energy production. As such, Helen is investing in the promotion of small-scale nuclear power. However, legislation on small-scale nuclear power is still being drafted. Should the construction of the small nuclear power plant be delayed, Helen will in any case be able to promote the use of environmental and partnership heat.

Helen Ltd has mainly ensured the sustainability of the biomass it burns and taken into account the impacts of wood burning on biodiversity in accordance with the guidelines of the ownership strategy and the sustainability programme. According to the company's report,

it uses only sustainability-certified biomass. However, research data shows that the effectiveness of PEFC certification in particular, which is the most common certification system, on environmental sustainability is poor. Helen's objective of long-term net positivity in biodiversity is unlikely to be achieved through the current PEFC certification alone.

However, as a major energy sector operator, Helen has an opportunity to influence forest management practices through its own agreements and energy sector organisations. On the other hand, strict obligating restrictions on certifications could lead to significant costs due to the limited availability of biomass and undermine the company's ability to make investments. Promoting the abolishment of combustion-based production will also reduce the need for burning biomass.

According to both the City Group Governance Unit and Helen, the ownership strategy approved by the City Board in 2023 has clarified Helen's corporate governance. The Helsinki-Helen cooperation group has also been deemed to be an effective way to promote shared objectives.

The Audit Committee concludes that

as the body responsible for corporate governance, the City Executive Office must

- ▶ instruct Helen Ltd to promote ecologically effective forest management practices in energy wood harvesting, e.g. through agreement management and energy sector organisations.

the City Executive Office, in cooperation with the Urban Environment Division, must

- ▶ carry out advocacy work to ensure that legislation enables the implementation of small-scale nuclear power and that the main grid in Helsinki is sufficient to meet future electricity transmission needs.



Adaptation and preparedness for extreme weather events



Is Helsinki prepared for extreme weather events, such as increasing rainfall and floods, heat waves and high temperatures?



Only partially. The inner city is a particular risk area.

Main question of the assessment:

Has Helsinki adapted and prepared for extreme weather events as planned?

Sub-questions:

1. Have measures been carried out to adapt and prepare for heavy rainfall, storms, sea water floods and stormwater management?
2. Have measures been carried out to adapt and prepare for heat waves, drought and wildfires?

In the City Strategy 2021–2025, the aim is for Helsinki to be prepared for extreme weather events and their direct impacts. According to the strategy, adapting to the impacts requires preparing for both increased periods of heat and drought and heavy rainfall alike. Preparedness must be evident in both urban planning and new and renovation construction. At the same time, the strategy requires that the amount of trees and greenery in the city is increased. To prevent the effects of heat waves, necessary measures must be taken in hospitals, institutions and senior housing, among others.

Statistics, research data, reports and documents of the City were used as assessment materials. Experts from the Urban Environment Division and the joint municipal authority Helsinki Region Environmental Services (HSY) were also interviewed extensively. Representatives of the City Executive Office and the Social Services, Health Care and Rescue Services Division also took part in the interviews. The materials were collected during autumn 2024. The assessment was part of a joint assessment of the cities of the Helsinki Metropolitan Area.

Extreme weather events are becoming more frequent and intense

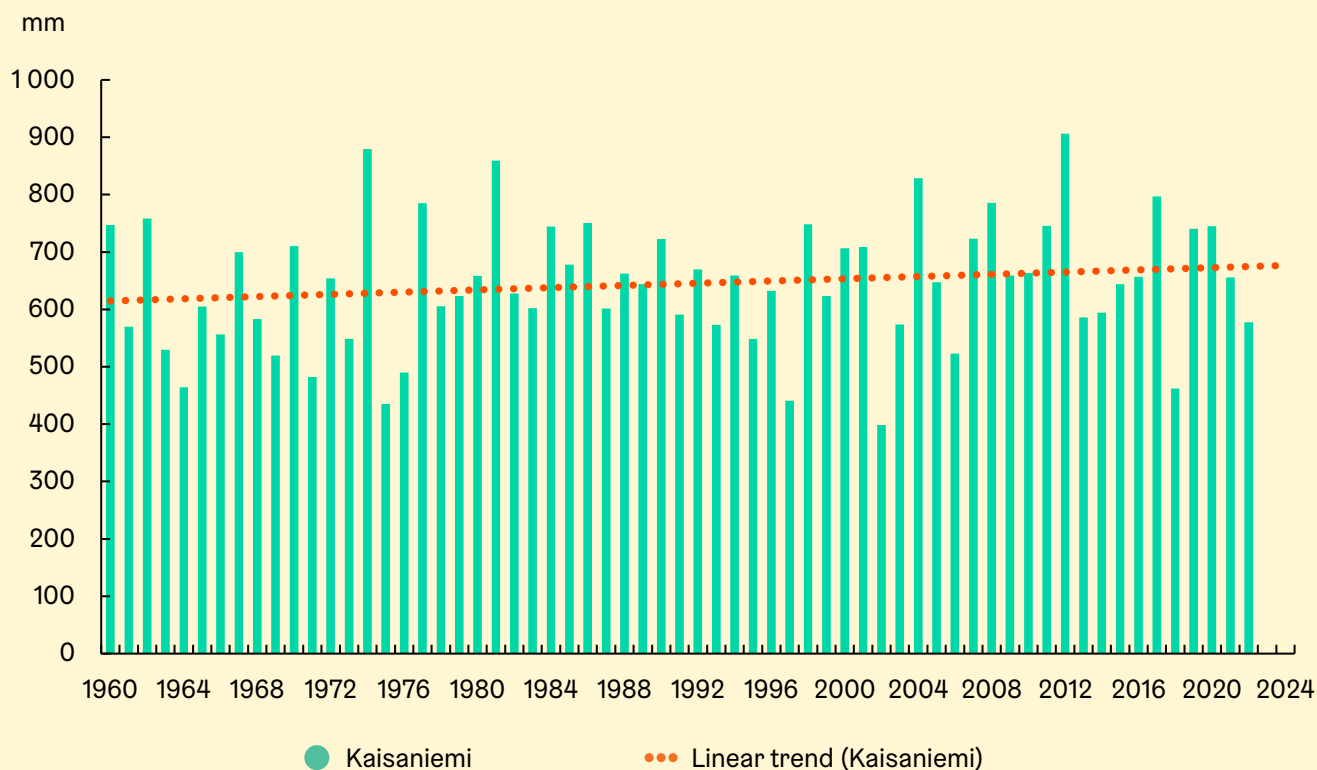
On behalf of HSY, the Finnish Meteorological Institute has prepared a review for the Helsinki Metropolitan Area in 2023, which compiles information on the impacts of climate change based on the climate models used by the Intergovernmental Panel on Climate Change. According to the review, climate change is already having a tangible impact on the climate in the Helsinki Metropolitan Area. Temperatures have risen in all seasons, especially winter. At the same time, the amount of rainfall in the winter months has increased. Wind intensity is not forecast to change significantly. Sea levels are also not projected to rise much by the mid-century due to land uplift.

The inner city of Helsinki is a risk area

In the Helsinki Metropolitan Area, floods, heavy rain and extreme heat in particular threaten the functioning of society, the wellbeing of residents and the environment, as well as buildings, infrastructure and property. Future health impacts of climate change include an increase in summer heat-related illnesses and deaths. Changing winter conditions in the Helsinki Metropolitan Area mean less snow and ice, and more fluctuating conditions. Temperatures varying above and below zero degrees increase the risk of slipping. Buildings and physical infrastructure can be damaged by storm conditions, extremely low or high temperatures or fluctuations thereof. Extreme weather events also increase traffic disruptions and the need for infrastructure maintenance while also shortening its lifespan. Figure 7 shows the evolution of annual precipitation and Figure 8 the evolution of the number of hot days since the 1960s.

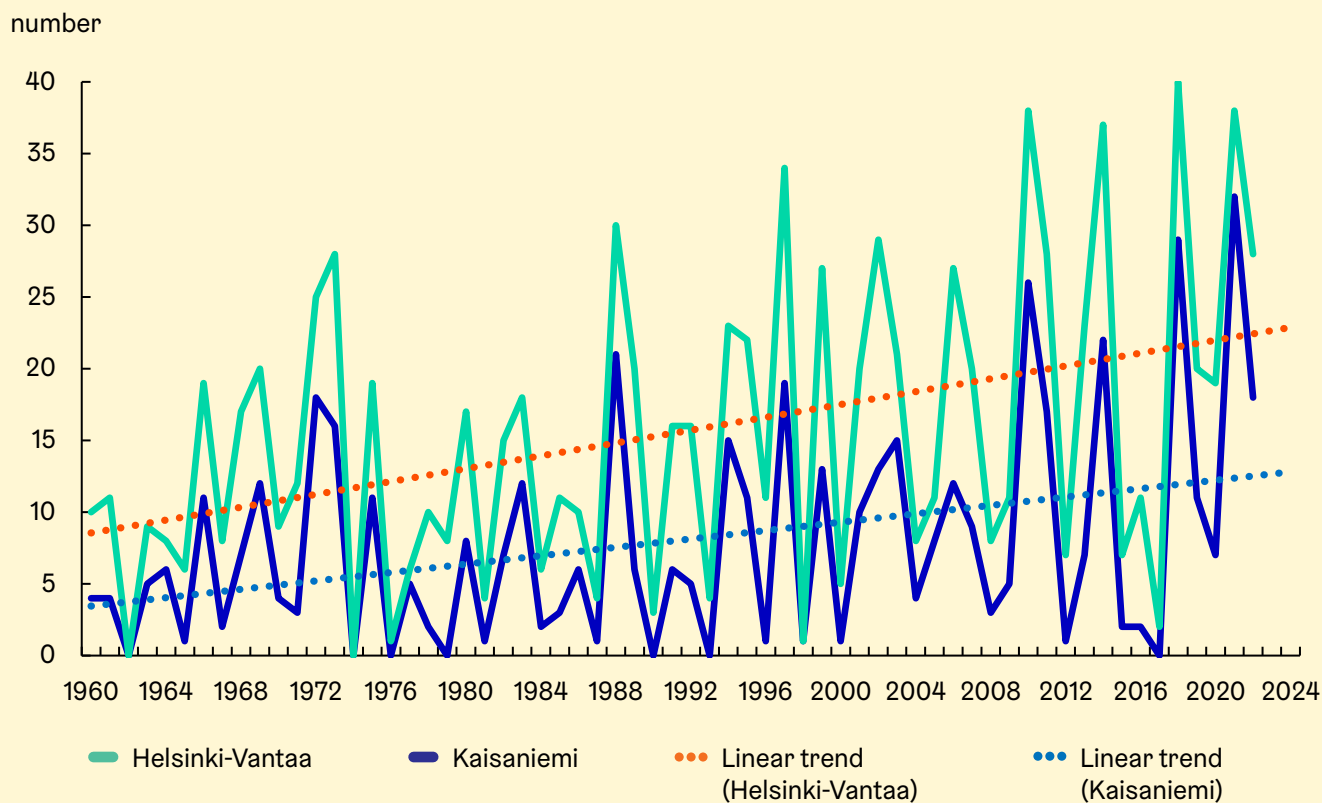
A concrete example in Helsinki are stormwater floods, which have occurred every summer in the city centre. In 2019, the Central Railway Station metro station in Helsinki suffered a severe rainwater flood. Due to the flood, the lifts of the station were out of service for several months. In addition, according to the Rescue Department, the number of emergency medical service duties increases regarding certain internal medicine patients during heat waves.

Figure 7. Annual precipitation at the Kaisaniemi monitoring station 1960–2020, millimetres.*



* Source: HSY, climate change adaptation indicators
Precipitation data for 1986 is missing.

Figure 8. Number of hot days at the Helsinki-Vantaa and Kaisaniemi monitoring stations 1960–2020.*



* Source: HSY, climate change adaptation indicators

Buildings and infrastructure need to be more resistant to phenomena such as storms and floods, so their design and placement are increasingly important from the perspective of preparing for extreme weather events. The risks of extreme weather events are quite local. The most challenging area in the Helsinki region is the inner city. The inner city is quite small and densely built. The city centre is located by the sea and is at a low altitude in relation to the sea level. The building stock is old, and the area has a combined sewer. The city centre also features a lot of critical infrastructure. There are no flood conveyance routes in the area, and the inner city area is particularly prone to heat islands because trees and structures providing shade are not found everywhere.

The City's plans are outdated

To steer adaptation to climate change and extreme weather events, Helsinki has prepared guidelines such as its Climate Change Adaptation Policies 2019-2025, Stormwater Management Programme 2018 and Flood Strategy 2008. The programmes are not up to date and have only been partially implemented. An 'Ambitious Climate Responsibility' programme group started in 2022, and it monitors the overall adaptation process.

According to the 'Climate work in Helsinki' website, Helsinki's climate change adaptation work is carried out in five areas in particular, namely:

- ▶ preparing for heavy rainfall
- ▶ preparing for sea water floods
- ▶ strengthening the green structure
- ▶ natural stormwater management, and
- ▶ preparing for heat.

The Climate Unit of the Urban Environment Division coordinates climate change work at the City level. The Climate Unit utilises, supports and monitors climate work through an environmental and climate network. The network includes experts in charge of environmental and climate work in the City's divisions and enterprises.

A flood working group was set up in 2023 to chart measures for preparing for sea water floods. The stormwater programme was also planned to be updated at the time of the assessment. Preparing for extreme weather events is supported by Helsinki's 2024 environmental protection objectives and 2024 nature management principles.

Inadequate preparedness for heavy rainfall and floods

According to Helsinki's stormwater strategy, stormwater is to be absorbed on plots or in public areas where possible. If absorption is not possible, the flow is to be slowed down or delayed on the plot or in the public area, and any excess water is discharged through pipes directly into a waterway or, in the case of combined sewerage, to the Viikinmäki treatment plant.

Preparing for torrential rain and sea water floods starts with master and detailed plans, which designate space reservations and uses for the areas. The plans take into account not only the placement of building areas and functions, but also terrain shapes, existing vegetation and the space needed to accommodate stormwater. Regional stormwater plans also serve as a basis for detailed planning. Based on the interviews carried out during the assessment, responsibilities for flood and stormwater matters, especially in built areas, are not clearly defined in all respects.

The blue network plan completed in 2023 takes into account the region's streams and small water bodies and their importance as an ecological network. Blue network refers to an ecological network formed by water bodies. According to the survey, there are few wetlands of significant natural value in the Helsinki area where stormwater can be effectively discharged and delayed. As urban density increases, the need for detention structures in parks and other built green areas will increase. The City of Helsinki has commissioned a stormwater management needs assessment, which includes a map file of the most critical areas to be repaired. Based on this, the City intends to instruct the planning of stormwater management at the catchment level in different areas. The City has launched a systematic process to prepare stormwater plans throughout the city area.

Helsinki purchases the maintenance of the drainage network from HSY. When the amount of rainfall exceeds the specified threshold, the City is responsible for the excess water. In particular, the combined sewerage system in the inner city is outdated in terms of its sizing. Separation of stormwater drainage is being planned to be carried out in connection with street renovation work, but the work is expected to take decades to complete.

Preliminary flood maps have been drawn up in Helsinki. Work is underway to set the level of flood preparedness. In 2025, the aim is to be able to compare the cost of flood damage with the cost of early flood risk preparedness and to set a level of preparedness for heavy rainfall.

Green areas play a key role in stormwater management. A green factor tool has been developed for systematically assessing green areas. It is used to monitor and ensure that a sufficient amount of green area is retained on plots and in yard solutions, e.g. by means of green roofs. In Helsinki, the green factor, yard planting regulations and stormwater regulations have been transferred from detailed plans to the City's building order. An obligatory plot-specific green factor has been included in the building order. The first green factor blocks were completed in Kuninkaantammi in summer 2019.

No response yet to the increase in heat waves and high temperatures

The debate on intensifying heat waves and prolonged hot spells is only just beginning. The lifecycle unit of the Urban Environment Division's Facility Service is responsible for guidelines for preparing for heat waves and high temperatures for both existing and new facilities. Updated guidelines for temperature management in City-owned facilities were published in 2022.

However, this is not sufficient due to increasing hot spells and heat waves. The workload will increase particularly in emergency medical care, health care and home care. However, daycare centres and schools will also be affected by the increased temperatures. Vulnerable members of the population, such as children and the elderly, are the most susceptible to climate risks. At the end of 2024, the Facility Service decided to start using 2050 weather forecast data in the planning of new buildings and renovations instead of the 2030 data previously used. This will lead e.g. to service facilities such as schools, daycare centres and libraries generally being designed to feature supply air cooling. Preparing for heat increases the costs of construction, as building cooling systems can be expensive. Many of the City's service facilities are already perceived to be uncomfortably hot during the warm season, as many of them do not have a cooling system. The Climate Unit is preparing a preliminary report on preparing for increasing and intensifying heat waves in the city. The objectives are to set a level of preparedness for heat waves and systematic preparation for and adaptation to heat.

Green areas also play a key role in reducing the negative impacts of heat waves and heat stress. The canopy coverage of trees and other moisture-evaporating vegetation help reduce the formation of heat islands. The canopy coverage in Helsinki is at 29% of the land area. Between 2017 and 2023, there has been little change in the overall coverage, but there are large differences between districts, and clear regional changes can also be seen.

Improving the existing city structure is important

Rescue Services are well prepared for both floods and wildfires. However, their operations are reactive, meaning that action can only be taken when damage is about to occur or has already occurred. The duties of an expert working at Helsinki Rescue Services include work related to abnormal weather conditions.

The City has invested in and allocated resources to the planning and construction of new areas, but less attention has been paid to the maintenance and overhaul of old city districts. Adapting to and preparing for extreme weather events requires changes in both urban planning and new and renovation construction.

In principle, green areas are systematically taken into account in the planning, design and construction of new areas. However, the increase in tree coverage and green areas may still end up at least partly unrealised due to the objective of efficient construction. Improvements to the existing city structure and repair investments have not been sufficient to achieve better absorption and redirection of flood water and stormwater. In particular, risk areas include old street areas, the maintenance of which is undersized. Preventing heat island phenomena would require increasing the tree stock and other shading structures.

Urban nature and the green structures of cities are key in adapting to the impacts of climate change. There are many levels to the planning of green areas, but in land use and green infrastructure planning, the greatest impacts are achieved early in the planning process. Preparedness is likely to require major changes to land use planning and the existing city structure. Such changes may include reserving space for stormwater and a stronger emphasis on nature-based solutions such as ditches, wetlands and water retention areas in stormwater management. Changes are also needed in the sizing guidelines for land use planning.

Preparedness is about making significant value choices. The question is to what extent the existing city structure should be protected even if the lifespan of the buildings will not be able to withstand future floods. It must also be decided what is an acceptable level of risk to prepare for and what should be done in situations in which the costs of protection exceed the value of the city structure to be protected.

Conclusions

Helsinki is only partially prepared for extreme weather events. The City-level adaptation and preparedness plans are not up to date and have only been partially

implemented. Plans and guidelines exist for heavy rainfall, storms, sea water floods and stormwater management, but the interviewees felt that the responsibilities in place are not clear in all respects. Work is underway to set the level of flood preparedness. The aim is to be able to compare the costs of flood damage to the costs of preparation and to set a level of preparedness for heavy rainfall. The City's Rescue Services are well prepared to respond to extreme weather events, but from the perspective of preparedness, reactive action alone is not sufficient.

The risks posed by heat waves have received even less attention than water-related issues. Preparedness measures have mainly only involved instructions regarding facilities. Heat-induced stress weakens the wellbeing of children and older people in particular and increases the need for emergency medical care, among other things. The cooling of buildings can be expensive. Discussion has been started on how to prepare for increasing and intensifying heat waves in the city. The objectives are to establish systematic preparedness and adaptation and to set a level for preparedness.

The risks of extreme weather events are local, so preparedness must also be local. In principle, green areas and the green factor are taken into account in the planning, design and construction of new areas on a plot-by-plot basis, but the preservation and addition of trees and green areas may take a backseat to efficient construction. Improvements to the existing city structure and repair investments have not been sufficient from the perspective of flood and stormwater management and heat island prevention.

The Audit Committee concludes that

the City Executive Office and the Urban Environment Division must together

- ▶ ensure that adaptation and preparedness work related to floods and stormwater is carried out in a coordinated manner.
- ▶ ensure that a decision is made on the level of preparedness for heavy rainfall and flood and stormwater risks.
- ▶ update the adaptation and preparedness programmes concerning extreme weather events.
- ▶ draw up a plan for adapting to and preparing for heat waves and high temperatures, so that a decision can be made on the level of preparedness.

the Urban Environment Division must

- ▶ launch renovation investments in the existing city structure in the city's risk areas to manage stormwater and prevent the heat island phenomenon.
- ▶ systematically take into account the increase and preservation of trees and green areas in the planning and construction of new areas to reduce the adverse effects of extreme weather events.



A functioning and beautiful city



Coordinating street works and reducing their negative impacts



Has the City managed to reduce the negative impacts of street works?



The City has taken measures to reduce negative impacts, but the work to reduce these impacts should be continued.

Main question of the assessment:

Has the City managed to improve the planning of street works and reduce the negative impact on residents?

Sub-questions:

1. Has the coordination and phasing of street works been sufficient?
2. Has the City taken measures to shorten the duration of worksites and reduce inconveniences?

The assessment focused on reducing the negative impacts of street works, a theme that is included in both the previous and current City Strategy. The assessment was based on general and project-specific guidelines for street worksites, contracts, reports and monitoring data. Several interviews were conducted with representatives of the Urban Environment Division and the first subcommittee carried out an assessment visit. One worksite was inspected and the traffic arrangements of three sites were monitored during the assessment.

The traffic impacts of major projects are assessed and projects phased

The Urban Environment Division has assessed the combined impacts of renovations and traffic projects on transport almost every year and has tried to phase the worksites so that their combined impacts on traffic are not unreasonable. Projects are also reviewed annually in connection with the budget preparation process. In addition, separate extensive assessments have been carried out on the negative traffic impacts of very significant renovation projects, such as the

renovation of Mannerheimintie. The assessments have presented solutions to reduce the inconvenience caused by temporary traffic arrangements. Based on the assessments, projects have been postponed and solutions to reduce traffic congestion have been introduced.

The best way to prevent traffic disruptions for cars and public transport is to phase the different street work projects and assess the impact of temporary traffic arrangements in advance. It is essential to ensure sufficient capacity for the volumes of traffic and ensure that traffic disruptions are kept short. For pedestrians and cyclists, it is important to ensure that worksites are organised to a high standard, that there are instructions on how to operate correctly on the site and that there is adequate supervision.

However, the Urban Environment Division has not made public announcements on the coordination of major traffic projects and traffic impact assessments. Active communication about the coordination of traffic projects through different channels could eliminate misconceptions that the City does not investigate the traffic impacts of major street work projects or try to schedule renovations in a way that does not cause unreasonable traffic disruptions.

In particular, the projects aim to promote strategic objectives such as sustainable transport and adequate housing production. Furthermore, timely repairs are seen as a factor that improves the economic and technical functionality of streets. Several worksites running simultaneously due to the high investment level inevitably cause significant traffic-related and other inconveniences. If the investment level is reduced, the objectives set out in the strategy cannot be achieved.

It should be noted that most of the street and excavation work carried out in the city is performed by parties other than the City. Of the excavation projects carried out in 2022–2024, approximately 70% were carried out by an operator other than the City. Over the same period, around 90% of construction site area leases were by parties other than the City. Major projects are often highlighted, but alongside them, there is constantly a significant number of other street work projects going on in the city. They typically involve work

related to water supply, district heating and electricity and data cable installation.

Efforts have been made to reduce the duration of street worksites

Examples of measures to reduce the duration of worksites have included ground-penetrating radar surveys, a closer review of plans and baseline data with the different operators involved, and a fee reform for street works. For example, the duration of the City's own street worksites was reduced when the City started charging a fee for them. Financial incentives seem to be working in reducing the duration of worksites. In October 2024, the charges for street works were updated by increasing prices and targeting increases particularly at areas of high traffic importance. Different project models in which the contractor has an incentive to work quickly have also been found to work, as the risks are shared between the client and the contractor.

Demonstrating the impact of the measures to reduce the duration of worksites is still difficult because major projects cannot be directly compared with each other. For example, the worksites of the Crown Bridges project are very different from the Mannerheimintie street worksite. So far, all the major projects of the City have been of their own kind, and it is not yet possible to show statistically whether the measures taken by the City have reduced their duration.

Based on the assessment, there are no individual easy solutions to significantly expedite worksites overall. From a worksite perspective, the discussion on expediting worksites often overlooks the concrete conditions and constraints brought about by factors such as winter and human resources. From the perspective of a worksite, the objective of expediting the process can lead to damage to municipal infrastructure, whereby time has to be spent on repairing the damage. However, there are many decisions that can be made within the worksite to streamline the work.

When aiming to reduce the duration of street worksites, it must also be taken into account that the conditions in Helsinki are exceptional compared to the majority of Finland, especially in the inner city, due to the dense construction. In several interviews, it was pointed out that closing the street completely would expedite the completion of worksites considerably. However, this is not possible, as the properties on the street are usually always being used.

Legislation does not support reducing the negative impacts of street worksites

Various units of the Urban Environment Division have taken measures to reduce the negative impacts of street worksites, but despite the measures taken,

the reduction of inconveniences to different modes of transport has not been as effective as hoped. The most typical neglects are shortcomings in temporary traffic arrangements and securing the condition of the City's street assets, i.e. street structures. The aim is to reduce the negative impacts of street works through self-monitoring by both the developer and the contractor, as well as through monitoring carried out by the Urban Environment Division as an authority. Examples of the measures taken have included the development of agreements, communication and sanctions. The current Maintenance Act does not provide sufficiently effective means for control by the authorities, and the operating culture does not take sufficient account of the perspective of users. At present, there are very limited means for the authorities to control worksites.

In 2020, the Helsinki City Board submitted a legislative proposal to the Government concerning amending the Act on the Maintenance and Cleanliness of Streets and Certain Public Areas. The amendments proposed in 2020 are still relevant for increasing the range of means available and reducing the negative impacts of street works. These are worth keeping highlighted, as Orpo's government programme states that maintenance legislation will be updated to meet today's needs during the current parliamentary term. Figure 9 provides an illustrative summary of the shortcomings in current legislation.

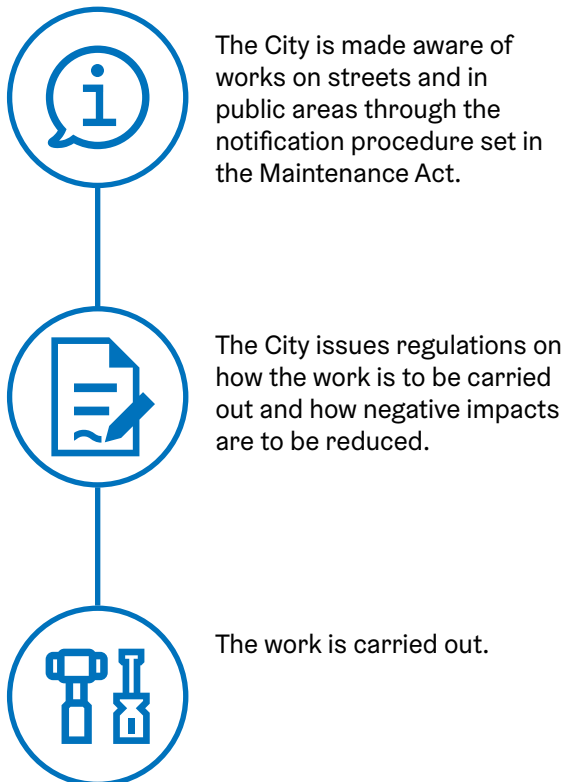
Constraints to managing negative impacts occur at all stages of the process. This is why the police have an important role to play in tackling negligence. For example, the City cannot prohibit the work from being carried out or order the date to be postponed. The City has limited means to intervene in street works if the work is carried out in breach of regulations. Furthermore, area usage fees based on the size of the worksite and the time reserved do not effectively steer the work, as legislation requires that the fees be kept reasonable. The fees cannot be used as sanctions for non-compliance, either. There are indications that some of the City's proposals are being met with opposition in the legislative change process.

Even today, contracts for major projects utilise a variety of positive incentives and opportunities to impose financial sanctions for non-compliance. At the moment, sanctions are used relatively little, especially for works carried out by the City's own operator, Stara. There are no real obstacles that would prevent a stricter use of contractual sanctions, for example. In addition to sanctions, positive incentives should also be in order. At the worksite level, sanctions were seen as an area for improvement to make them easier to impose when necessary. The current practice is to try to deal with negligence at worksites primarily by issuing notices.

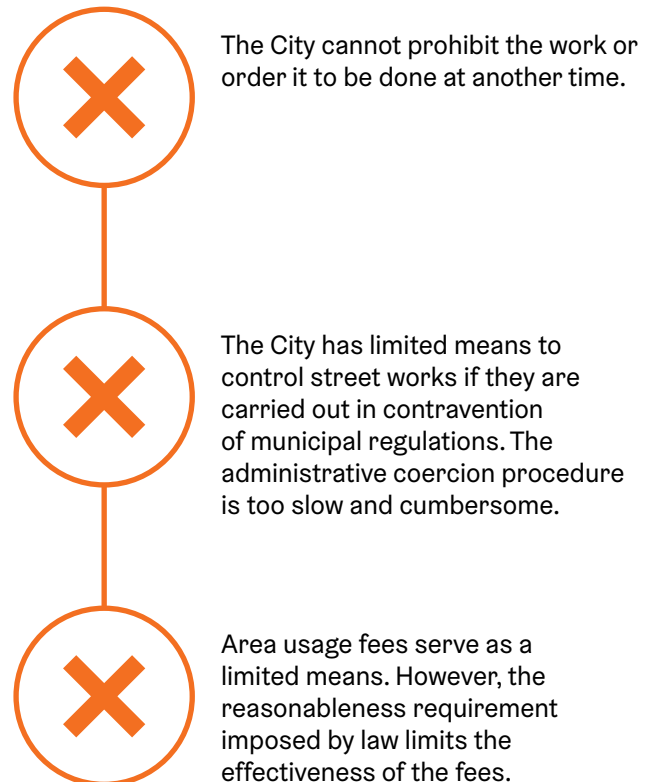
The assessment highlighted problems prevalent in worksite culture, which can manifest themselves as

Figure 9. The process of reducing the negative impacts of street works and the constraints of the Maintenance Act from the perspective of reducing negative impacts.*

The process of reducing negative impacts in a nutshell



Constraints of the Maintenance Act at different stages of the process



* Source: The information has been collected from the Urban Environment Division and the Helsinki City Board's 2020 legislative proposal

indifference, among other things. One way to improve worksite culture and to take better account of street users is to require more worksite staff to be trained in street work in the Helsinki Metropolitan Area when tendering for contracts. Sanctions for breaches based on agreements and regulatory supervision could also improve the culture at worksites. Improving communication is also seen as one of the most important and effective ways to reduce the negative impacts of street worksites. However, according to all interviewees in the assessment, worksite communication has improved significantly in recent years and more resources are being allocated to it.

Problems are common on small worksites

In the cases examined, it was found that the most common failures on street worksites were inadequate or inconsistent pedestrian and cycle traffic guidance arrangements. Even on otherwise professionally operating worksites, major changes in traffic arrangements caused deviations in the quality of the worksite arrangements. Furthermore, inadequate ramps and poor-quality pavements related to accessibility and pavement quality were discovered. Overall, the cases

seemed to indicate that small worksites had more deficiencies than large projects. Small worksites often entail excavations for electricity or data cables, for example.

When examining the guidelines that steer worksites and excavation work, it was found that they can be ambiguous, especially for those unfamiliar with the work involved, and it is not clear which guidelines and regulations should be followed on worksites. Furthermore, many of the instructions are quite long. It is possible that for many persons carrying out the work, it is not at all clear what the guidelines require of the worksite arrangements. Legislative changes and stricter enforcement of contract and permit conditions could prevent the shortcomings identified.

Conclusions

The City of Helsinki's Urban Environment Division has been largely successful in developing street work planning and reducing the negative impacts of street works on the city's residents. The combined impacts of projects on traffic have been assessed and efforts have been made to phase worksites so that their combined

impacts on traffic are not unreasonable. For very significant renovations, such as that of Mannerheimintie, separate extensive traffic impact assessments have been carried out, proposing solutions to reduce negative impacts on traffic. Based on these assessments, projects have been coordinated and, where necessary, postponed. At the same time, solutions to reduce negative impacts on traffic have been introduced.

In particular, major street work projects aim to promote strategic objectives such as sustainable transport and sufficient housing production. Several worksites running simultaneously due to the high investment level inevitably cause significant traffic-related and other inconveniences. If the investment level is lowered, the objectives set out in the strategy will not be achieved as intended. However, the coordination of major traffic projects and traffic impact assessments have not been communicated. Communication on project coordination, traffic impact assessments and the prevention of negative impacts could contribute to improving the negative image of street works.

The Urban Environment Division has taken several measures to reduce the duration and negative impacts of worksites, and these measures should be continued in the future. Financial incentives seem to reduce the duration of street works, and their use could be increased at all stages of the street work process. In October 2024, the charges for street works were updated by increasing prices and targeting increases particularly at areas of high traffic importance. It is likely that these increases will reduce the duration of minor street works in particular.

Based on the assessment, there are no individual easy solutions to significantly expedite worksites overall. From a worksite perspective, the discussion on expediting worksites often overlooks knowledge of worksite conditions. It is also difficult to verify the impact of measures to reduce the duration of worksites, as major projects cannot be directly compared with each other. Major projects have their own characteristics, and it is not possible to statistically prove whether the measures taken by the City have actually reduced the duration of projects.

Measures have been taken to reduce negative impacts at different stages of the street work process, from project coordination to worksite supervision. Despite the measures taken, the efforts to reduce negative impacts on different modes of transport have not been as effective as hoped. The most typical acts of

negligence observed in official oversight are deficiencies in temporary traffic arrangements and the safeguarding of street assets. Street worksites are monitored at several stages of the process. Communication also plays an important role in reducing the negative impacts of worksites. Based on the assessment, communication about worksites in particular has improved over the last few years.

Current legislation does not provide the City with effective means of intervening in non-compliant activities. In 2020, the Helsinki City Board submitted a legislative proposal to the Government concerning amending the Act on the Maintenance and Cleanliness of Streets and Certain Public Areas. The amendments proposed are still relevant for reducing the negative impacts of street works. The legislative amendments would likely have a significant impact on the City's ability to reduce the negative impacts of worksites.

Contracts for major projects utilise a variety of positive incentives and allow for financial sanctions for non-compliance. At the moment, sanctions are used relatively little. The amended legislation would not prevent the use of contractual sanctions to a greater extent than at present, either. At the worksite level, it was deemed that there was room for improvement in making it easier to impose sanctions when necessary. In addition to sanctions, positive incentives are also important.

The assessment highlighted problems in worksite culture. One way to improve the culture is to require worksite staff to complete more extensive training in street work in the Helsinki Metropolitan Area. Consistent sanctions for breaches, as a result of agreement and regulatory monitoring, could also improve worksite culture. Legislative changes are needed in this respect as well. More effective supervision, sanctions and stricter training requirements would also contribute to traffic safety.

The assessment shows that on small sites, negligence is more common than in major projects, and the competence of the operators involved varies. The worksites of major projects appeared to function professionally for the most part. The most common failures found were inadequate or inconsistent pedestrian and cycle traffic guidance arrangements. It was found in the assessments that the guidelines issued for worksites and excavation work can be ambiguous. It is probably not clear to many worksite workers what the guidelines require of the worksite arrangements.

The Audit Committee concludes that

the City Executive Office and the Urban Environment Division must

- ▶ continue advocacy work to ensure that the amendment to the Maintenance Act will meet the needs of Helsinki and facilitate better management of the negative impacts of street works.

the Urban Environment Division must

- ▶ continue efforts to reduce the duration of worksites, reduce negative impacts and guarantee safety. There is room for improvement at least in the financial incentives and the use of sanctions, as well as the training required of worksite staff.
- ▶ aim to further clarify the instructions for worksites and ensure that those working on the site know the most important requirements concerning worksites.
- ▶ communicate the Division's coordination of major traffic projects and traffic impact assessments to improve the negative image of road works.



Managing a smart Helsinki with information and by utilising digitalisation



Productivity of ICT service purchases in the Education Division



Have ICT services been procured successfully?



Both successes and areas for improvement have been identified in ICT service procurements.

Main question of the assessment:

Have the ICT service procurements that have been made succeeded in increasing the productivity of service production?

Sub-questions:

1. Have ICT service procurements been managed with sufficient quality?
2. Have the procurement skills of staff involved in ICT service procurements been sufficiently developed and improved?
3. Have the ICT service procurements made led to improved services or cost savings?

According to the City Strategy 2021–2025, Helsinki is to be managed with information and by focusing skills. The importance of digital solutions in service production is growing, and one of the objectives of digitalisation at the City of Helsinki is to increase the productivity of service production, which is reflected in improved services or savings in expenditure. Furthermore, the importance of procurement management and skills is emphasised in the City of Helsinki's procurement strategy.

The assessment was limited to ICT service procurements made by the Education Division. ICT stands for Information and Communications Technology. In this assessment, ICT service procurements refer to the procurement of applications and information systems by the Education Division. The assessment also included projects in which procurements have been carried out in connection with the development of information systems. The subject is topical because of Helsinki's unlucky system projects and the rapidly growing volumes of ICT procurements worldwide.

Successful implementation of ICT service procurements requires specific skills and understanding due to their size, complexity and value. The private sector also faces challenges in succeeding in ICT procurements, but in the public sector, procurements are also regulated and restricted by the Act on Public Procurement and Concession Contracts and other strict guidelines.

The assessment material consisted of interviews conducted during the autumn of 2024 with the information management services of the Education Division and written materials. The assessment also used a survey conducted with staff involved in ICT service procurements in December 2024. Additional information and statistics were also obtained through email enquiries.

Challenges have been identified in the governance and management of ICT service procurements

The Education Division has many guidelines for the procurement of ICT services, such as procedural guidelines for ICT procurements. The Division also has other policies and guidelines to steer its procurement activities. The Division also makes use of its staff's own knowledge in implementing procurements.

ICT service procurements are based on the changing needs of the Education Division's core services, which include early childhood education and basic education, etc. This is why the development of operations and processes has been accompanied by parallel technical development. Clear direction and achievable targets have also been set for the Division's ICT service procurements. However, according to the survey conducted during the assessment, procurement officers would like more feedback on their work and more resources for carrying out procurements.

It was found in the assessment that ICT service procurements have been difficult to steer, manage and monitor, e.g. due to a lack of written plans and difficult access to documentation. Careful documentation would make it easier for decision-makers to make informed decisions. As such, the Division has made efforts to improve project management, and it is hoped that the data management department will take greater responsibility for project implementation in the future.

Communication on procurements needs to be improved

According to information provided by the Education Division, ICT service procurements are communicated both internally and externally where needed. The aim of the communication is to inform all parties about the upcoming services and their impact. The survey conducted in the assessment showed that the Division's own staff are well consulted in defining the conditions and requirements for ICT service procurements. There are mixed views on the consultation of external clients, with some respondents saying that there is room for improvement. Effective, high-quality and relevant procurements require consultation with both end-user groups.

Based on the responses to the survey, the overall communication on ICT service procurements within the Division needs to be improved. The interviewees also opined that there could be more communication. By improving internal communication, the desired benefits and objectives of ICT service procurements would be better conveyed to staff.

Staff consider their procurement skills to be at a good level

Since the completion of the Education Division's ICT procurement process description in 2019, it has been mandatory for everyone working in the Division's data management services to go through it. Based on the survey of the staff involved in the procurement of ICT services at the Division, it appears that the ICT procurement process is being followed. Half of the respondents agreed that the Division's ICT service procurements have followed the ICT procurement process guidelines, and none disagreed with this statement.

According to the results of the survey, the respondents' procurement skills appeared to be at a good level in many respects. The majority responded that they are able to define the subject of the ICT service procurement and provide support in the planning of the procurement, and that they are familiar with the procurement procedures commonly used. More than half also stated that they are able to estimate the cost savings or improved services resulting from the ICT service procurement and apply project management methods to the procurement process. The information management service department also has a generally positive view of the ICT service procurement skills of the Education Division staff. They stated that processes need to be improved, not skills.

Although half of the survey respondents stated that they have received training on ICT procurements in the last three years, and many felt that they have mastered the essentials of the procurement process,

more than half of respondents still felt that they need more training on ICT service procurements. Mastering the complexities of ICT service procurements and the complex requirements and agreement conditions requires continuous skills development.

ICT service procurements have brought time savings

Collecting and analysing customer feedback is one of the key steps of the ICT procurement process. It was found in the assessment that a formal customer feedback survey has not been conducted for all individual procurements, in which cases feedback may have been collected informally. Accordingly, regular implementation of customer feedback surveys has been identified as an area for development. However, customer feedback had been collected, e.g. in primary education regarding the satisfaction of parents with the school enrolment process in the ASTI service. Based on the feedback received, users of the ASTI service have been satisfied in 2022–2024. Based on informal feedback, there have also been positive user experiences with the ICT service procurements carried out.

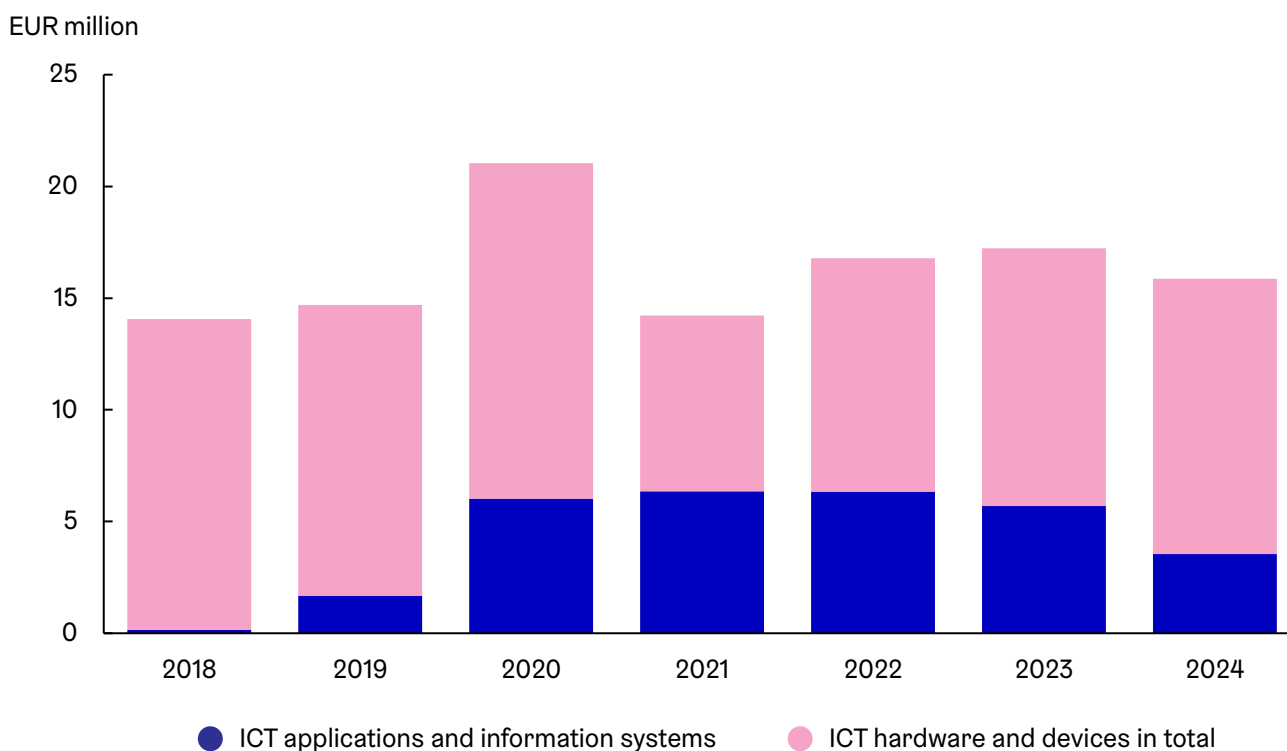
Cost analysis is an essential part of the preparation of ICT service procurements. According to the experts of the Education Division, cost comparisons and analyses are carried out for large ICT service procurements. However, it is difficult to provide monetary calculations of the benefits of procurements or projects, such as improved services. Development trends may also change over time, whereby the original cost calculations will no longer be accurate. Furthermore, documents such as cost-benefit analyses of actual ICT service procurements or projects were not available for examination in the assessment.

In addition to reducing costs, the procurements aim to improve the flow and quality of services, among other things. Accordingly, the services developed have saved time for both employees and residents, for example. According to the experts of the Division, some ICT service procurements have been worth their price, but in some cases the money spent may have been excessive for the results obtained. In recent years, the Education Division has spent an annual investment budget of around EUR 16 million on IT purchases, most of which has been spent on ICT hardware and devices (Figure 10).

Operational development has led to information system projects

ICT service procurements or projects are carried out on the basis of core service change needs. Examples of large ICT service projects in the Education Division include the ASTI project on developing the overall service process and the TOPA project on AI-based learning analytics, personalisation and adaptation.

Figure 10. IT procurements implemented with the investment budget of the Education Division in 2018–2024, EUR million.*



* Source: Education Division

The implementation phase of the ASTI project started in 2019. Prior to the implementation phase, architectural work was carried out on the basis of the digitalisation of education programme as part of the client information system project. The ASTI project aimed to implement a new service system for all services of the Division. However, the project encountered many problems and the Division eventually decided to stop the development of ASTI. Problems with the project included its scope, over-ambitious objectives and a lack of human resources. There were also problems with up-to-date documentation. The Division decided to decommission the ASTI system completely by 2026. Despite the problems, the project also yielded a number of services that are used on a daily basis. Where possible, the features developed for the project will be utilised in future solutions.

Of all the ICT application and system procurements made by the Education Division with its investment budget, ASTI has taken the largest share. Over the period 2018–2023, the total realised development costs of ASTI amounted to around EUR 32 million. During the preparation of the decommissioning of the ASTI system between 2025 and 2026, the costs are estimated to be around EUR 3 million per year.

Like the ASTI project, the TOPA project was launched in 2019. The aim of the TOPA project was to modernise and develop the information systems and applications of the Education Division in a phased approach. The aim was to develop a system that supports AI-based learning analytics, learning personalisation and adaptation and combines data from other systems onto a single data platform. For example, the system supports students and teachers in planning, progressing and monitoring their studies. Other key users will be principals, parents and education authorities. The total cost of the TOPA project over the period 2019–2024 is around EUR 4.5 million. The project was concluded at the end of 2024, whereby the solutions created in the project and the development of dashboards were integrated into the core work of the Education Division.

The documentation of the ASTI and TOPA projects has had deficiencies. The projects have been widely reported on, but the documentation has been difficult to access. In the ASTI project, careful documentation would have been important due to staff turnover. In the TOPA project, difficulties were caused by the transfer of the project from one unit to another within the Division, as no material on the earlier phases of the project was available for new project staff.

Lessons learned from previous procurements have been utilised

The Education Division is making extensive use of lessons learned from past procurements, and in particular, lessons learned from the Division's major information system projects have changed practices. For example, the information management service department of the Education Division has begun developing an ICT project model. When completed, the ICT project model will include guidelines for written documentation of the benefits, lessons learned, successes and failures of procurements. The project model is being developed as part of the ongoing ICT architecture work.

The Division has also now decided, based on lessons learned from previous projects, not to develop its own software for ICT service projects, but to use the basic software available. Challenges have been identified in projects implemented using an agile development method, which is why future projects will rely mainly on commercially available software solutions.

Conclusions

The Education Division has, in some respects, succeeded in increasing the productivity of its service provision through ICT service procurements. The ICT service procurements cannot be considered to have resulted in cost savings, but some procurements have resulted in improved services and time savings for in-house staff. From the perspective of staff who make ICT service procurements, the level of procurement competence was assessed as good, even though staff called for more ICT service procurement training.

As regards ICT service procurements and projects, development needs were identified in both management and project steering. According to a survey carried out as part of the assessment, procurement officers would like more feedback on their work. More resources have also been needed for carrying out procurements. The importance of documentation has been recognised, as careful documentation would help with both the familiarisation of staff and the ability of decision-makers to make informed decisions.

Successful ICT service procurements require that users are taken into account in the planning, commissioning and day-to-day use of the procurement. The findings of the assessment suggest that there could be more communication on procurement and projects within the Division. While there is good consultation with in-house staff of the Division when defining the terms and requirements for ICT service procurements, there are diverging views on consulting external clients.

In the survey conducted as part of the assessment, half of the respondents stated that they had received training on ICT procurements in the last three years. Many also felt that they have a good grasp of the essentials of procurements. However, when asked whether they have a need for training in ICT service procurements, more than half of the respondents stated that they felt they needed more training in ICT service procurements.

One of the key steps in the ICT procurement process is the collection and analysis of customer feedback. Accordingly, customer feedback has been collected on the ICT service procurements made, and the feedback has been good. However, for some individual procurements, the collection of customer feedback has been identified as an area in need of improvement, as feedback may have been collected only informally.

Both successes and areas needing improvement have been identified in the major system development projects carried out by the Education Division. In both the ASTI and TOPA projects, one of the identified areas for improvement was a lack of documentation or its poor availability, which became more pronounced with staff turnover. Accordingly, the information management service department of the Education Division has begun developing an ICT project model as part of the ongoing ICT architecture work. When completed, the ICT project model will include written documentation guidelines.

The Audit Committee concludes that

the information management service department of the Education Division must

- ▶ ensure that ICT service procurements and projects are managed in a systematic and goal-oriented manner.
- ▶ develop internal communication and information provision regarding ICT service procurements.
- ▶ ensure that staff involved in ICT service procurements receive sufficient and regular training related to ICT service procurements.
- ▶ ensure that customer feedback is collected on the success rate of ICT service procurements.
- ▶ establish a practice for documenting and monitoring the benefits, lessons learned, successes and failures of procurements.



**Helsinki is
attractive to
talent and
businesses**



The City's business services, cooperation with higher education institutions and investment attraction



Has the City developed the operating conditions of businesses in Helsinki?



The City has developed the operating conditions of businesses in Helsinki, but there is a shortage of small industrial plots.

Main question of the assessment:

Has the City been successful in supporting the strengthening of business and innovation environments?

Sub-questions:

1. Has the City established an operating model for the placement of businesses?
2. Has the City strengthened cooperation with higher education institutions and supported the development of university campuses into strong innovation and competence clusters?
3. Has the Economic Development Department succeeded in improving the smoothness and availability of services for businesses?

The assessment also looked at how the City has promoted attraction of important talent.

According to the Helsinki City Strategy 2021–2025, the City must ensure that there are location opportunities for various business activities to meet the needs of businesses. The City also aims to invest in start-up services during the strategy period, aimed at people considering starting a business and early-stage entrepreneurs. The strategy also states that the City is to cooperate closely with the universities, higher education institutions and student network of the Helsinki Metropolitan Area to promote international-level teaching and research conditions, as well as the City's strategic goals.

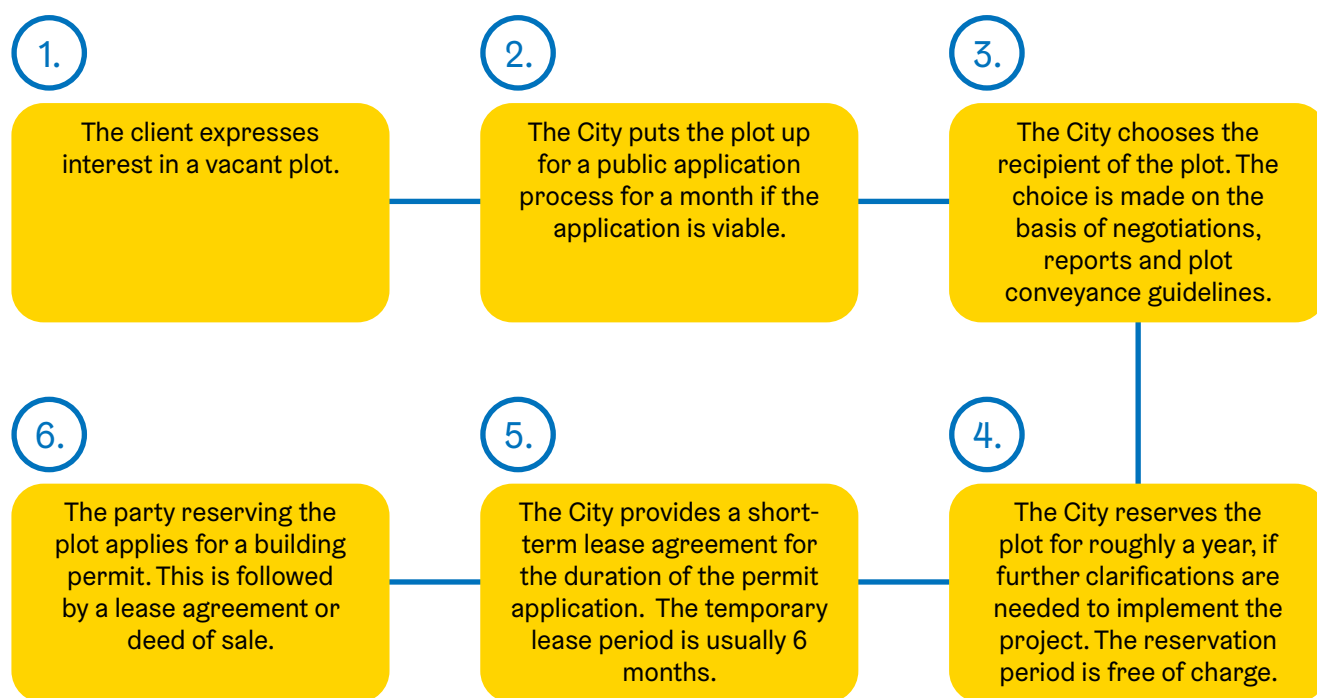
The promotion of the aforementioned strategic goals was mainly examined from the perspective of the Economic Development Department of the City Executive Office. Written material and monitoring data from implementation programmes were used as assessment materials. In addition, three interviews were carried out during the assessment, involving a total of nine experts from the Economic Development Department. A separate email inquiry was sent to the Head of the Plots Unit of the Urban Environment Division. The assessment also involved a visit to the City Executive Office. The materials were mainly collected during autumn 2024.

Industrial plots are conveyed in accordance with the plot conveyance guidelines

The Economic Development Department has limited means to influence the location decisions of businesses. The role of the Economic Development Department is mainly limited to advisory services and influencing the internal workings of the City organisation in the preparation of matters. Larger-size businesses generally know how to proceed if they want to locate their operations in an area of the City. Several commercial operators also provide premises and intermediation services to businesses. There have been no changes to the City of Helsinki's plot conveyance guidelines since 2019. The aim of plot conveyance operations is to provide residential and commercial plots for projects that contribute to the strategic, land use related and financial objectives of the City. The second objective is to ensure that the plot conveyance process takes into account the City Strategy, the programme for housing and related land use, and the objectives set out in economic policy programmes. The third objective is to ensure equality and transparency in the plot conveyance process. Figure 11 shows the progress of the process of conveying plots for business premises.

The City has plenty of office plots to offer, but only 16 industrial plots were unoccupied in December 2024. Of these, 12 were available for leasing and four for sale. The industrial plots for sale were to be purchased as

Figure 11. The conveyance process for business premise plots.*



* Source: The information has been collected from the Urban Environment Division

a whole, and the buyer was to redeem the City's land holding company. In recent years, the City has not drawn up detailed plans for any new small industrial plots, even though there is demand for them.

The needs and priorities of areas may change during the long planning process. Plans rarely become completely different, but it is in their nature to become more detailed rather than more general.

An example of this is the Östersundom area, where the business area in the new local master plan draft has been significantly reduced from the previous plan. The reduction of the planned business area to roughly one third of its previous size will reduce the City's ability to provide industrial plots for new businesses, among other things. However, the Östersundom local master plan will allow for new job areas in Helsinki in the future, and its surface area is perceived as significant.

The results of the 2024 business survey show that operators' willingness to recommend Helsinki as a business location has decreased between 2018 and 2024. However, in recent years, more businesses have been founded in the city than have closed. The number of businesses has increased by an average of a few thousand per year.

The City's land use objectives are partly contradictory

The City's rapid growth has created challenges, as due to the city structure becoming denser, it is increasingly

difficult to find a suitable place for certain types of business activities that require space. The City has sought to respond to the different spatial needs and growth opportunities of the business sector, e.g. by defining business policy objectives for land use (ELMA) in 2022. It is not yet possible to say whether the guidelines of ELMA have had time to influence the City's operations and policy-making.

Helsinki also has a number of other programmes and objectives, some of which are in conflict with the objectives of ELMA in some respects. Some of the objectives, particularly those relating to business districts and the city centre, have been overshadowed by others. Conflicts between the objectives of ELMA, the City Strategy and the guidelines of other programmes are most often revealed in the more detailed planning or implementation of areas and projects. For example, the targets set for the City's housing production and, more generally, land use efficiency often supersede business policy objectives. From the point of view of the operating environment of businesses, the problem with the situation is that while some business districts have been converted into residential areas, there are few new business premise plots being planned. Business premise and office plots are an exception to this.

The City has strengthened cooperation with local higher education institutions

Helsinki cooperates closely and extensively with the higher education institutions of the Helsinki Metropolitan Area. A coordination group was set up in

2020 to organise cooperation carried out by different operators of the City. The most important strategic partnerships are with the University of Helsinki, Aalto University and Metropolia University of Applied Sciences. The City has an ownership relationship with Metropolia. Cooperation with higher education institutions includes, among other things, meetings with senior management. Cooperation is also carried out on advocacy. Strengthening the research, development and innovation (RDI) activities of operators in the area is one of the City's advocacy priorities. Efforts are made to ensure that the needs of Helsinki and the Metropolitan Area are taken into account in national decision-making and funding related to education, research and innovation in cooperation with higher education institutions, RDI operators and the business sector.

The cooperation carried out with higher education institutions by the Economic Development Department of the City Executive Office strengthens the capacity of higher education institution partners to produce innovation and business services. Success is measured by how the conditions for creating innovations have developed, and indirectly by factors such as the number of new businesses and jobs created. In the 2021–2025 council period, the activities of the Economic Development Department have focused on matters such as developing the operations of the Viikki and Kumpula campuses, promoting the sharing of information within the City, developing incubator operations, channelling innovation funding, clarifying the themes of cooperation with higher education institutions, and developing and resourcing the University of Helsinki's innovation and entrepreneurship services.

In recent years, the City has successfully worked with higher education institutions to develop on-campus business incubators that promote research-based entrepreneurship, for example. The incubators are intensive training and mentoring programmes that provide start-ups with coaching for developing and growing their business. The Campus Incubators programme, initiated by the City in 2021, has activated the region's higher education institutions to develop new incubators on their campuses. The programme is funded equally by the City and the participating higher education institutions. The Campus Incubators programme has developed the operations of the incubator network, increasing the exchange of information and mutual learning between incubators. To continue the programme with the strategic higher education institution partners from 2025 to 2027, the City granted EUR 1.5 million in annual funding to it at the beginning of 2025.

One of the City's main tools in its cooperation with higher education institutions is funding for RDI projects. Funding from the Helsinki Innovation Fund results in new programmes and projects together with funding

from partners and other sources. Without funding and support from the City, some projects might not get off the ground. Other tools include innovation groups to ensure that the region's innovation and entrepreneurship service paths are as comprehensive as possible, and bringing partners together with both domestic and international funders and operators.

City-funded projects are co-financed, and Helsinki's contribution is, as a rule, no more than half of the budget of each project. Funding granted from the Innovation Fund has been significantly reduced in recent years. In 2020, the funding was EUR 7.5 million, but by 2023 it had fallen to EUR 1.5 million. The reduction in funding has had a major impact on innovation operations and has also affected the City's reputation as an innovation operator. Similar funding opportunities are mostly not available in other cities, so the Innovation Fund has played a major role in attracting RDI activities to Helsinki.

The availability and efficiency of business services has been developed

The Business Services Unit of the City Executive Office's Economic Development Department focuses particularly on business advice for start-up entrepreneurs and coaching for early-stage growth companies. It is also tasked with promoting innovation cooperation with businesses, universities and higher education institutions. The primary aim is to reach people who are ready to start a business but still need support and advice. The Business Services Unit has reached a wide range of target groups. In addition to various business information events and individual business advice services, the Business Services Unit has organised training courses and events focusing on various themes for its client groups. In addition to advice on starting a business, it is important to be able to identify high-risk situations where it is more likely that the entrepreneur will become over-indebted and the planned business will fail.

The City has also provided the RDI projects of businesses of different sizes with opportunities to develop, test and pilot products in genuine environments and services and with end-users. This cooperation has provided the City with an opportunity to commission solutions to improve the quality of life of Helsinki residents, such as self-measurement points related to health and wellbeing. In the future, the aim will be to target business services more at different groups, whereas so far, the service concepts have been almost identical for all groups.

The objective of the Business Services Unit of the City Executive Office's Economic Development Department is to meet the needs of individual businesses even better by offering services tailored to specific target groups. More personalised services will be developed

in sections. In the future, some client needs could be met by increasing self-service opportunities. Needs and target group specific development is believed to be a more effective way to promote entrepreneurship and the vitality of the City. It is difficult to assess the performance of the Business Services Unit because it is not possible to show directly how the businesses that participated in the business advice services and other business services would have fared without the business services provided.

Helsinki has taken measures to attract important talent

In promoting the attraction of talent, Helsinki has actively created services that promote work-based immigration and help newcomers settle in the city. The regional joint service International House Helsinki provides early-stage advice and authority services for immigrants under one roof to support their settling in. The City has also organised a spouse programme to strengthen the commitment of international talent to stay in the city by helping the whole family to settle in and network. In addition, Helsinki has developed its English-language education offerings. The Talent Helsinki project promotes encounters between employers and international talents by creating practices that support employers in recruiting international talents and facilitating their attachment to the labour market.

Conclusions

Helsinki has been successful in supporting the strengthening of its business and innovation environments. There is an operating model in place for the placement of companies, and cooperation with higher education institutions has been strengthened. The City Executive Office's Economic Development Department has been working to improve the efficiency and availability of services for businesses.

The vast majority of businesses locating in Helsinki do not need the City's help in their placement processes. Several commercial operators provide premises and intermediation services for businesses, which means that the role of the Economic Development Department is mainly limited to advisory services and influencing the City organisation internally in the preparation of matters. The city's rapid growth rate also poses challenges to the business environment, as space for certain types of business becomes increasingly difficult to find as the city structure becomes denser. Although the area of the business areas in the Östersundom local master plan has been significantly reduced compared to the previous plan, the area is still considered to be important for business activities. The operating environment of businesses is challenging for businesses whose characteristics are not suited to a dense city structure. The City has not

planned any new small industrial sites in recent years, even though there is demand for them.

The targets set for housing production and, more generally, land-use efficiency often supersede business policy objectives. The City has sought to respond to the different spatial needs and growth opportunities of the business sector e.g. by defining business policy objectives for land use. However, it is still too early to assess the impact of the objectives on the City's operations. According to the results of the business survey, the willingness of businesses to recommend Helsinki as a business location has decreased between 2018 and 2023.

The City has succeeded in strengthening the innovation system by actively working as a partner of higher education institutions, research institutes and businesses in research, development and innovation operations. The Business Environment Unit of the City Executive Office's Economic Development Department has invested in cooperation with higher education institutions and has aimed to ensure a good framework for strengthening innovation and entrepreneurship operations. The success of cooperation with higher education institutions is measured by the number of projects, the funding that they receive and the scope of operations organised, as well as how the conditions and services for the creation of businesses and innovations have developed. Successes are also measured indirectly by the number of new businesses and jobs created. The Innovation Services team of the Economic Development Department has developed and provided services that have enabled businesses and research, development and innovation operators to test and develop new solutions in a genuine urban environment. However, the City's funding for projects has decreased, which has also affected the City's ability to promote innovation operations and Helsinki's reputation as an innovation operator.

The Economic Development Department has succeeded in improving the availability and efficiency of services for businesses. The Business Services Unit has provided targeted advice and development services for different target groups and organised events and training courses. The aim has been to reach a wide range of target groups through events organised by the City and other operators. In the future, the Economic Development Department will aim to better target services and make its service concept more target group specific to be able to meet service needs in a more personalised manner. Assessing and measuring the performance of the Business Services Unit is challenging. For example, it is difficult to show how businesses that have participated in the business advice services and other business services would have fared without the business services provided.

The Audit Committee concludes that

the Economic Development Department of the City Executive Office and the Urban Environment Division must

- ▶ ensure that there are placement opportunities that meet the needs of different types of businesses, in line with the City Strategy.

the Economic Development Department of the City Executive Office must

- ▶ further develop the assessment and measurement of the effectiveness of the Business Services Unit.
- ▶ ensure that the City has the capacity to actively work as a partner of higher education institutions, research institutes and businesses in the Helsinki region in research, development and innovation operations.



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Accessibility of daycare facilities and the achievement of pedagogical objectives



Are the daycare facilities accessible and functional as a learning environment?



Yes, they are for the most part, but there is a lack of enclosable quiet spaces

Main questions of the assessment:

1. Are the daycare facilities physically accessible?
2. Do the daycare facilities provide a pedagogically sound learning environment for the needs of children at different stages of growth and development?

In addition to the previous questions, the assessment also looked into the experiences and views of daycare facility users regarding the health and safety of daycare facilities and how children, staff and parents are involved in the planning processes of daycare centres.

The Helsinki City Strategy 2021–2025 states that the City will expand the number of locations offering early childhood education services, so they will be available closer to residential housing and popular commuter routes, thereby making the principle of a local daycare centre near every home a reality. The strategy's objectives of improving the working conditions of staff and including physical activity in every day of early childhood education and care also steer the implementation of early childhood education and care facilities. According to the Act on Early Childhood Education and Care, the early childhood education and care environment must be instructive, promote learning, and be healthy and safe, taking into account the child's age, development and other preconditions.

The assessment materials were mainly collected between September and December 2024. The key assessment materials consist of qualitative materials describing the user experience of daycare facilities. The assessment involved visiting four different types of daycare centres, guided by the daycare centre directors. One of the visits was carried out as an assessment visit by the second sub-committee of the

Audit Committee. Additionally, user feedback and client surveys, interviews, phone calls and email inquiries to experts of the Education Division and the Urban Environment Division were used as materials. These were supplemented by documents and statistics.

The Education Division and the Urban Environment Division are jointly responsible for ensuring that adequate and appropriate facilities are available for early childhood education and care. The divisions cooperate on all procedures concerning early childhood education and care facilities: service and facility network planning, facility projects, the management and maintenance of daycare facilities, and facility safety. Facilitating the pedagogical objectives, i.e. play, physical activity, relaxation and learning, in the facilities is the responsibility of the Education Division. Pedagogy refers to the systematic and goal-oriented operations of professionals to promote children's wellbeing and learning. The legally prescribed healthiness and safety of the facilities is the responsibility of the Urban Environment Division.

The amount of space reserved per child and the space costs of daycare centres have increased

According to statistics compiled by the Kuusikko working group of Finland's six largest cities, the nominal space costs of daycare centres in Helsinki have increased by 53% from 2019 to 2023. The comparison of nominal costs does not take into account changes in the value of money over time. When the effect of changes in the value of money is removed, the increase in space costs over the same period was 38%. Therefore, 15% of the change is explained by price increases.

In September 2024, the Education Division had a total of 338 daycare centres or pre-primary education locations. Some of the daycare centres had groups of children at several different addresses. As some of the daycare centres operate at several different addresses, the City had a total of 439 daycare centre premises. The calculation excludes temporary facilities, facilities under construction or vacant, and daycare facilities in private use. Roughly half of the daycare centres were located in a separate building intended for daycare use, a quarter in residential

apartment buildings and 10% at schools. The rest of the daycare centre premises were located in buildings intended for offices or social welfare and health care operators, or in the buildings of associations and clubs, for example.

In September 2024, about 70% of the daycare centre premises were owned by the City of Helsinki and about 15% by Helsingin kaupungin asunnot Oy, according to the City's property management system. The remaining premises were owned by operators such as real estate and housing companies, associations or insurance companies. The management of facilities used by the City is organised in such a way that the divisions lease facilities from the Urban Environment Division for organising their activities.

In September 2024, there were around 30,000 facility places at early childhood education and pre-primary education units, of which around 2,400 were in Swedish-language services. The number of facility places means the number of children for whom space has been reserved. As a rule, the number of facility places at daycare centres is calculated on the basis of the floor area and the air flow rate of the daycare facility. The number of facility places at daycare centres has increased every year from 2020 to 2024. At the same time, the number of children at the City's daycare

centres has remained relatively stable. The total amount of daycare facility space per child and per square metre has also increased between 2020 and 2023 (Table 6). There is no comprehensive data on the size of the yard facilities of the City's daycare centres in square metres, nor is the amount of yard space per child monitored. Providing adequate outdoor play space as regulated can be challenging in a densely built and traffic-heavy urban area.

Swedish-language daycare centres are clearly smaller than Finnish-language ones. In September 2024, the average number of facility places at early childhood education and care units operating at a single address was 91 in Finnish-language services and 47 in Swedish-language services (Table 7).

The daycare facilities are usually located near the child's home

In 2020, the Education Committee decided on planning principles for the service network of Finnish-language early childhood education and care (ECEC), pre-primary education and basic education. According to these principles, the Division will jointly review the services and service needs of ECEC, pre-primary education and basic education in each major district so that the child's learning path from ECEC to basic

Table 6. Volume of the Education Division's daycare facilities in total and per child, square metres.*

Space usage indicator	2020	2021	2022	2023
m ² in total	271,471	274,534	282,394	287,441
m ² /child	9.8	10	10.2	10.6

* Source: Education Division

Table 7. The average number of facility places at daycare centres in Finnish-language and Swedish-language early childhood education per daycare centre and the number of facility places at the smallest and the largest daycare centre.*

Indicator	Finnish-language early childhood education and care	Swedish-language early childhood education and care
Average number of facility places per daycare centre	91	47
Number of facility places at the smallest daycare centre	27	16
Number of facility places at the largest daycare centre	302	104

* Source: Education Division

The statistics include only daycare centres with all groups operating at the same address. The statistics do not include preschools operating as separate units in connection with daycare centres providing Swedish-language early childhood education and care.

education is smooth. The aim is to ensure that the local daycare centre and local school principle is realised as well as possible.

When a parent or guardian applies for a place in ECEC for their child, they submit one to three applications, which are considered in order. The child will be assigned an appropriate place close to their home, depending on the availability of places.

Based on travel times derived from early ECEC place decisions, daycare facilities are generally easily accessible on foot or by public transport. Places in Finnish-language ECEC in particular are close to the child's home, on average 11 minutes away on foot or by public transport. In Swedish-language ECEC, the average distance from the child's home to their assigned ECEC place is slightly longer, at 17 minutes. Although the early childhood services do not have an actual target for the travel distance to a daycare centre, the benchmark used in the assessment is the target outlined in the City Strategy that local services should be reachable within fifteen minutes by foot, bicycle or public transport. The average travel times from the child's home to the daycare centre do not seem unreasonable compared to the City Strategy's definition of local services. The City Strategy's objective of having the daycare centre located along the family's travel route has not been assessed, as there is no information on families' travel routes and distances.

The average travel time for Finnish-language early childhood education and care did not change between 2022 and 2024, but the average travel time for Swedish-language services has increased. Although it is not possible to make the Swedish-language service network as dense as the Finnish-language one, a higher proportion of the places requested for Swedish-language ECEC can be provided than of those for Finnish-language ECEC. The Swedish-language service has been better able to fulfil place requests because it has been able to expedite the processing of applications. As such, the vacancies have been better known at the meetings where the applications have been discussed.

The challenge in reducing travel times to the daycare centre is that the child must be provided with an ECEC place in accordance with their needs. The occupancy rate of facility spaces varies from month to month. If the start date in ECEC is at a time when places at nearby daycare centres are full, families may be assigned a place far away. However, they can later transfer the place to a daycare centre located closer by. There are usually good public transport connections to daycare centres.

The aim is to decommission unsuitable daycare facilities

For the 2021–2025 strategy period, the Education Division has not had a policy on the size of daycare

centres. The size of new daycare centres depends on the size of the plot and the needs of the area. Daycare centres with 120–240 facility places have been planned as new construction projects. Building very small daycare centres is not sensible from a cost point of view, because the smaller the unit, the higher the price per square metre. At small daycare centres, even minor staff absences and changes make the operation of the daycare centre much more difficult. For example, special needs teachers' use of working time is also more efficient if daycare centres are larger, because the time spent by the special needs teacher on travel will be reduced.

The ECEC services of the Division have vacated some facilities that were in poor condition or unsuitable for pedagogical activities in ECEC. For example, entry to a daycare centre located in an apartment building may be via several different stairwells. It can sometimes be difficult to decommission daycare facilities, e.g. due to opposition by parents. The children's guardians are usually unaware of the challenges posed by inappropriate facilities in the everyday operations of daycare centres.

The daycare facilities facilitate physical activity, but there is a lack of quieter spaces

Based on the user experience materials used in the assessment, physical activity is provided well at the daycare centres. Physical activity is provided within the daycare centres, in gyms shared with schools, and in the yards and surroundings of the daycare centres. Separate gym sessions are also available for daycare groups in other facilities if necessary.

Some daycare facilities provide good opportunities for play, relaxation and learning. However, according to the users of the facilities, there is a lack of smaller, quieter spaces at the daycare centres. According to the daycare centre directors interviewed during the visits, such spaces would also be needed for children's therapy sessions and for discussions between parents and the staff. The 2023 facility design guidelines for new and renovated learning environments require that each daycare centre building include small spaces. According to the facility design guidelines, daycare centres are to have multi-purpose spaces that are not reserved for specific uses. For example, children's group spaces can be used for discussions and therapy sessions.

The staff and the children of daycare centres can find open spaces noisy. Over the past five years, several early childhood education and care facilities have been completed with a vision of open learning environments as the design principle. This vision has since been abandoned. As it takes several years to complete a daycare centre from the start of planning to the commissioning of the facilities, it will be a long time before daycare facilities that comply with the updated design

principles are completed. The Education Division has adopted a procedure to transform learning spaces that have already been completed but are perceived as too open to make them more suitable for achieving the pedagogical objectives of play, relaxation and learning.

Converting old facilities for daycare use can be difficult

The visits to daycare centres carried out during the assessment showed that it can be difficult to adapt old daycare centres, especially those protected by building conservation regulations, for a diverse pedagogical use. However, there are also some old or protected facilities in daycare use that work well. Especially in the densely built inner city, daycare centres have to be located in old buildings to avoid excessive travel times. The functionality of the facilities also depends on how well the staff are able to use them pedagogically. A pedagogical specialist has been hired by the Education Division to guide facility users.

Responsibilities for maintenance, repairs and alterations are unclear to facility users

The responsibilities for various maintenance, repair and alteration works and property management are unclear to facility users, as the responsible parties and service providers vary from one task to another. Minor problems reported via an electronic maintenance log can be fixed quickly. So-called functional alterations, which are implemented by the Urban Environment Division through a decision by the Education Division's learning facility design services, can take a long time. Examples of functional alterations include rearranging the facilities, building walls, improving the acoustics or changing the fixed furniture. Not all desired alterations can be carried out each year due to the limited budget available for functional alterations. An issue may not be fixed at all if it is at the bottom of the list of all learning facilities that need to be altered or repaired. The assessment findings show that it is not always clear to daycare centre managers and staff why the requested alterations have not been carried out or what the schedule for the work is. At daycare centres, the functional alteration process is seen as bureaucratic.

Inadequate ventilation and an overabundance of items pose challenges

As regards health concerns, daycare centre users have brought up inadequate ventilation and problems caused by heat and a lack of shade, which have been increased by climate change. Problems with indoor air quality at daycare centres have not been observed much in recent years, and there is a procedure in place to tackle indoor air problems in the City's premises that users have generally been satisfied with. According to the 2023 facility design guidelines of the Education Division, playground construction and renovation projects are to preserve the existing trees as much

as possible, plant vegetation that provides shade and build shade structures. The Urban Environment Division, in cooperation with the Education Division, will survey the shading of daycare centre yards by 2027. From the point of view of facility users, the most important safety issues are the problems caused by a lack of safety in the surroundings of the daycare centre, yard fences that are perceived as too low by the staff in some places, entrance halls that are perceived as inadequate, and an overabundance of items. According to the management of the early childhood education and care services, it is the responsibility of the staff to organise the items, but according to information received from the daycare centres, the staff may feel that they do not have the time or that it is not their job to organise items. Organising the recycling and disposal of unnecessary items at the daycare centres has also been a challenge.

The heights of both the higher fences around the yard and the lower dividing fences in the yard delimiting access routes, for example, are specified in the design guidelines for learning environments. According to the Director of Early Education and Care and experts of the learning facility design services, dividing fences in yards that are too high can be a safety risk, as staff need to be able to move quickly over the fence to different parts of the yard if necessary, e.g. in the event of an emergency.

The long duration of facility projects makes user involvement difficult

Staff, children and residents are involved in the planning of daycare centres at various stages of the long planning process. Information on upcoming facility projects over the next ten years is presented annually in the budget of the City. It has not always been possible to inform guardians and staff in good time about projects concerning leased facilities, as they cannot be announced before the lease agreement is signed. As a result, the Education Division has had challenges with communicating about service network planning, as the regional managers of early childhood education and care units have not always been able to share information about upcoming projects in their respective areas. In the future, gaps in information provision will be prevented through learning facility design service specialists presenting upcoming projects at least once a year at regional supervisor meetings. The Education Division is stepping up its involvement of users in facility projects and communication about them.

The only opportunity for guardians and other residents to influence the location of a daycare centre is during the detailed planning phase, which is early in the overall planning process. The problem is that daycare facilities can take up to 30 years to complete from the start of the detailed planning process. Those residents of the area who have ECEC-aged children at the time of the detailed planning process are not the same people

who have ECEC-aged children when the daycare centre is completed. Furthermore, during the detailed planning phase, all residents, including those who wish to see the area or facility used for purposes other than services for families with children, can have their say on daycare centre projects.

Complaints about the City's plans and projects have generally increased. In addition to this, parents of children in early childhood education and care may give heated feedback on daycare centre projects. Participation in discussions on daycare facilities is not equal. It is often the well-off who are active, whereby equality between regions can be jeopardised if only the wishes of those who have expressed their opinion on the planning process are taken into account. City staff involved in the planning process aim to ensure equality between different areas and that children, staff and guardians are appropriately involved in facility projects.

Conclusions

The City of Helsinki's daycare facilities can be easily reached on foot or by public transport, and for the most part, they provide a good learning environment corresponding to the needs of children in different stages of growth and development. However, user experiences suggest that some daycare centres do not have enough enclosable quiet spaces that would allow for play, relaxation and learning in smaller groups and would be suitable for children's therapy sessions and staff-parent discussions. Based on the assessment findings, the daycare facilities provide good opportunities for physical activity.

In 2023, the Education Division adopted new design guidelines for learning environments, which require

daycare centre buildings to also include small spaces that can be delimited. It will be a long time before daycare centre buildings complying with the new guidelines are completed, as facility projects take a long time.

Responsibilities for maintenance, repairs, alterations and property management are unclear to some facility users, and implementing functional alterations is perceived as slow and bureaucratic. Furthermore, in some cases, facility users are unsure about the implementation and schedule of the repairs and alterations that they have requested. Guardians and staff have not always been informed early enough about facility projects.

The Audit Committee concludes that

the Education Division and the Urban Environment Division must

- ▶ ensure that daycare centres feature sufficient enclosable quiet spaces.
- ▶ inform users of the daycare facilities more clearly about the responsibilities and progress of maintenance, repairs and functional alterations to the property.
- ▶ provide timely information on changes affecting daycare centres in the area, to both the staff of the daycare centres and the families whose early childhood education and care places may be affected by the changes.



An equal and international Helsinki



Swedish-language social and health services for families with children



Have services for Swedish-speaking families with children been developed in line with the objectives?



For the most part, yes. The small number of staff makes the operations more vulnerable than those in Finnish.

Main question of the assessment:

Has the City promoted access to social and health services for Swedish-speaking families with children?

Sub-questions:

1. Have the availability and competence of Swedish-speaking staff been promoted?
2. Have Swedish-language services been developed in line with the objectives?
3. Do Swedish-speaking families with children receive service in their native language in social and health services?

The Language Act safeguards linguistic rights prescribed in the Constitution. The Language Act states that everyone has the right to speak Finnish or Swedish with a bilingual authority. Helsinki is a bilingual municipality as per a Government Decree. The City Strategy 2021–2025 states that Helsinki develops Swedish-language services. The City's 2024 budget and the 2023–2025 service strategy of the Social Services, Health Care and Rescue Services Division also state that access to Swedish-language services must be secured. The previous bilingualism plan for the Social Services and Health Care Division is from 2021, while the plan for Rescue Services is from 2020. In 2024, these were in the process of being updated into a common bilingualism plan for the Division.

The aim was to assess the achievement of the objectives set for the development of Swedish-language services and bilingualism. The assessment focused on maternity and child health clinics, school health

care services, social guidance and home care for families with children, special services for families and some child welfare and family social work services. The assessment involved interviews with supervisors in charge of the services and representatives of the National Languages Committee. Inquiries were also made to the medical services of the Division's school health care and maternity and child health clinics, HR services, legal and supervisory services, communications department, and the Swedish-language working group of the regional cooperation network for the well-being and health of children and young people. Most of the materials were collected in early autumn 2024.

It is difficult to perceive the overall picture of Swedish-language services

The service chain for social and health services for Swedish-speaking families is different from that for Finnish-speaking families. Some services are centralised to certain regional units or may be e.g. purchased from organisations or private businesses. The most significant change in the family centre operating model for Swedish-speaking residents was the centralisation of services to the Kallio Family Centre, which opened in 2019. According to those interviewed for the assessment, the range and network of services in Swedish is relatively difficult to perceive, which can make it difficult to find the right service. An electronic service map of Swedish-language services was created for clients in the early 2020s. However, the website was closed due to problems with the technical functionality of the map.

Services for Swedish-speaking families differ somewhat from those for Finnish-speaking families due to reasons such as the number of Swedish-speaking clients being smaller than that of Finnish speakers. In many services, it may be necessary to utilise purchased services so that the worker is not too close to the client family. It has also been observed that in the services of Child Welfare, Swedish-speaking clients may prefer to seek services in Finnish in order to avoid being identified. Swedish-speaking clients are therefore well catered for, but not all of them make use of the services intended for them. Swedish-speaking families use some early-stage services, such as home

services for families with children, less than their numbers would suggest. It has been observed that families seek help at quite late stages.

Generally speaking, the involvement of cooperation partners and clients in the development of services is being realised. Although client surveys do not specifically monitor the implementation of services in Swedish, the interviewees found that Swedish-speaking customers are often very knowing and express their views on services.

The Swedish-language operations of the social and health services are organised in a network-like and varied manner within different services and units. Management is seen to be largely effective.

Some Swedish-language client services are lacking

Swedish-language maternity and child health clinic services are provided well, and the situation of Swedish-speaking families has improved thanks to the centralised family centres. The availability of Swedish-speaking staff has also improved compared to the past. However, availability may vary and be poorer than in Finnish-language services, especially during the summer holiday period when services are only available in certain locations.

The physical location matters in maternity and child health clinic services, but even more so in school health services. The sizing of nursing staff in school health care has been implemented well, and the availability of Swedish-speaking nurses was good in 2024. By contrast, there has been a long-standing shortage of full-time school and student health care doctors. The City uses a purchased service to make up for this deficiency. In spring 2024, slightly more pupils on average had access to a designated school doctor at Swedish-language schools than at Finnish-language schools. However, access to the service is not realised practice as prescribed by law at small schools, which is the case for some Swedish-language schools. At small schools, the problem is finding suitable facilities for school health care services.

In social guidance for families with children, only Swedish-speaking families with school-aged children occasionally have a waiting list for social guidance services. In some services, Swedish-speaking clients have been able to access the service more smoothly than Finnish speakers. These services include the family counselling clinic, speech therapy and the services of a maternity and child health clinic psychologist.

In child welfare service needs assessments and some of Child Welfare's non-institutional services, the availability of services in Swedish is quite good. However, some services are lacking. In particular, in family work, at the temporary care unit, in intensive family work

for young people and in Toivo activities specialising in children with serious criminal or substance abuse problems, services cannot be provided in Swedish. These services are provided as a purchased service where necessary.

There are deficiencies in access to the medical services of maternity and child health clinics and school health care, regardless of language. A doctor's examination may need to be carried out at a health centre. Doctors usually have good language skills.

Based on the interviews, physical access to Swedish-language services was not generally considered to be problematic, save for occasional cases in maternity and child health clinic services and at small schools. Many of the services are provided at the client's home or by a worker moving from one area to another.

In several services, the growing number of multilingual families was seen as a challenge. Many families are bilingual, even trilingual, and all family members need to be understood. In a bilingual municipality, the use of interpreters is not allowed when serving in Finnish or Swedish, but interpreters may be needed for other languages. For example, a nurse at a maternity and child health clinic may have to speak several languages when interacting with a family. Furthermore, the clients of some services, such as adoption counselling, seem to have a constant need for English-language services today. In services such as speech therapy, non-Finnish or Swedish-speaking clients are over-represented.

Communication in Swedish and the monitoring of service delivery have improved

The City of Helsinki overhauled its website between 2021 and 2023, after which the pages of the site have been systematically translated into Swedish. All communication materials are also translated into Swedish. The Social Services, Health Care and Rescue Services Division has a person responsible for Swedish-language communication and an in-house Swedish translator. In October 2024, a list of Swedish-language social and health services was available on the website. Communication to residents and service clients is carried out in a multi-channel, multilingual and accessible manner, including in Swedish. In some individual services, texts for the client need to be translated separately, which must not be forgotten. Electronic services have been promoted.

The e-services of family and social services are provided in different languages. The Maisa client portal of the Apotti client and patient information system allows users to choose a Swedish-language version. Examples of other e-services include Omaperhe, Sotebotti Hester and the 'Need help?' button. All responses are translated into Finnish, Swedish and English. However, it is not always possible to translate responses to

clients in real time. A Swedish-language chat service is available for maternity and child health clinic services, but not for other services.

One problem with the Apotti client and patient information system is that it is in Finnish. Information for Swedish-speaking clients must always be translated into Swedish, and communication must not mix languages. In health care, appointments are documented into Apotti in Finnish, but the texts have to be translated into Swedish for the client, making real-time reporting challenging. In social services, entries are made into Apotti in Swedish with special authorisation. Since the worker cannot see what kind of report the client will eventually receive, client communication may be partly in mixed languages.

The monitoring of the implementation of Swedish-language services has been intensified. When the National Languages Committee was established at the beginning of 2023, a new Swedish-language Special Planning Officer was hired. The Special Planning Officer coordinates the work of the National Languages Committee. The National Languages Committee has launched its work actively.

The Act on the Supervision of Social Welfare and Health Care, which entered into force in 2024, increased the monitoring and reporting of service provision. The implementation of Swedish-language services is also monitored systematically as part of self-monitoring. Self-monitoring is reported on a quarterly basis.

Services may be vulnerable due to a low number of staff available

Resources have been allocated to recruiting staff through Swedish-language channels and materials. Cooperation with educational institutions has also been intensified. In 2023, close cooperation with Arcada University of Applied Sciences was launched. In 2024, a pilot service was launched to reach university students. Several services have either started or continued cooperation with educational institutions to introduce their services to students.

In several of the services assessed, a certain number of posts are reserved for Swedish-speaking staff. On average, the occupancy rate for Swedish-language posts has been good. In 2024, staff availability was better than before. An exception to this was the availability of doctors at maternity and child health clinics and in school health care. Still, the availability of Swedish-speaking staff is generally a problem, as there are far fewer posts and employees than Finnish-language ones. This also makes the Swedish-language services much more vulnerable. In some services, it is not enough for an employee to know school-level Swedish or only some Finnish, as the language skills must be at a native level, so language courses do not solve the problem.

Information on the language skills of staff and language supplements is lacking, as it is not obligatory to enter the employee's native language in the Sarastia HR and payroll management system unless the post involves a language supplement. Almost half of the employees lack a record of their native language. The Division also grants language supplements to a highly varying degree, and the system does not necessarily provide information on how much Swedish is needed or used in client work.

The availability of Swedish-speaking staff has been promoted

The Division has carried out and launched new cooperation projects with Swedish-language schools to secure recruitment. The amount of recruitment materials in Swedish has also been increased. Staff availability has been a challenge in the past, but in autumn 2024 the situation was good. The City offers plenty of Swedish language education. The Division has assigned one recruitment consultant to the implementation and development of Swedish-language recruitment processes, and a separate budget has been allocated to promoting the availability of staff.

Conclusions

The City of Helsinki has, for the most part, promoted access to health and social services for Swedish-speaking families with children.

The availability and skills of Swedish-speaking staff have been promoted. Cooperation with Swedish-language education institutions and recruitment materials have been increased. The availability of staff has been poor in the past, but at the time of the assessment, the situation was good. Swedish language education is available. The Division has allocated work resources and a separate budget for Swedish-language recruitment processes. As the availability of Swedish-speaking labour is lower than that of Finnish-speaking labour, Swedish-language services are more vulnerable. There is also a lack of information on the language skills of staff, and language supplements are granted to varying degrees.

For the most part, the City has developed its Swedish-language services in accordance with its objectives. Swedish-language services are managed within the Division in a network format, and this is perceived as working well. Attention has been paid to language skill requirements. In 2023, a new Swedish-language Special Planning Officer was recruited for the Division, and they are actively working with the National Languages Committee. In 2024, another Special Planning Officer for Swedish-language services was hired. A working group for Swedish-language services was in the process of drawing up a new bilingualism plan. The monitoring of the implementation of services in both Swedish and Finnish has improved with the new

legislation. The expertise of cooperation partners and clients is utilised in development processes. The most significant change for Swedish-speaking families was the opening of the Kallio Family Centre in June 2019, where most of the Swedish-language services have been centralised. However, it is difficult to map the range and service network of Swedish-language services, as the service chain is not the same as that of Finnish-language services.

In the majority of the services assessed, Swedish-speaking client families are provided with the same service as Finnish-speaking ones. Communication and e-services have been developed. However, the Apotti system used in client work is in Finnish, which creates extra work for employees serving Swedish-speaking clients and may result in mixed-language client communications. Some services are better available in Swedish than in Finnish, such as the services of a maternity and child health clinic psychologist and speech therapy for children. By contrast, in terms of both Swedish and Finnish-speaking doctors at maternity and child health clinics and in school health care, the situation has been difficult for a long time. Furthermore, at small schools, the availability of school nurses is poor due to a lack of suitable facilities for the service. At Child Welfare, there is a shortage of Swedish-language services, particularly in family work, at the temporary care unit, in intensive family work for young people and in the Toivo activities for young people. These services are purchased for clients where needed. There are also occasional shortages in the availability of Swedish-language maternity and child health clinic services, school nurse services and social counselling for families with school-aged children. Physical access was not generally considered to be

problematic in services other than those of maternity and child health clinics and small schools.

Based on the assessment, the fact that many families are multilingual has become a challenge. Additionally, in some services, such as children's speech therapy, non-native speakers are over-represented compared to speakers of Finnish or Swedish.

The Audit Committee concludes that

the Social Services, Health Care and Rescue Services Division must

- ▶ provide clients with an easy-to-find description of the service chain for Swedish-language social and health services for families with children.
- ▶ provide staff with a simple and clear description of Swedish-language social and health services for families with children for the purposes of service guidance.
- ▶ ensure that Apotti produces client documents in the language of the client's choice, either Finnish or Swedish.
- ▶ ensure that employees' language skills are recorded consistently in the information systems.
- ▶ apply the principle of a language supplement for employees in a uniform manner.



Reducing homelessness



Does Helsinki have sustainable means to reduce homelessness?



There is a wide range of means, but there is still room for improvement. Long-term homelessness has decreased.

Main question of the assessment:

Has homelessness in Helsinki been reduced in a sustainable manner?

Sub-questions:

1. Are the supported housing services and the allocated rental housing stock intended for reducing homelessness sufficient in the long term?
2. Has the service process for homeless people been successful in reducing long-term homelessness?
3. Has the outreach work been developed to reach the hidden homeless and provide them with access to services?
4. Have housing advice services been developed and expanded in line with the action plan?

The Helsinki City Strategy 2021–2025 sets the objective of eliminating homelessness by 2025. In the City Strategy, the elimination of homelessness means achieving a target of around 200 homeless people in Helsinki. The strategy calls for homelessness to be reduced by making use of existing supported housing and other services, as well as the City's rental housing stock. The aim is also to develop outreach work and adult social work, which contribute to preventing homelessness and reducing disadvantages. The assessment is limited to long-term homelessness and homeless people living alone.

The assessment materials were mainly collected between September 2024 and January 2025. The data was collected from experts of adult social work, outreach work, housing support, housing, income support and advisory services and the Y-Foundation through interviews, Team discussions and email correspondence. The data collection for the assessment also included an assessment visit to the Social Services, Health Care and Rescue Services Division by the second sub-committee. The assessment also utilised

reports, statistics and other written material on the subject.

Homelessness takes many forms

Homelessness is a societal problem, driven by population growth, urbanisation, economic cycles and high income disparities. Of the structural risk factors for homelessness, the most important can be considered to be the functioning of the housing and labour markets, a sufficient supply of affordable housing and the level of social security. At the individual level, risk factors include poverty, substance abuse and mental health problems, difficulties in life management, a lack of social resources and changes in life circumstances.

The homeless are defined as people who do not own or rent a dwelling and who, due to a lack of housing, live outside, in stairwells, in overnight shelters, in dormitories, in accommodation establishments, at housing service units akin to care homes, at rehabilitation units, in hospitals or other institutions, and temporarily with acquaintances and relatives.

The long-term homeless are defined as people who have been homeless for at least one year or repeatedly homeless in the last three years.

Hidden homelessness is a form of homelessness that is not necessarily shown in the statistics. Hidden homelessness is the most common among young people, women and immigrants, and it can expose people to abuse and different forms of violence.

Homelessness is concentrated in cities

Homelessness is typically a problem of cities. In 2024, one fifth of the homeless population in Finland were in Helsinki.

The number of homeless people in Helsinki is largely influenced by the cost of housing. Rental housing is readily available, but rent levels are high. It can be difficult to keep an apartment for social and health reasons. Previous rental debts also affect access to housing. The poor employment trend and the reduction in the general housing allowance and the reduction in the maximum amount of housing costs to be taken into account in Helsinki, which came into force on 1 April 2024, also make the situation more difficult.

In Helsinki, the level of homelessness is also affected by the accumulation and intergenerational nature of disadvantages and the financial and social difficulties caused by divorce. Homeless people from outside the

city also come to Helsinki because of the more comprehensive range of services, anonymity and the use and availability of substances. Helsinki has places and means of transport open 24 hours a day that make it possible to live outdoors.

However, when compared internationally, the homelessness situation in Finland and Helsinki is exceptionally good. Finland is considered to be a model country in terms of addressing homelessness. However, this does not mean that homelessness is non-existent in Helsinki or that there is no reason to develop the work to combat homelessness.

There are different options for accommodation and housing services for the homeless

The housing support unit of the housing, crisis and substance abuse services of the Helsinki Social Services, Health Care and Rescue Services Division is responsible for organising housing services for homeless people in Helsinki in accordance with the Social Welfare Act. The housing support unit has an Investigation, Assessment, and Placement Group (SAS working group) responsible for assessing the support needs of homeless clients and placing them in housing services. Homelessness services are accessed through a social worker. The conditions for access to the services are being a Helsinki resident, homelessness and a need for support and care.

Housing services include supported housing and supported housing in independent small apartments, shared supported housing, support homes and supported housing units.

The City also provides emergency accommodation for overnight or weekend stays. The shared rooms of the emergency accommodation service are free of charge. The City's own emergency accommodation facilities at the Hietaniemenkatu service centre provide an opportunity to do laundry, get washed and have breakfast free of charge, even without staying overnight. At the service centre, clients have access to a nurse, a doctor, a social worker and a social instructor. The City also provides emergency accommodation as a purchased service.

Homeless Helsinki residents can apply for health services at all City of Helsinki health centres and for social services at adult social work offices.

The sufficiency of the housing stock may decline in the future

The City of Helsinki's Implementation Programme on Housing and Related Land Use 2024–2027 sets a target of 7,000 new housing starts per year. In 2024,

the number of housing starts in Helsinki was around 3,000, compared to 5,000–8,000 in previous years. In 2023, around 8,200 apartments were completed. In 2024, the number of apartments completed decreased to around 4,100. Achieving housing production targets is hampered by the weak economic situation in construction and a lack of access to funding for projects. Furthermore, the construction of regulated forms of housing, i.e. right-of-occupancy and HITAS apartments, is coming to an end. These forms of housing have accounted for 17–20% of Helsinki's housing production.

In 2024, Helsinki's population growth was at a record level for the second year in a row, coming to a total of 10,089 people. The growth was the highest in the age group of 30–49. The population of Helsinki is expected to grow by more than 8,000 people per year in the coming years.

Helsingin kaupungin asunnot Oy (Heka) manages 51,000 ARA rental apartments and 3,000 apartments for special groups in the City's housing stock. Between January and October 2024, around 8,600 persons or family households applied for an apartment. Slightly over half of the applicants refused the first apartment offered to them. The number of housing applications has increased by more than 2,500 over the last two years. The most common selection criterion for a Heka apartment is homelessness or the threat thereof. Each year, 3,000–4,000 applicants are granted an apartment. The average rent in Heka-managed rental housing companies increased by 8.4% in 2024, being 33% lower than in the non-subsidised rental apartment stock.

Helsinki has around 1,200 places in supported housing, 85% of which are acquired as a purchased service and the rest are produced by the City itself. The number of purchased service places may vary somewhat from year to year, depending on needs. In addition, the City has 50 places in shared housing and a 31-place assessment unit. With the support of local work, it is also possible to place clients in small apartments for special groups, which in November 2024 housed 845 clients. Accessing supported housing may require queuing. Most of the people on the waiting list live temporarily with relatives and acquaintances or in the Hietaniemenkatu service centre.

Services for the homeless have been successful in reducing long-term homelessness

In Helsinki, the number of single homeless people has halved over the last six years (Table 8). In 2024, however, the long decrease was reversed when the number of single homeless people increased by 47, coming to a total of 786. However, the increase can be considered moderate when the total number of single

Table 8. Number of single homeless and long-term homeless people in Helsinki in 2019–2024 and the change thereof, %.*

Homeless people in Helsinki	2019	2020	2021	2022	2023	2024	2019–2024 change, %
Single homeless people	1,678	1,534	1,209	896	739	786	-53
Long-term homeless people	594	601	518	450	332	297	-50

* Source: Statistics of the Housing Finance and Development Centre of Finland (ARA)

homeless people is taken into account. Around 250 of the single homeless people in Helsinki lived temporarily with acquaintances and relatives. The number of people living outside, in stairwells and in overnight shelters was 200, and their number has doubled from 2023.

The number of long-term homeless people has steadily decreased since 2020, coming to around 300 in 2024 (Table 8). The long-term homeless accounted for around 38% of single homeless people.

Over the last six years, the number of long-term homeless people has halved. Substance abuse and mental health problems are common among the long-term homeless. They may have to wait for treatment and rehabilitation, which may increase the difficulty of settling into housing.

The housing support unit monitors and assesses the service process for its homeless clients by providing information on the different stages of the client's housing path. The monitoring includes the number of new clients and cases processed by the SAS working group, the number of decisions made on transferring clients to different forms of housing services and the reasons for the transfers, the supported housing waiting list situation and the queue positions of those on the waiting list, and the number of supported housing becoming vacant and reasons for these vacancies.

Outreach work has reached the hidden homeless

In 2022–2023, the outreach work unit developed a multi-professional and multi-channel outreach work model for Helsinki's social and health services as part of THL's workshop series focusing on operating models influencing social work. The project has resulted in the perception of clients receiving better-timed and more comprehensive support based on an initial assessment, as well as a wider range of service options. In addition, finding the right service for the client has become faster and the service experience has become smoother.

In Helsinki, outreach work is done on the streets and in public spaces. The workers have networked with street communities, public authorities, the third sector and other homelessness operators, obtaining more information about new people sleeping outdoors or other people in need of help. Between August and November 2024, the workers encountered 93 different people, of whom 45 were residents of Helsinki, who slept outdoors. In 2023, there were 53 such encounters. The majority of the encounters took place in the Helsinki city centre area. In Helsinki, hidden homelessness is primarily manifested in people staying with relatives and acquaintances.

In autumn 2024, the outreach work unit was involved in a process involving 15 clients sleeping outdoors, in which the clients ended up in temporary accommodation or accepting a rental apartment. The clients found the on-foot encountering approach to the work, as well as the workers' accompaniment when seeking services, to be very important.

Emergency accommodation is felt to be unsafe

Some people who sleep outdoors feel emergency accommodation to be unsafe due to intoxicated clients and therefore do not seek emergency accommodation. Substance-free emergency accommodation has been provided as a purchased service, but there is no segregated accommodation for women exclusively. In the City's own emergency accommodation facilities, women's places are segregated, but there is no substance-free space. Clients have requested more easily accessible, substance-free emergency accommodation.

The outreach work unit has found that there are not enough washing and laundry facilities for homeless people in the Helsinki area. The possibility of using the shower was removed from third-sector day centres due to legislative changes. Inadequate personal hygiene services can increase health problems and the use of health services.

Table 9. Number of initiated and completed evictions in Helsinki in 2019–2024 and the change thereof, %.*

Number of evictions in Helsinki	2019	2020	2021	2022	2023	2024	2019–2024 change, %
Evictions initiated	847	846	1,056	1,249	1,435	1,731	104
Evictions carried out, Heka	118	101	not known	160	114	230	95
Evictions carried out, other lessor	252	282	not known	397	571	614	144
Total evictions carried out	370	383	482	557	685	844	128

* Source: Helsinki office National Enforcement Authority Finland and the Helsinki Social Services, Health Care and Rescue Services Division

Housing advice client numbers are on the rise

The City of Helsinki's action plan to end homelessness for 2023–2025 defines measures for the housing advice service to develop and expand its operations into a City-wide service. Five indicators have been set for the measures, and the objectives and targets are to be achieved by the end of 2025. Four of the indicators were already achieved in 2024.

The housing advice service is a preventive service to secure housing. The housing advice service of the family and social services unit of the Social Services, Health Care and Rescue Services Division serves all Helsinki residents, regardless of their form of housing. In 2024, there were almost 25,000 client contacts and 6,000 new clients. The number of contacts increased by 62% compared to the previous year. The increase can be considered to be significant. The majority of the clients were aged 30–64, living alone and sole or co-guardians. On average, half of the contacts were about rent payments or settling rental debts. A third of the clients lived in apartments provided by private lessors. Their proportion of the client base increased by 15% compared to 2023. During 2024, the housing advice services managed to provide 428 apartments to clients at risk of homelessness, of which 153 apartments were for homeless people. Slightly over a thousand evictions were successfully prevented. The estimated budget for housing advice was EUR 1.6 million in 2024. A grant of EUR 643,000 was received from ARA for the operations.

The number of evictions initiated and carried out has increased significantly in recent years (Table 9). In 2024, 1,731 eviction threats were filed in Helsinki, and 844 evictions were carried out. The number of evictions was three times higher among tenants of other lessors than among tenants of Heka. The cost

of completed evictions, based on the average cost of evictions estimated by ARA, is around EUR 5–9 million. Had all the initiated evictions been carried out, the cost would have been around EUR 11–18 million in 2024. The role of the housing advice service in preventing evictions and homelessness can be considered to be an important and effective means of reducing financial costs.

Conclusions

Homelessness has been successfully reduced in a sustainable manner in Helsinki. The number of homeless people has halved in the last six years. There has been a sufficient supply of housing in Helsinki, and services for the homeless and those at risk of homelessness have been developed and expanded. However, a possible further decline in the general economic situation, employment and social benefits, as well as a weak economic situation in construction, could make the homelessness situation more difficult in the future.

So far, there has been a sufficient supply of rental apartments in Helsinki. However, due to the weak economic situation in construction, there may be a shortage of rental apartments in the coming years and rent levels may rise. The City's supported housing is primarily acquired as a purchased service. Accessing supported housing may require queuing.

The service process for homeless people has been successful in reducing long-term homelessness. The number of long-term homeless people has halved over the last six years, a similar trend to that of single homeless people.

Outreach work has been developed to reach the hidden homeless, and they have been successfully referred to services. Some people sleeping outdoors feel unsafe in emergency accommodation because of

intoxicated clients. Substance-free emergency accommodation is provided as a purchased service, but there is no segregated accommodation for women in a separate space. In the City's own emergency accommodation facilities, women's places are segregated, but the space is not substance-free. In addition to this, there is a perceived shortage of washing and laundry facilities for homeless people.

Housing advice services have been developed and expanded in line with the City's action plan to serve all Helsinki residents, regardless of housing type. The housing advice unit has also been successful in serving a constantly growing number of clients. Furthermore, the housing advice services prevent a significant number of evictions each year and provide housing for clients at risk of homelessness.

The Audit Committee concludes that

the Social Services, Health Care and Rescue Services Division and the City Executive Office must

- ▶ ensure that the housing advice operations are sufficient for the growing number of clients.

the Social Services, Health Care and Rescue Services Division must

- ▶ develop substance-free emergency accommodation so that substance-free services are segregated from services for substance users and substance-free emergency accommodation is easily accessible and sufficient in the Helsinki area.
- ▶ develop emergency accommodation that takes into account the specificity of women and ensure that facilities are segregated so that homeless people, regardless of gender, can safely use the services.
- ▶ develop washing and laundry facilities for homeless people in the Helsinki area based on needs.



Improving the wellbeing and health of Helsinki residents



Information flow and cooperation between basic education and Child Welfare



Is the flow of information and cooperation between primary education and the child welfare service needs assessment unit carried out in accordance with the guidelines?



The exchange of information and cooperation have largely followed City guidelines, but the guidelines are not clear and consistent in all respects.

Main question of the assessment:

Is the flow of information and cooperation between basic education and Child Welfare carried out in accordance with the City's guidelines?

Sub-questions:

1. Have the City's guidelines been followed in the exchange of information and cooperation?
2. Has staff competence concerning information exchange and cooperation been developed?
3. Have structures been created for information exchange and cooperation?

The City Strategy 2021–2025 states that families are to be supported by focusing on early and comprehensive support. The aim is to prevent the accumulation of problems and child welfare service needs. The City has drawn up several instructions and guides to support the multidisciplinary cooperation and support needs assessments concerning children, young people and families. Cooperation between basic education and Child Welfare is based on the premise that school studies are a key part of a child's life and should be organised in accordance with the best interests of the child.

The assessment materials were mainly collected between June and October 2024. The assessment involved three group interviews. Two of them concerned the Education Division's Finnish-language basic education and pupil welfare and one concerned the

child welfare service needs assessment unit of the Social Services, Health Care and Rescue Services Division. The materials used also included interviews and enquiries with experts of the divisions, statistical data and information obtained during a visit to the Social Services, Health Care and Rescue Services Division by the second sub-committee of the Audit Committee.

Teachers submit the majority of notifications

Of the professionals of the school, the child's class teacher is usually the person who becomes concerned about the pupil. Any concerns raised are discussed with the child and their parents at the school, and the family is primarily offered support measures provided by the school. The school cooperates with the family whenever possible, and the vast majority of issues are resolved by means other than a child welfare notification. Child Welfare is contacted when there is an acute concern about a child's wellbeing and the school's own resources are not considered to be sufficient in the situation.

Education personnel have a duty to submit a child welfare notification without delay if they become aware of a child whose need for child welfare services, need for care, behaviour or circumstances that endanger their development require a child welfare service needs assessment. The primary aim is to submit the child welfare notification in cooperation with the child and their guardian as a contact under the Social Welfare Act to assess the child's support needs. According to the City's guidelines for school staff, an actual child welfare notification is only submitted in cases in which the child or their parents refuse to be contacted or it is not possible to ask the parents for their consent.

Teachers submit the majority of child welfare notifications at schools, as the practice is that the person who has concerns about a pupil is responsible for contacting Child Welfare. The pupil welfare services provide support for submitting a child welfare notification. In an urgent situation, the child welfare notification is submitted by telephone. In a non-urgent situation, teachers submit a notification via the authority link of the Maisa e-service channel. Pupil welfare workers and other authorities who use the Apotti client and patient information system submit the notification there.

The aim has been for the notifier to be automatically informed when the notification has been received and be provided with the contact details of the unit processing the notification, but it is not possible to build this functionality into Maisa. For notifications submitted via Apotti, the procedure works.

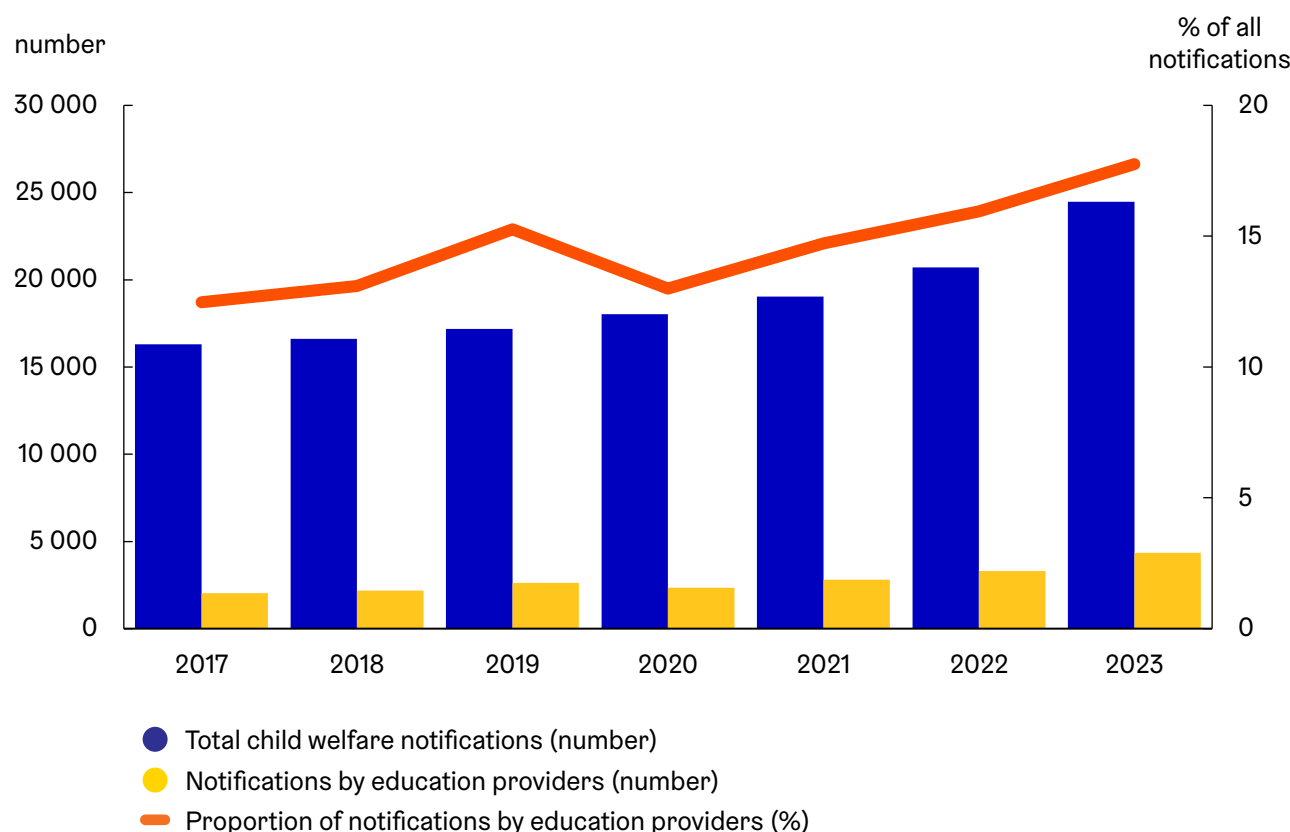
Once the notification has been submitted, Child Welfare starts investigating the matter. A social worker assesses the child's potential urgent need for child welfare services. The decision on potentially starting a service needs assessment and an assessment of the need for child welfare services or special support is made within seven working days. A service needs assessment is not initiated if the child already has a client relationship with Child Welfare or other client relationship with social welfare for families with children in which the issues mentioned in the notification are the subject of work. According to the Social Welfare Act, a service needs assessment must be carried out within three months. In Helsinki, 99% of service needs assessments concerning the need for child welfare services and special support services were completed within the statutory timeframe between 1 October and 31 December 2024. If necessary, the social worker must cooperate with the basic education provider when assessing the child's need for services.

The proportion of child welfare notifications submitted by basic education providers is increasing

The number of child welfare notifications submitted has increased between 2017 and 2023. In 2023, the total number of child welfare notifications was 24,468, 18% of which came from education providers (Figure 12). There has also been an increase in notifications submitted by education providers, with the exception of the COVID-19 pandemic year of 2020. Around 30–35% of the child welfare notifications submitted concern children who are already clients of Child Welfare.

Between January and September 2024, 19,776 child welfare notifications were submitted, 17% of which came from education providers. Almost every other child welfare notification submitted by education providers concerned a child's neglect of schooling. A child's behaviour was the second most common reason for child welfare notifications submitted by education providers, making up 16% of the cases. Eight per cent of the notifications concerned a child's violent behaviour, four per cent concerned child abuse and four per cent concerned a child's mental health.

Figure 12. Total number of child welfare notifications and the number of notifications submitted by education providers regarding children aged 0–17 and their percentage of all child welfare notifications in Helsinki in 2017–2023.*



*Source: Social Services, Health Care and Rescue Services Division

The findings of the assessment suggest that Child Welfare and education providers have differing views on how quick schools are to submit child welfare notifications and the extent to which schools comply with the instructions provided. According to the principals and pupil welfare managers interviewed, schools have clear guidelines and practical know-how regarding submitting notifications. According to them, all internal means within the school are usually used in an attempt to resolve the situation before a child welfare notification is submitted.

By contrast, the experience of child welfare service needs assessment supervisors is that the threshold for submitting notifications varies between schools, and not all schools are able to follow the instructions provided. The level of accuracy of the child welfare notifications submitted by schools varies.

Teachers' experience of submitting notifications varies. Some notifications are submitted with incomplete information, even though the notification process has been systematised in basic education. Comprehensive background information on the child's situation reduces the need for clarification requests. A lack of resources for pupil welfare at some schools was thought to potentially increase the number of notifications submitted.

Schools receive information to varying degrees after submitting a child welfare notification

According to the City's instructions regarding cooperation between basic education and Child Welfare, the authority that has submitted a child welfare notification should be informed when the report has been received and be provided with the contact details of the office that is processing the matter. Coordinating the cooperation with the notifying party is the responsibility of the social worker in charge of the child's case. However, the person submitting a child welfare notification does not automatically have a right to receive confidential information from Child Welfare.

From the perspective of schools, access to information and cooperation with Child Welfare is often inadequate and person-dependent. If a notice about the processing of the notification is not sent, more than one notification may be submitted regarding the same child.

Child Welfare aims to agree with families that the school may be contacted during the assessment of the child's situation, and in the majority of assessments, this is done. At Child Welfare, the agreed upon practice is that the social worker in charge of the case informs the school about the progress of the case. Child Welfare does not systematically monitor how many of the child welfare notifications received entail contacting the notifying party. The estimate is that in the majority

of cases involving a notification from a comprehensive school, the notifying party is contacted. As the number of child welfare notifications has increased, the number of unreplied notifications is likely to have also increased, as the number of staff has remained the same.

The Education Division's compulsory education supervision authority has systematically monitored the number of child welfare notifications it has submitted and whether further information has been provided by Child Welfare after the notification. Every year, the compulsory education supervision authority submits 100–200 child welfare notifications regarding pupils of basic education age in Helsinki who are not fulfilling their compulsory education obligation at any school or educational institution. The proportion of unreplied notifications has increased: in autumn 2024, the compulsory education supervision authority did not receive any additional information on roughly a quarter of the child welfare notifications it submitted, whereas in autumn 2022, less than 10% of the notifications were unreplied.

Staff shortages and the workload in the child welfare service needs assessment services sometimes lead to a rush, whereby the staff may be too busy or forget to inform schools about the progress of their child welfare notifications. The efficiency of the flow of information is also affected by the ambiguity of the legislation in force and the case-by-case consideration of confidentiality issues. Child Welfare cannot disclose information to schools about its client relationships without justification. Around one third of the child welfare notifications submitted concern children who have a client relationship with Child Welfare. Contacting the schools or the compulsory education supervision authority is not necessarily seen as contributing to the child welfare service needs assessment services' own work in resolving individual cases, which may result in no contact being made.

Practical contacting difficulties also affect cooperation between professionals. Teachers submit the majority of child welfare notifications at schools, but the nature of their work makes it difficult for them to answer the phone during lessons, and teachers generally do not have work phones. The workers of Child Welfare have limited working hours, so it is not possible for them to try to contact schools very many times. This is why the professionals of Child Welfare are often in contact with the school welfare officer instead of the teacher who submitted the notification.

The clarity of the guidelines needs to be improved

Based on the findings of the assessment, the City's guidelines are largely followed in the cooperation between Child Welfare and basic education, but the

operating models are not clear to everyone. There are many guidelines for different situations, not all of them are clear and some are contradictory. Furthermore, the information does not reach everyone due to reasons such as staff turnover and instructions potentially being difficult to find. From a school's point of view, challenges are caused by the large amount of information, unclear instructions and the availability of materials. In acute situations, teachers often consult the pupil welfare services.

Based on the findings of the assessment, clear guidance on the contact method regarding a child welfare notification and the primary channels of contact in different cases was provided on an external website in November 2024. Schools have also been sent a bulletin on how to submit an electronic child welfare notification and make contact in accordance with the Social Welfare Act. The guidelines have also been added to the intranet, with a link from the Education Division's website.

There is only one set of guidelines and operating models for the professionals of Child Welfare regarding cooperation with schools. The guidelines on a low-threshold service model for children, young people and families describe in more detail the different reasons why school staff can or must contact Child Welfare. However, the service model does not define the obligations of Child Welfare to cooperate with schools, but only provides guidelines for schools and educational institutions. Also, the guidelines on cooperation and exchange of information between basic education, Child Welfare and family social work do not give more detailed advice on when, on what grounds or in what way the school should contact Child Welfare, or what measures schools should have taken before making contact.

The findings of the assessment indicate that the guidelines on cooperation between school and Child Welfare are not always consistent and sufficiently clear in cases of pupils being absent. In particular, contradictions are related to cases in which a pupil's absences may be grounds for submitting a child welfare notification. According to the Education Division's guidelines, a child welfare notification must be submitted when necessary or when concerns arise. However, according to the Social Services, Health Care and Rescue Service Division's low-threshold model guidelines, there are certain cases in which a child welfare notification should not be submitted regarding a child who is absent a lot. The guidelines also state that all of the school's means should be exhausted first. The low-threshold model does not describe the responsibilities of the professionals of Child Welfare regarding responding to notifications or other cooperation between Child Welfare and the notifying party.

Consultation practices and knowledge of each other's work support joint work

Teaching staff are familiarised with wellbeing work and shared operating models at annual presentations by the pupil welfare services. The operating models are also regularly recapitulated at schools. In addition, schools are introduced to services for families with children and the staff educated on submitting a child welfare notification and on Child Welfare.

The familiarisation by the pupil welfare staff is systematic and skills are regularly developed. Joint expertise and information exchange between the pupil welfare services and Child Welfare are developed regionally. However, the child welfare service needs assessment services do not specifically delve into cooperation with schools. No joint training on cooperation and information exchange is organised for teaching staff and Child Welfare staff.

The consultation practices in place work well both within the school and at Child Welfare. The cooperation structure between teachers and the pupil welfare services is perceived as efficient, and the pupil welfare services provide guidance to teachers when needed. Schools also make extensive use of consulting Child Welfare. School welfare officers and children's outreach work are key links between school and Child Welfare. There is also regular cooperation between Child Welfare and basic education management.

Variations in the regularity, effectiveness and activity of cooperation structures have been observed between regions. The number of cooperation partners affects the conditions for cooperation. Familiarity lowers the threshold for cooperation between services.

Conclusions

The cooperation and exchange of information between basic education and the child welfare needs assessment unit is mainly carried out in accordance with the City's guidelines. Staff competence has been developed through familiarisation and training. However, the guidelines are not clear and consistent in all respects and contain some contradictions. In particular, contradictions are related to cases in which a pupil's absences may be grounds for submitting a child welfare notification. There is only one set of guidelines and operating models for Child Welfare regarding cooperation with schools. Some of the guidelines are difficult to find.

Cooperation and communication are hampered by schools being inconsistently provided with information by Child Welfare, reliance on specific individuals and the different expectations of the operators involved.

Structures for information exchange and cooperation have been established, but there are regional differences in their functioning. The support and expertise provided by the pupil welfare services are key for schools and in cooperation with Child Welfare.

The child welfare service needs assessment unit is of the view that child welfare notifications submitted by the education providers are generally replied to. Information provision by Child Welfare is perceived to vary at schools and by the compulsory education supervision authority. Statistics provided by the compulsory education supervision authority show that leaving notifications unreplied has become more common in comparison to previous years. The workload of the child welfare service needs assessment services and staff shortages sometimes cause a rush, whereby schools are not always informed about the progress of their child welfare notifications. The efficiency of the flow of information is also affected by the ambiguity of the legislation in force, the case-by-case consideration of confidentiality issues and concrete communication difficulties.

The Audit Committee concludes that

the Social Services, Health Care and Rescue Services Division must

- ▶ ensure that the person carrying out the assessment of the need for child welfare services is in contact with the person in the Education Division who submitted the notification regarding the progress of the assessment, taking into account both confidentiality and the necessary information needs of the education provider.

the Education Division must

- ▶ ensure that guidelines and operating models regarding cooperation with Child Welfare are available and usable at comprehensive schools.

the Education Division and the Social Services, Health Care and Rescue Services Division must

- ▶ ensure that the guidelines on using neglect of schooling as the basis for submitting child welfare notifications are consistent.



Functioning of the service voucher system in primary health care



Has the use of a service voucher contributed to the functioning of primary health care?



The use of the service voucher has not significantly contributed to the functioning of primary health care services and smooth access to care at health centres

Main question of the assessment:

Has the use of the service voucher contributed to the functioning of primary health care services and smooth access to care?

Sub-questions:

1. Has the use of the service voucher contributed to smooth access to non-urgent care?
2. Does the service voucher system work from the point of view of the client and the service provider?
3. Has the cost-effectiveness of the service voucher system been surveyed?

The City Strategy 2021–2025 states that Helsinki's objective is to ensure smooth access to primary and oral health care. To achieve this, a service voucher is used as an aid and external service provision is utilised where necessary. The 2024 budget also states that in addition to in-house service provision, services will be provided as purchased services and by utilising service vouchers. One of the objectives set in the budget is to provide non-urgent care within 14 days.

The assessment was based on interviews and email enquiries with the Social Services, Health Care and Rescue Services Division, statistics on access to non-urgent care and the use and costs of the service voucher, and other written materials. In addition, the assessment utilised information obtained during an assessment visit to the Social Services, Health Care and Rescue Services Division by the second sub-committee of the Audit Committee. The materials for the

assessment were mainly collected between May 2024 and January 2025.

The assessment concerned the service voucher for general practitioner appointments. The service voucher for general practitioner appointments was first introduced in Helsinki as a pilot in 2019 before becoming one of the City's methods for organising medical services in 2021. The purpose of the service voucher is to make it easier for clients to access a doctor's services during peak times. As a rule, the voucher has been issued at health centres that have problems with access to care and the availability of doctors. Receiving a service voucher requires undergoing a care needs assessment at a health station of the City. Like a health centre visit, the GP appointment voucher is free of charge and includes a single doctor's appointment and basic-level imaging and laboratory test services. At the end of 2024, the voucher had two service providers: Mehiläinen Oy and Pihlajalinna Lääkärikeskukset Oy.

Between 2019 and 2024, there were around 55,000 service voucher appointments with general practitioners, and the direct costs of the voucher totalled around EUR 3.9 million. The costs arising from the service voucher is a small part of the total costs of the Social Services, Health Care and Rescue Services Division, but a large number of Helsinki residents have made use of the voucher.

Access to care not in line with the City's objectives

Helsinki aims to provide non-urgent care within 14 days. Various indicators are used to monitor the availability of non-urgent appointments and access to care. The much-used T3 indicator shows how long clients have to wait for the third available appointment slot with professionals working at a health care unit. This figure expresses the average times of third non-urgent appointments available in the appointment calendars. The T3 figure for doctor's appointments at the health stations of Helsinki has mostly been between 30 and 40 days over the period 2022–2024, heavily exceeding the target of 14 days.

There has been some variation in the T3 figures of the City of Helsinki's regional health stations. As a rule, the longest waiting times for available appointment slots in 2022–2024 were at the central and eastern regional health stations, where the highest number of GP appointment service vouchers were issued in 2024. The eastern regional health station issued around 56% of all service vouchers, while the central regional health station issued around 31% of them. Less than 1% of all 2024 GP appointment vouchers were issued at the western regional health station. While the situation at the eastern regional health station has improved in 2023 and 2024 compared to 2022, the situation at the central regional health station has declined since 2022. The shortest waiting times between 2022 and 2024 were at the regional health station in the city centre.

The provision of non-urgent care in Helsinki has not been in line with the City's objectives and policies since 2017. According to the statistics available, access to non-urgent care has not improved with the introduction of service vouchers either. Although the use of the service voucher does not appear to have significantly improved access to non-urgent care, it may still have had a positive impact on reducing waiting lists in situations in which health stations have not had enough doctors on staff. Access to non-urgent care could be at an even poorer level without the GP appointment voucher.

Shortcomings in the monitoring of waiting times for care

The Health Care Act requires the wellbeing services county to publish monthly data produced by the

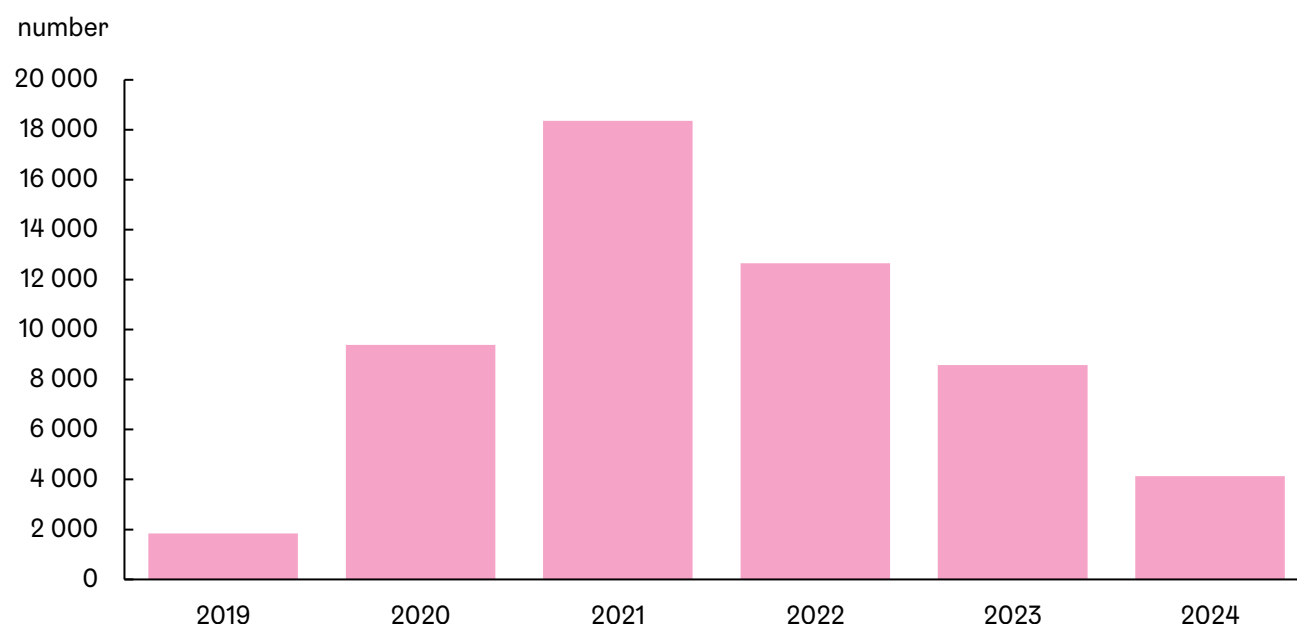
National Institute for Health and Welfare (THL) on compliance with the maximum time limits for access to care. The budget target for access to non-urgent care was also measured in 2024 using key figures produced by THL. However, the THL statistics on primary health care appointments have not been reliable with regard to Helsinki, according to the Social Services, Health Care and Rescue Services Division. It was noted in Helsinki's 2023 financial statements that the data on the indicator for access to non-urgent care is uncertain, and the result of the 2024 indicator could not be reported at all due to shortcomings in THL's reports.

A problem has been identified with the transfer of care access data between the City's patient information system and the THL, as not all data has been correctly transferred to the THL information system. Similar problems have been found in the data of other wellbeing services counties. Establishing realistic waiting times for access to care is important, as it facilitates assessing the achievement of both the City's budget target and the fulfilment of its legal obligations.

Service voucher appointments have decreased

The number of service vouchers for general practitioner appointments issued at health stations in Helsinki has varied widely between 2019 and 2024 (Figure 13). In 2019, the Social Services and Health Care Committee set ceilings for the number of service vouchers to be issued, which is reflected in the low number of vouchers issued that year.

Figure 13. Number of general practitioner appointments with service vouchers issued at the health stations of Helsinki in 2019–2024.*



* Source: Social Services, Health Care and Rescue Services Division

Service voucher appointments with GPs increased significantly in 2020 and 2021 as the COVID-19 pandemic spread. The increase in service voucher appointments was driven by the significant government subsidies received by the Social Services and Health Care Division to cover the costs of the COVID-19 pandemic. However, from 2021 to 2024, the number of service vouchers issued decreased significantly, by 77%. The decrease was due to a decrease in the number of service providers, the launch of the 2023–2025 transformation programme for the Social Services, Health Care and Rescue Services Division and the tighter financial situation of the Division. As resources were allocated to the continuity of care, it was also found that the use of a service voucher was not the best option for achieving the objective.

The amount of service vouchers issued is largely influenced by whether there is money left unused in the regional health station's budget, as there is usually no money set aside for service vouchers. Vouchers are often issued when not all health centre doctor positions are filled and money is saved as a result. However, the shortage of doctors at the health station does not directly mean that the station will use a lot of service vouchers, as the budget saved from unfilled positions can also be used for other things, such as hiring substitutes or purchasing services.

Supervision of service providers has not worked according to the rulebook

According to the GP appointment service voucher rulebook, the service provider must report to the City on a monthly basis on matters such as care access times, the number of imaging operations and examinations carried out, reasons for appointments and customer satisfaction. The rulebook is a document with which the City of Helsinki's Social Services, Health Care and Rescue Services Division sets criteria for the approval of service providers under the Act on Service Vouchers for Social Welfare and Health Care. According to the rulebook, the service providers' operations are monitored through reports and spot checks. Based on the findings of the assessment, the monitoring of service providers was not in line with the rulebook in 2021–2024, as monthly reports were not received from all service providers. It could not be verified in the assessment that matters such as care access times or customer satisfaction had been systematically monitored in the Health Stations and the Internal Medicine Outpatient Clinic service. According to the division, the supervision of service providers has been developed in early 2025 to better comply with the instructions provided in the rulebook.

According to the rulebook, the client experience must be monitored monthly using the NPS indicator. NPS, or Net Promoter Score, is a recommendation index that reflects how likely clients are to recommend the services of a service provider to others. Due to lacking

monthly reports, there is some uncertainty in the analysis of the results, but the materials available suggest that clients seem to have been satisfied with the service they have received with the service voucher. The NPS figures for service providers in Helsinki were at a good level compared to the corresponding results in the health care sector.

The service voucher for GP appointments can be said to have worked equally in that, like a visit to a health station, it is free of charge for clients. However, when examined by area, equality is not necessarily achieved in the best possible way, as service providers are concentrated in the Helsinki inner city area. However, when examining equality, it should be noted that the GP appointment service voucher was never intended to be widely used in the first place.

The service voucher is only suitable for a small proportion of health station clients

The service voucher system was designed to increase the supply of services and to take advantage of the private sector's flexibility when the City's own services are congested. In practice, the GP appointment service voucher has not worked as intended in all respects. There are only a few private service providers taking part in the system, and the service voucher is only suitable for a small proportion of health station clients because of its limited eligibility criteria.

The key objective of the Social Services, Health Care and Rescue Services Division is to ensure that services are provided in accordance with legal obligations. The service voucher is one method for this. The service voucher is not intended to be a provision method to substitute in-house staff, as the quality of service and the continuity of care may be compromised when clients are treated elsewhere. The service voucher facilitates transferring so-called easy and occasional clients to private service providers, which means that complex cases requiring continuous care or clients with multiple problems remain at the City's health stations. This adds to the workload of the doctors working at the health stations. From a continuity of care perspective, there have been some problems with the transfer of patient data between private service providers and the City.

Although processing service vouchers in the Apotti system involves a lot of manual processing at this point, according to the service voucher contact persons interviewed for the assessment, the service voucher process is largely functional and the criteria for issuing a service voucher are clear. The process has been developed, resulting in improvements such as communication about service vouchers now working. Nurses working in the appointment booking department have found the service voucher system to be helpful in their own work, as they have been able to refer queuing clients to care more quickly.

The comparison of in-house and purchased service provision has focused on costs

The value of the GP appointment service voucher is currently EUR 72 and was last increased in 2023. It has since been discovered that the value of the service voucher needs to be adjusted due to inflation, which is why the price of the service voucher is to be reassessed in 2025. In Helsinki, health station visits have so far been free of charge, so there is no co-payment in the service voucher for GP appointments. According to the Division, private service providers do not find the service voucher financially attractive enough at the moment.

In Helsinki, the price of a service voucher is calculated as the price of providing the same service in-house. The service voucher system also incurs other costs, such as the costs of assessing the need for care and any additional appointments and examinations at the health station. According to the Medical Director of Health Stations, the total cost of the service voucher has not been calculated, and the comparison of in-house and purchased services has focused mainly on comparing costs.

In 2024, the Social Services, Health Care and Rescue Services was running a project entitled PALSE24 to survey the overall functionality of the Division's service voucher processes and their indirect costs, and to compare costs. However, instead of the GP appointment service voucher, the project focused on other types of service vouchers.

Conclusions

The purpose of the service voucher is to make it easier for clients to access a doctor's services during peak times. However, the use of GP appointment service vouchers has not significantly contributed to the functionality of primary health care services and smooth access to care at health stations, as it is only suitable for a small proportion of health station clients and the availability of the voucher is limited. Access to care has been successfully improved at times in certain areas and for individual clients. There are various problems associated with the service voucher system, such as interruptions in the continuity of care, problems with the transfer of patient data and the low cost-effectiveness of the service voucher. However, clients appear to be satisfied with the services that they have received with the service voucher.

Access to non-urgent care has not improved with the introduction of service vouchers. On the other hand, the waiting times for doctor's appointments could be even longer without the service voucher. THL's reports have also had many deficiencies with regard to the City

of Helsinki, and it was not possible to report on the achievement of the budget target or the fulfilment of legal obligations regarding access to non-urgent care in 2024.

Based on the findings of the assessment, the supervision of service providers has not worked as required by the service voucher rulebook in 2021–2024. The monthly reporting data required by the service voucher rulebook was not available for the assessment, as not all service providers had been providing this data on a regular basis. However, based on the data received during the assessment, clients appear to be satisfied with the services provided with the GP appointment service voucher. The results were also generally good compared to the health care sector.

The service voucher system offers flexibility in situations in which in-house services are congested and health stations have a shortage of doctors. However, the use of the service voucher has not worked as intended. The number of vouchers issued has decreased significantly since 2021 due to factors such as a decrease in the number of service providers, tighter budgets for regional health stations and limited criteria for issuing the voucher. Furthermore, problems with the transfer of patient data can undermine the continuity of care, which is why organising services in-house has been seen as a more viable option.

The City intends to update the value of the service voucher for a general practitioner appointment in 2025, as a need to adjust the price of the voucher due to inflation has been identified. Comparisons between the City's own and purchased service provision have mainly focused on comparing costs, and the Social Services, Health Care and Rescue Services Division has not calculated the total cost of the service voucher or measured its effectiveness.

The Audit Committee concludes that

the health and substance abuse services of the Social Services, Health Care and Rescue Services Division must

- ▶ supervise the service voucher providers of medical services at health stations in accordance with the service voucher rule book.
- ▶ carry out an overall assessment of the effectiveness and cost-effectiveness of the GP appointment service voucher in the provision of services.
- ▶ develop the GP appointment service voucher system based on the assessment carried out.



Access for elderly people from home care to 24-hour care



Do elderly home care clients have access to 24-hour care in accordance with their needs and in a timely manner?



Yes for the most part, but in some cases views on the client's ability to manage at home differ.

Main question of the assessment:

Do elderly home care clients have access to 24-hour care in accordance with their needs and in a timely manner?

Sub-questions:

1. Is a new service needs assessment for a home care client started in time if the client's situation changes?
2. Is the analysis, assessment and placement process for 24-hour care effective?
3. Do clients receive a place in 24-hour care within three months of being placed on the waiting list, in line with the target?

The Helsinki City Strategy 2021–2025 states that the wellbeing of elderly residents is to be taken care of and that the elderly population is seen as a resource. A dignified old age is a right for Helsinki residents. The strategy calls for ensuring the functionality of the process of assessing the long-term housing needs of elderly people and the number of places in 24-hour service housing.

The materials for the assessment were mainly collected between October and December 2024. The materials were collected through interviews, telephone calls and email enquiries with experts working in hospital, rehabilitation and care service assessment and home care. The data collection for the assessment also included an assessment visit to the Social Services, Health Care and Rescue Services Division by the second sub-committee. Additionally, the assessment utilised documentation, statistical data and client feedback received by the assessment unit.

The phases of a home care client's admission to long-term 24-hour care are summarised in Figure 14. The

service responsible for or coordinating each phase in the hospital, rehabilitation and care services of the Helsinki Social Services, Health Care and Rescue Division is shown in brackets. The figure assumes that the person is a client who is granted a place in 24-hour care.

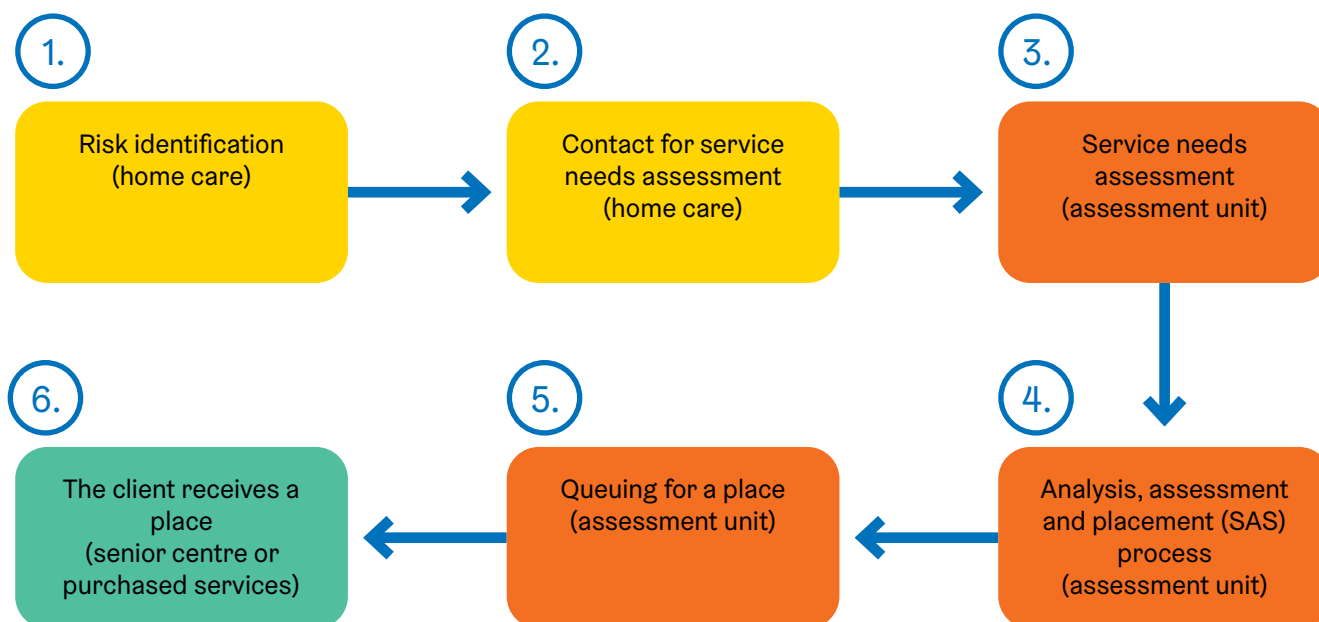
In brief, the phases of transferring from home care to long-term 24-hour care are as follows:

1. A home care professional seeks and identifies risk factors affecting the wellbeing and health of the elderly person.
2. If the criteria for 24-hour service housing appear to be met, the home care professional contacts the assessment unit's client guidance service.
3. The client guidance service of the assessment unit carries out a service needs assessment and draws up a client plan. A service needs assessment is an assessment of the client's care needs, health, functional capacity, current services and possible additional services.
4. If the service needs assessment indicates that the client needs 24-hour care, the assessment unit initiates an analysis, assessment and placement process (SAS process) for 24-hour service housing. The process assesses whether the criteria for 24-hour care are met.
5. If the SAS solution is 24-hour care, a care place coordinator working at the assessment unit puts the client on the waiting list for a care place. The aim is that the client is assigned a place within three months from the decision at the latest.
6. The client receives a place in a 24-hour service housing either at a senior centre of the City or at another service housing unit as a purchased service.

The criteria for 24-hour care are largely considered to be functional

The Social Services, Health Care and Rescue Services Committee decides on the criteria for granting long-term, 24-hour service housing for elderly residents. The RAI (Resident Assessment Instrument) tool set is used to assess care needs in accordance with the Elderly Services Act. The RAI tool set measures service

Figure 14. Phases of transferring from home care to long-term 24-hour care in the hospital, rehabilitation and care services of the City of Helsinki. Service responsible for each phase in brackets.



needs, functional capacity and cognition, such as the ability to speak, think, remember and plan. To meet the criteria for 24-hour service accommodation, the client should have a certain level of either functional impairment and service needs or cognitive impairment and service needs based on the RAI indicators.

In addition to the RAI measurements, other criteria are taken into account when assessing the conditions for 24-hour service housing. These include, among other things, recurring endangerment of the client's safety, recurring short-term hospital stays, physical or mental symptoms that are difficult to treat, the mental resources of the client's informal carer, and other indicators depending on the client's individual needs. The criteria for granting 24-hour housing provided by the City of Helsinki do not differ significantly from those in force in the wellbeing services counties of Western Uusimaa or Central Uusimaa, for example.

In the view of the home care unit and the assessment unit, the criteria for 24-hour care are largely functional and clients are able to access the services that they need. Relatives may have a different view on the granting of a care place. There are often many factors that contribute to the difference of view: an informal carer or the person who is otherwise caring for a relative may be worried or tired because the elderly relative may be in frequent contact with them or often ask for help. There may be information gaps or misunderstandings between the relative and the home care unit. A home care client may feel unsafe or lonely. However, loneliness or old age alone are not grounds for 24-hour care.

In some cases, the home care unit and the assessment unit may have differing views on whether the client can manage at home with home care and support services. In particular, it can sometimes be difficult to identify the needs of clients who are relatively physically fit or who have been abused at home by relatives. In home care, such cases are rare, but they are challenging and can lead to a rapid deterioration in the client's ability to function. Abuse is taken into account in the criteria for granting 24-hour service housing.

Home care staff's ability to identify risks of living at home varies

All home care professionals seek and identify risk factors affecting the wellbeing and health of elderly people and regularly assess the service needs of clients receiving services. The challenge, however, is that the skills of care staff vary, which affects their ability to identify risks and the increased service needs of clients. For example, frequent use of substitutes undermines preventive care for the client. Systematic assessment of changes in the client's situation and service needs is ensured through regular meetings at the home care unit. The meetings involve discussing client cases both among the home care staff and in a multidisciplinary team. Additionally, observations on matters such as hazardous situations are entered into the client information.

The hospital, rehabilitation and care service assessment unit carries out service needs assessments for all new clients of services for the elderly and for clients already receiving different services, such as home

care. The number of these assessments has increased between 2021 and 2024, also in relation to the elderly population. This suggests that service needs assessments have been initiated more readily than in the past.

Initiatives to start the application process for 24-hour service housing usually come from the home care unit in agreement with the client and possibly their relative. The initiative is taken if the home care assessment shows that the criteria for 24-hour service housing appear to be met. For example, if the client's relative requests that the application process be started but the criteria are not met, home care professionals will usually discuss the matter with the relative and the client. In most cases, it is decided not to start the application process, but to instead provide more support for living at home. For example, the client may be provided with additional home care services or support services. Even if the home care unit's assessment is that the criteria for 24-hour service housing are not met, the client is still entitled to a service needs assessment.

Certain statistics measuring the safety of living at home provide an indication of whether there are more clients than before in home care who need more care, such as 24-hour care. The safety of home care clients does not appear to have declined between 2021 and 2024, based on indicator data on the safety of living at home, such as incident reports. This suggests that there has been no significant change in access to services providing more care and support, such as 24-hour care, for clients who manage poorly at home.

The process of applying for 24-hour care has improved, but the number of places has decreased

The process of applying for 24-hour care can take a long time. The average duration of the application process, including all phases, is estimated to have been 1–2 months, with a maximum of more than four months. It is problematic if a client has to rely on inadequate home care services throughout the application process. However, clients who have already received a positive SAS decision are usually waiting for a place in a safe environment, such as a hospital or other short-term 24-hour care service.

The number of SAS applications and decisions for 24-hour care has not increased at the same pace as the ageing population, suggesting that the SAS process has not been initiated as readily as in the past. However, in 2024, 90% of SAS decisions were positive, with the proportion of positive decisions increasing between 2021 and 2024.

From the beginning of 2025, the waiting time for a 24-hour care place has been measured from the submission of the application. Before that, the waiting

time for access to the service was monitored from the reception of a positive SAS decision. Both the time taken to assess service needs and the waiting time from a positive SAS decision to receiving a place have decreased between 2021 and 2024 (Figure 15).

In 2024, almost all clients who received a positive long-term 24-hour care SAS decision received a care place within three months of being placed on the waiting list, in line with the target. At the end of November 2024, there were 79 people who had been waiting for a place for more than three months. Between 2021 and 2023, the number of people waiting more than three months for a place peaked at 398 in 2022, so the Social Services, Health Care and Rescue Services Division has been successful in reducing the waiting time.

The number of places in long-term 24-hour care for the elderly, i.e. service housing and institutional care, provided by the City of Helsinki has increased by more than 300 places between 2021 and 2024. In 2024, there were 4,291 places for long-term 24-hour care provided by the City, compared to 3,955 in 2021 (Table 10). Increasing the number of places is not an objective of the City, as the primary aim is to provide the necessary services for elderly people at their own homes.

No feedback has been collected on the functioning of the application process

The assessment unit's client guidance service has collected feedback on its client visits through a survey answered via employees' phones between 2023 and 2024, and the feedback has been excellent. However, when giving feedback, clients had not yet been informed about the outcome of the assessment of their service needs, for example. No feedback has been systematically collected from clients or their relatives on the functioning of the application process for 24-hour care. However, negative feedback is rarely received on decisions made by the client guidance service, nor are there many complaints about the decisions. Clients who are disappointed with a decision will usually have a care or authority negotiation session to discuss the grounds for the decision in more detail. The client guidance unit seeks to improve its activities on the basis of the feedback received. Feedback is replied to whenever possible.

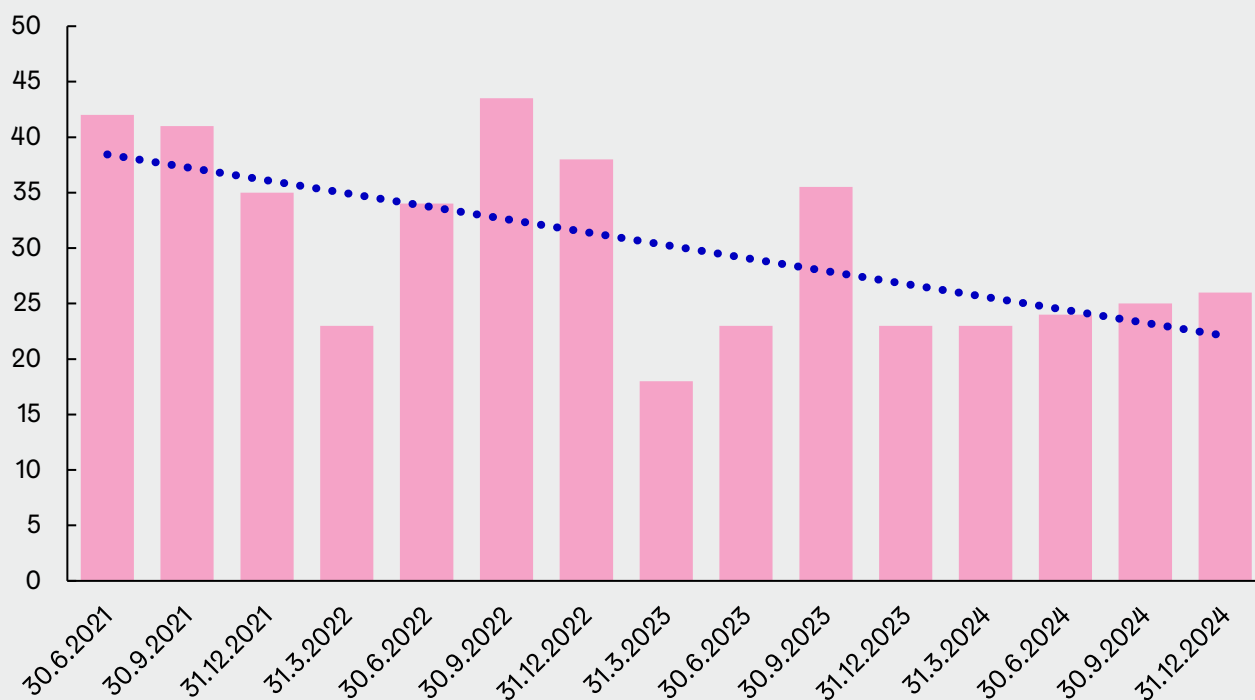
The grounds for granting 24-hour care are monitored by the assessment unit using RAI data. The grounds for granting services are also being examined by an RAI group of the Social Services, Health Care and Rescue Services Division, which includes representatives of the various functions of hospital, rehabilitation and care services.

Conclusions

Based on the assessment findings, elderly home care clients can usually access 24-hour care in accordance

Figure 15. Waiting time from a positive SAS decision to placement in long-term 24-hour care organised by the City of Helsinki in 2021–2024, median waiting time in days.*

Median time, days



*Source: Social Services, Health Care and Rescue Services Division. The dashed line in the graph illustrates the trend.

Table 10. Number of places in long-term 24-hour care organised by the City of Helsinki in 2021–2024, in-house provision and purchased services.*

Year	Places, number
2021	3,955
2022	4,122
2023	4,153
2024	4,291

*Source: Social Services, Health Care and Rescue Services Division

The table includes long-term places in 24-hour service housing and institutional care for people aged 65 and over, and people under 65 with multiple illnesses. The number of purchased service places is calculated on the basis of the number of days of care actually provided.

with their needs and in a timely manner. Access to 24-hour care depends first and foremost on the assessment carried out by the home care unit of whether the criteria for 24-hour care are met. Helsinki's criteria are not particularly strict compared to neighbouring wellbeing services counties and are largely considered appropriate by the assessment and home care units. The home care unit initiates new service needs assessments for its clients mostly in a timely manner and according to the client's needs. However, the ability of home care staff to identify risks affecting a client's ability to manage at home varies.

The analysis, assessment and placement process for 24-hour care is effective for the most part, but the application process with all of its phases may take a long time, and feedback on the functioning of the process is not collected from clients or their relatives. In 2024, there was no monitoring data on the duration of all of the phases of the application process, but from the beginning of 2025, the waiting time for a housing service place has been monitored from the moment that the application is submitted. In 2024, almost all clients received a 24-hour care place in line with the target within three months of being placed on the waiting list.

The number of places in long-term 24-hour care for the elderly organised by the City of Helsinki has increased

significantly between 2021 and 2024. The City aims to provide services for the elderly primarily at their own homes, so increasing the number of places in long-term 24-hour care is not an objective of the City.

The Audit Committee concludes that

hospital, rehabilitation and care services of the Social Services, Health Care and Rescue Services Division must

- ▶ develop the skills of home care staff in identifying and assessing risk factors affecting the wellbeing and health of elderly people.
- ▶ comprehensively monitor the time taken to complete the different phases of the application process for 24-hour service housing and, on the basis of this monitoring, develop the process so that the client's access to the service that they need is not delayed.
- ▶ collect feedback from clients and relatives on the functioning of the application process for 24-hour service housing and develop the application process based on the feedback received.



Effectiveness of the recommendations of the Audit Committee's 2022 assessment report



Have measures been taken in accordance with the recommendations issued in the 2022 assessment report?



Measures have been taken on 96% of the recommendations presented in the 2022 assessment report.

Main question of the assessment:

What impacts have the recommendations made by the Audit Committee had?

Sub-questions:

1. Which of the measures recommended in the Audit Committee's 2022 assessment report have been taken by Central Administration and City divisions?
2. What impacts have the recommended measures had?

The assessment report for 2022 covered 17 areas of assessment and included 57 recommendations. The effectiveness of the recommendations was assessed by examining the statements submitted about the assessment report, as well as the report submitted by the City Board to the City Council in December 2023. In addition, the assessment utilised replies to email queries received from the divisions' management or other relevant parties in autumn 2024. The measures taken and their impacts were assessed on a four-point scale (Figures 16 and 17). Figure 18 summarises the measures and impacts of the recommendations and highlights some of the measures taken.

Measures in line with the recommendations have been mostly taken

The vast majority of the recommendations in the 2022 assessment report, 96%, have been acted upon (Figure 16). All but two of the recommendations have

been acted upon. The figure summarises the results of the assessment in terms of measures taken in 2022 and compares them with 2020–2021. The proportion of recommendations in which all measures have been taken has increased significantly compared to the previous two years.

The recommendations that had not been acted upon at all concerned the Education Division and the Social Services, Health Care and Rescue Services Division.

The Education Division has not surveyed whether reinstating the Helsinki benefit could alleviate the shortage of staff, as it would contradict the City Strategy's policy of increasing the participation rate in early childhood education and care.

The Social Services, Health Care and Rescue Services Division has not developed alternative ways to use the informal care service voucher for different services. The introduction of a cleaning voucher has been assessed, but it is not being promoted at the moment. The Division focuses on developing measures to ensure that informal carers are able to take days off.

The recommendations have had positive impacts

When the assessment was carried out, the measures taken based on the recommendations issued in the assessment report for 2022 had produced positive impacts in 53% of the recommendations (Figure 17). This proportion has decreased since 2021. One example of impacts interpreted as positive are the successes reported by respondents in implementing a recommendation in the development of operations. The impact of the measures taken was not yet visible in 39% of the recommendations.

The recommendations of the 2022 assessment report on the Helsinki benefit and the informal care service voucher could not have had an impact because no action had been taken on them. In addition, three

recommendations were made whose impact could not be assessed with the materials available.

All the measures concerning the HR and payroll management system Sarastia have been taken and the number of payroll errors has been reduced. Guidelines have been created for the implementation of major City-level projects, including management responsibilities, and attention has been paid to change management and communication.

The process of setting of objectives for the Group's subsidiary communities has been refined and the City has intensified the sale of redundant facility assets in line with the recommendations. Less active residents can be involved in the planning of residential areas. The measures taken will enable planners to take green areas and valuable natural sites into account more than before.

Measures to improve safety in different parts of the city have been partly promoted, e.g. by improving the involvement of young people in safety matters in their area. The number of staff promoting walking and cycling has been increased in the Urban Environment Division. Some of the measures recommended to promote sustainable modes of transport, city logistics and maintenance tunnel use have been launched.

The Social Services, Health Care and Rescue Services Division has implemented all measures concerning access to early-stage mental health services for adults. Despite the measures, waiting times for access to care have not decreased. The service chain for mental health services for young people has been developed between different operators. Cooperation between the student welfare services and the Youth Station, access to care and the availability of psychologists in student welfare services have improved.

The Social Services, Health Care and Rescue Services Division has launched measures to support the continuity of care and multidisciplinarity at maternity

and child health clinics, and the measures have had a positive impact. Services to support informal carers have been developed and the number of temporary care places has been increased.

Measures concerning statutory staff sizing and substitution arrangements at senior centres have been taken in line with the recommendations. Staff sizing has not yet been carried out at all units and departments. Efforts to improve staff wellbeing, retention and attraction have continued.

The Education Division has taken several measures to improve working conditions in early childhood education and care, and there have been positive developments in occupational wellbeing. The salary development programme has also been continued with the City Executive Office, but the staff deficit has not decreased. In line with the recommendation, the City Executive Office has surveyed whether the staff benefits offered by the City are competitive. Sarastia's staff reporting has not improved sufficiently.

Conclusions

96% of the recommendations in the 2022 assessment report of the Audit Committee had been acted upon either partially or fully as recommended by the City divisions. Positive impacts were found in 53% of the recommendations.

In line with the Audit Committee's recommendations, the City has strengthened the occupational wellbeing of staff in fields affected by staff shortages and promoted the availability of psychological services for young people and the access of adults to early-stage mental health services, for example. The number of Sarastia's payroll errors has been reduced, the process of setting objectives for the Helsinki City Group's subsidiary communities has been specified, and the participation of young people in safety matters in their area has been improved.

Figure 16. Measures taken based on recommendations issued by the Audit Committee in 2020–2022, %.

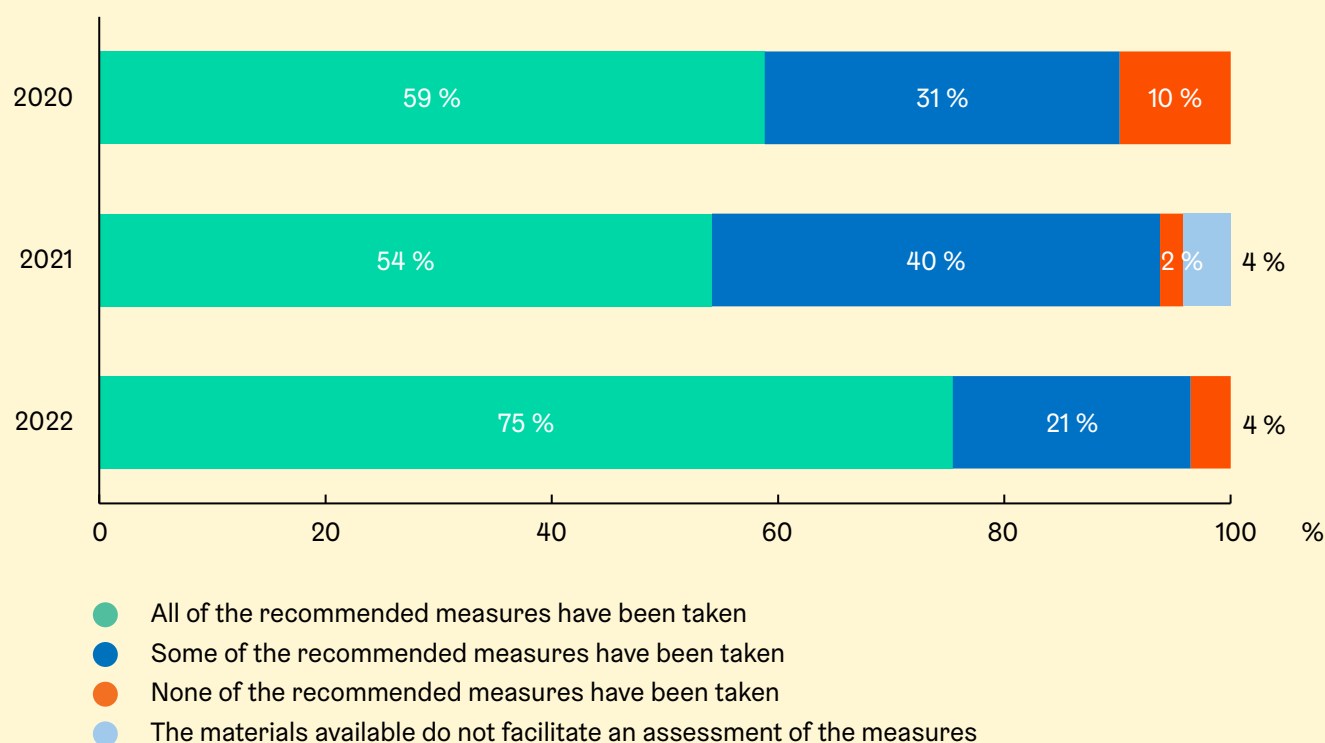
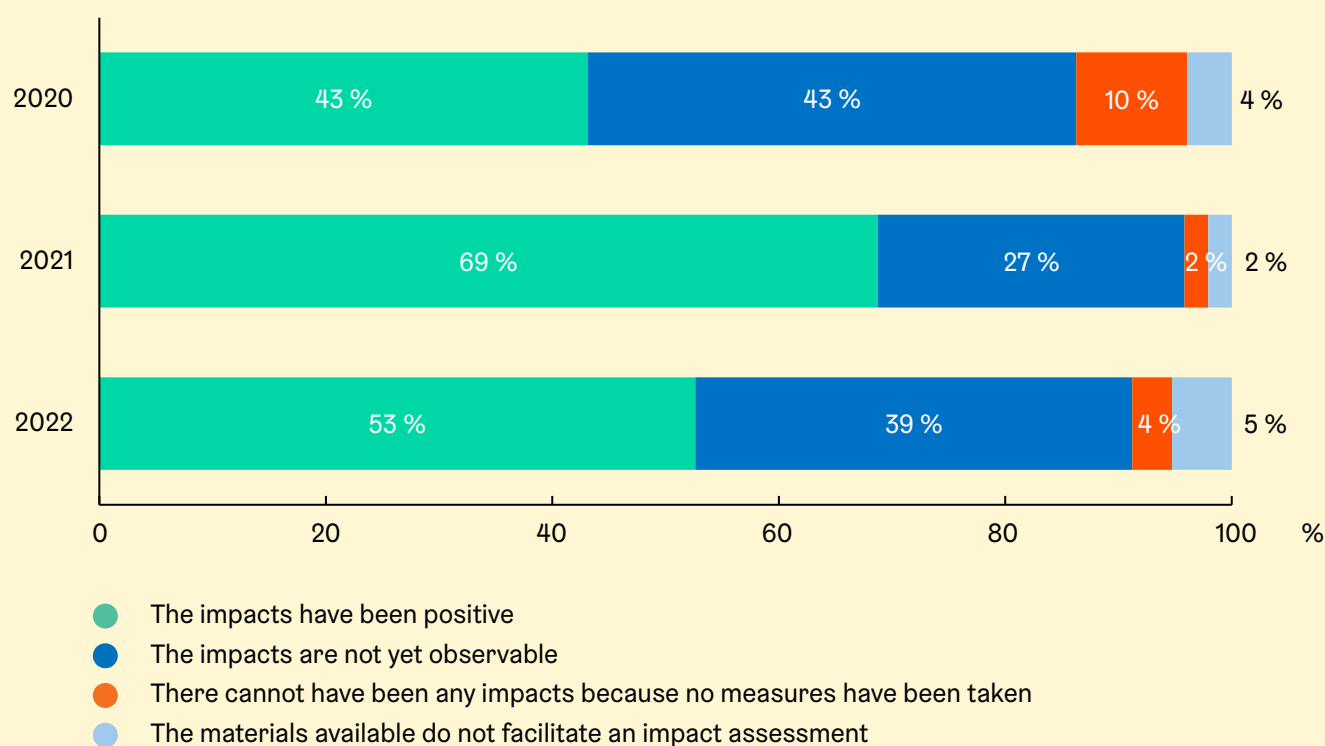
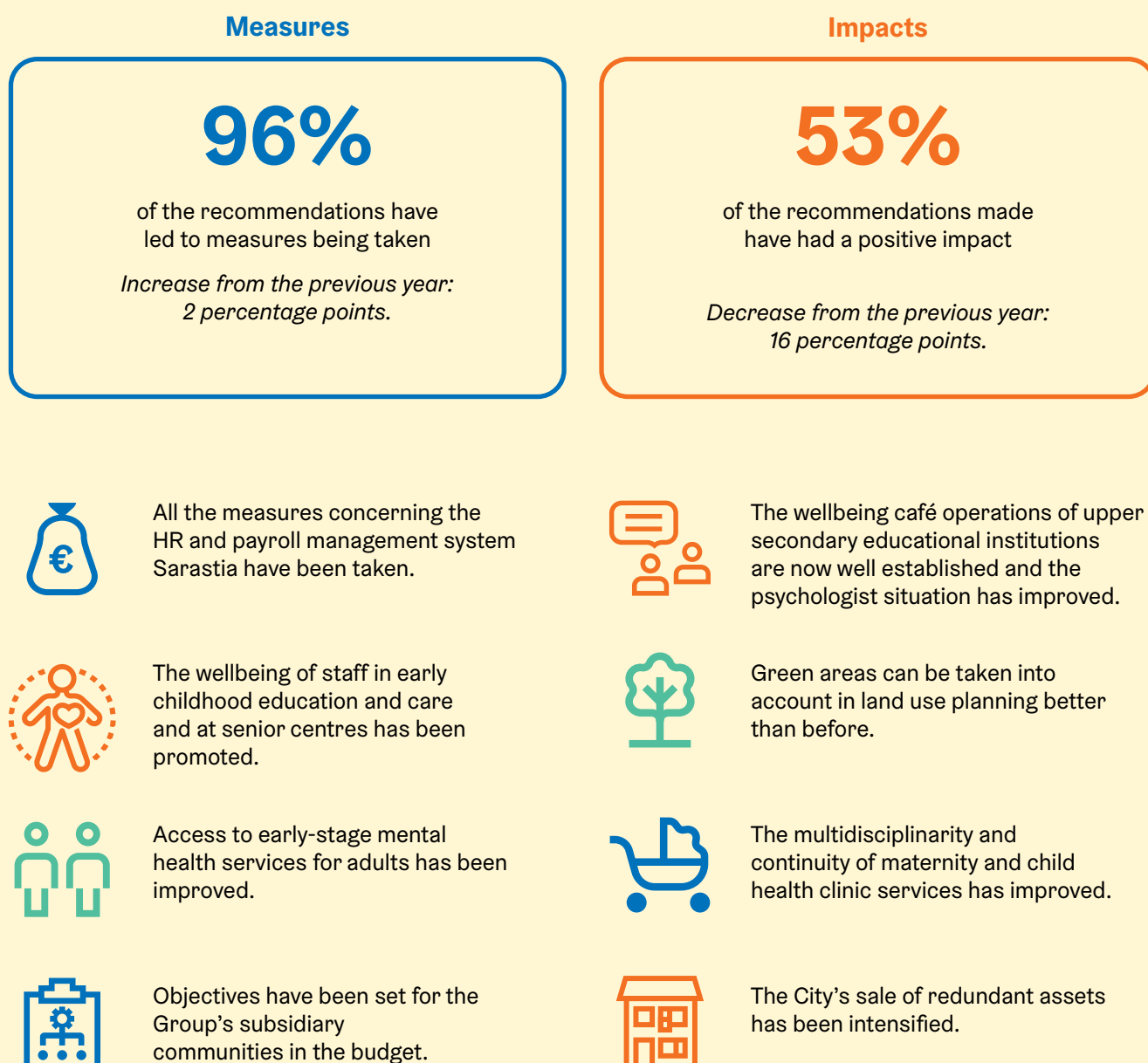


Figure 17. Impacts of the measures taken based on recommendations issued by the Audit Committee in 2020–2022, %.



The figures have been more readable by rounding the percentages. This is why the total does not always add up to 100.

Figure 18. Summary of and observations on the implementation and impacts of the recommendations of the 2022 assessment report and highlights of the measures taken.



Follow-up on the recommendations of the financial audit

According to the City of Helsinki's Administrative Regulations, one of the tasks of the Audit Committee is to monitor that the accountable persons and other persons in charge of operations have taken the necessary measures in response to the recommendations and reminders based on the financial audit.

The City's Auditor reports on the financial audit performed to the Audit Committee three times per year. The reports are distributed to the management of the City and its divisions, departments and public enterprises, as well as other persons responsible for administration and financial management. The audit report and the summary report on the audit of the financial year are processed by the City Council. The reports present the findings of the audits and the recommendations made to the administrative branches as a result.

Follow-up on the findings of the financial audit of 2022–2023

The Auditor has reported to the Audit Committee on the recurring shortcomings in the financial and administrative management discovered in the 2022–2023 audits. Recurring observations were made in the following areas: the documentation of purchase and expense invoices, the completeness of invoicing based

on the Apotti patient information system and the monitoring of invoicing delays, the description and documentation of controls related to payroll, the reporting of environmental responsibilities in the financial statements, and administrative issues. In addition, observations were made on the documentation of purchases and tendering processes, memo receipts, balance sheet breakdowns and the balancing of ledgers and bank accounts. However, there has been a decrease in the number of such observations.

The Audit Committee considers it appropriate to remind the divisions, agencies and public enterprises of their obligation to take immediate action to remedy any shortcomings found in the financial audit. This applies in particular to the parties mentioned in the reports at the time, but the recommendations will also benefit those who were not the subject of the audit at the time of the audit in question.

The Audit Committee concludes that

- ▶ the City Board must ensure that the accountable persons take the measures recommended by the Auditor to remedy the deficiencies identified without delay.



APPENDIX 1. Division of areas of responsibility within the Audit Committee in 2024

First subcommittee	Second subcommittee
Central Administration <ul style="list-style-type: none">■ City Board■ City Executive Office Public enterprises of Central Administration <ul style="list-style-type: none">■ Board of Directors of the Financial Management Services■ Financial Management Services■ Board of Directors of Palvelukeskus Helsinki■ Palvelukeskus Helsinki■ Board of Directors of Helsinki City Construction Services■ Helsinki City Construction Services■ Board of Directors of Occupational Health Helsinki■ Occupational Health Helsinki Urban Environment Division <ul style="list-style-type: none">■ Urban Environment Committee■ Land Use and city Structure■ Buildings and Public Areas■ Services and Permits■ Board of Directors of Helsinki City Transport■ Helsinki City Transport	Education Division <ul style="list-style-type: none">■ Education Committee■ Early childhood and pre-primary education■ Basic Education■ General Upper Secondary, Vocational and Liberal Adult Education■ Services in Swedish Culture and Leisure Division <ul style="list-style-type: none">■ Culture and Leisure Committee■ Library Services■ Cultural Services■ Youth Services■ Sports Services Social Services, Health Care and Rescue Services Division <ul style="list-style-type: none">■ Social Services, Health Care and Rescue Services Committee■ Family and Social Services■ Health and Substance Abuse Services■ Hospital, Rehabilitation and Care Services■ Rescue Department
Key subsidiary communities under the responsibility of the first subcommittee Regional and infrastructure <ul style="list-style-type: none">■ Metropolitan Area Transport Ltd Housing <ul style="list-style-type: none">■ Helsingin Asumisoikeus Oy■ Helsingin kaupungin asunnot Oy■ Kiinteistö Oy Auroranlinna Business and marketing <ul style="list-style-type: none">■ Forum Virium Helsinki Oy■ Helsinki City Premises Ltd■ Helsinki Events Foundation■ Helsinki Partners Oy■ Korkeasaaren eläintarhan säätiö sr■ Stadium Foundation Commercial organisations <ul style="list-style-type: none">■ Finlandia Hall Ltd■ Helen Ltd■ Port of Helsinki Ltd■ Kiinteistö Oy Kaapelitalo■ Metropolilab Oy Premises <ul style="list-style-type: none">■ Kiinteistö Oy Helsingin Toimitilat Support services and others <ul style="list-style-type: none">■ Seure Henkilöstöpalvelut Oy■ DigiHelsinki Oy■ Helsinki Metropolitan Area Reuse Centre Ltd	Subsidiary communities under the responsibility of the second subcommittee Culture <ul style="list-style-type: none">■ HAM Helsinki Art Museum Foundation■ Helsinki Music Centre Foundation■ Helsinki Theatre Foundation■ UMO Foundation Sports <ul style="list-style-type: none">■ Ice Hockey Foundation■ Mäkelänrinne Swimming Centre■ Urheiluhallit Oy■ Vuosaari Sports Hall Social Services, Health Care and Rescue Services Division <ul style="list-style-type: none">■ Helsingin Seniorisäätiö sr■ Niemikotisäätiö sr■ Oulunkylän kuntoutuskeskus sr

APPENDIX 2. Audit Department staff who assisted the Audit Committee's subcommittees

First subcommittee

Cantell, Timo
Assessment Manager

Jäske, Petri, Secretary of the Committee
Principal Performance Auditor

Hynninen, Harri
City Auditor

Kaartinen, Aija
Principal Performance Auditor

Kähkönen, Liisa
Principal Performance Auditor

Mantere, Leena
Auditor

Mikkonen, Juuli
City Auditor

Palomäki, Tarja
City Auditor

Parkkonen, Hanna
City Auditor

Puttonen, Kalle
City Auditor

Seppälä, Jaakko
City Auditor

Vismanen, Elina
City Auditor

Second subcommittee

Cantell, Timo
Assessment Manager

Kähkönen, Liisa, Secretary of the Committee
Principal Performance Auditor

Kaartinen, Aija
Principal Performance Auditor

Kaito, Kirsi-Marie
City Auditor

Mikkonen, Juuli
City Auditor

Palomäki, Tarja
City Auditor

Parkkonen, Hanna
City Auditor

Puttonen, Kalle
City Auditor

Vismanen, Elina
City Auditor

APPENDIX 3. List of the assessment memos prepared for the Audit Committee

First subcommittee

- Promoting Helen Ltd's environmental objectives
- Coordinating street works and reducing their negative impacts
- Productivity of ICT service purchases in the Education Division
- Adaptation and preparedness for extreme weather events in the Helsinki Metropolitan Area
- Implementing productivity-enhancing reforms 2021–2024
- The City's business services and investment attraction
- Assessment of the effectiveness of the 2022 recommendations, first subcommittee

Second subcommittee

- Reducing homelessness
- Access for elderly people from home care to 24-hour care
- Functioning of the service voucher system in primary health care
- Swedish-language social and health services for families with children
- Information flow and cooperation between basic education and Child Welfare
- Accessibility of daycare facilities and the achievement of pedagogical objectives
- Assessment of the effectiveness of the 2022 recommendations, second subcommittee



The memos are available on the following website: www.arviointikertomus.fi/en.

Abbreviations and glossary

Apotti

client and patient information system for social services and health care

ARA

Housing Finance and Development Centre of Finland, abolished 28 February 2025

Arcada

Swedish-language university of applied sciences in Helsinki

ASTI project

information system project for the services of the Education Division

Bioenergy

renewable energy derived from various biomasses, such as wood, crops and bio-based waste

Biogenic carbon dioxide

carbon dioxide released when biomass or its derivatives burn or decompose

Biomass

organic matter such as wood, agricultural waste or biowaste that can be used for energy production or as a raw material

GDP

gross domestic product, a measure of the value of goods and services produced in a given period and in a given region

CO₂ or carbon dioxide

a chemical compound consisting of carbon and oxygen, which is the most significant greenhouse gas produced by humankind

Effica

the patient information system used in Helsinki before Apotti

Ecological sustainability

preservation of the diversity of plant and animal species and the functionality of ecosystems, and sustainable use of natural resources

ELY Centre

Centre for Economic Development, Transport and the Environment

Fingrid

the public limited company responsible for the transmission of electricity on the Finnish main grid

Fossil fuel

a non-renewable energy source, such as coal, natural gas or oil, the use of which produces greenhouse gas emissions

FSC

Forest Stewardship Council, an international forest certification system

ELMA

City of Helsinki's economic policy objectives for land use

Incubator, business incubator

an entrepreneurial coaching, training and mentoring programme

Heka

City of Helsinki housing company Helsingin kaupungin asunnot Oy

Helen

energy company owned by the City of Helsinki

Helsinki Innovation Fund

a fund for investment projects and projects that strengthen the economy and skills in Helsinki

Hester

a customer service bot on the Helsinki social and health services website

Carbon dioxide equivalent (CO_{2e})

a collective measure of greenhouse gas emissions that allows the emissions of different greenhouse gases to be summed up as the equivalent amount of carbon dioxide that has a global warming effect

Carbon neutral

no more carbon dioxide emissions are produced than can be sequestered from the atmosphere into carbon sinks, such as forests and seas

HKL

the City of Helsinki's transport enterprise, responsible for metro transport and related public transport infrastructure

Care guarantee

the maximum period of time defined by law within which a patient must receive care in public health care

Stormwater

rainwater, meltwater and drainage water from building foundations

HUS

the HUS Group, owned by the City of Helsinki and the wellbeing service counties of Uusimaa, responsible for specialised health care in Uusimaa

IHH

International House Helsinki, provides advice and authority services for people moving to the Helsinki Metropolitan Area from abroad

IPCC

the Intergovernmental Panel on Climate Change

JobTeaser

a career advice and recruitment platform for higher education students

Campus incubators

a programme initiated in 2021 by Helsinki to encourage higher education institutions in the region to set up new incubators on their campuses

Municipal Helsinki

City of Helsinki compared to other municipalities, excluding the state-funded Social Services, Health Care and Rescue Services Division

Heat island

the release of waste heat from buildings, transport and industry and solar radiation stored in urban structures as heat. A phenomenon in which the temperature in the city centre is higher than in the surrounding areas.

Maisa client portal

the e-service channel for social services and health care

NPS

Net Promoter Score, a recommendation index measuring customer satisfaction

Service voucher

a payment commitment, subject to certain conditions, with which a client can buy services from private service providers approved by the City

PEFC

Programme for the Endorsement of Forest Certification, an international forest certification system

PKS

Helsinki Metropolitan Area

Specific emission

the amount of emissions in relation to the thing being examined, such as a unit of energy sold or produced

RAI assessment

Resident Assessment Instrument, an assessment of a client's health status, resources and need for assistance

Sarastia

a personnel and payroll management system

SAS process

the analysis, assessment and placement process for 24-hour service housing

SBP

Sustainable Biomass Program, an international certification system that ensures that biomass is sourced legally and sustainably

Blue network

the ecological network of the marine area, bays, rivers, ponds, creeks, open ditches, coastal biotopes and submarine nature

Stara

Helsinki City Construction Services

Talent Helsinki

a project to attract and employ international talent

Talpa

City of Helsinki Financial Administration Services

'Need help?' online form

a low-threshold online service to help families with children find the right support. The contact channel is intended for families with children in Helsinki who are experiencing a stressful life situation or parenting problems.

THL

National Institute for Health and Welfare

Facility place

for how many children a daycare centre has reserved space. As a rule, the amount is calculated on the basis of the floor area and air flow rate of the daycare facility.

RDI operations

research, development and innovation operations

Toivo activities

support activities for young people aged 12–17 who have been placed in community care or substitute care by Child Welfare

TOPA project

an AI-based learning analytics project of the Education Division

Varke

the Centre for State-Subsidised Housing Construction, established 1 March 2025, responsible for the duties of the former ARA

Green factor

how much vegetation and water retention solutions should be present in relation to the area of a plot

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