

City of
Helsinki

2015

Annual Report



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Mayor's foreword

The year 2015 presented a highly challenging operating environment for the City of Helsinki. Difficult economic conditions prevailed, and this was reflected as rapidly increasing expenses in various areas of the City economy including employment management. Consequently, the City continued to balance its economy according to the productivity goals defined in the City strategy programme. One positive development was seen late in the year, when youth unemployment showed a modest decline.

The latest trends in the European security situation caused a great deal of alarm. Terrorist attacks in Paris and Copenhagen weakened citizen perceptions of safety. Together with its partners, Helsinki made powerful local efforts to prevent violent extremism.

The year broke records in travel and tourism.

As a result of the worsening crisis in the Middle East, the number of asylum seekers to Finland rose sharply from the summer 2015 onwards. The total number of asylum seekers was ten-fold compared with the previous year's number and necessitated broad-based cooperation between the authorities and the civic sector. Volunteers played valuable and crucial roles in the work.

Despite the challenging conditions, many positive developments were recorded during the year. Housing construction activity was strong, and the number of

housing starts was record high at 5,967, which shows an increase of nearly 2,500 over the previous year. The City Council approved the energy company Helen Ltd's development programme based on renewable energy and distributed generation. The programme leads Helsinki towards a carbon-neutral future in the spirit of the Paris climate agreement.

Excavation work was begun at the site of the Helsinki Central Library, which is one of the spearhead projects celebrating the 100th anniversary of Finnish independence, and the proposal for The House of Dance to be built at the Cable Factory cultural centre was approved. Helsinki's cultural offering had strong Asian flavours with the unique Focus China festival, which was presented as part of Helsinki Festival.

The year broke records in travel and tourism. Helsinki was particularly appealing to travellers from the Far East. Overnights totalled 3.5 million. Travel and tourism showed 5 per cent growth over 2014. Major public events, especially the Gymnaestrada gymnastics event, made big impressions in the city. Helsinki Airport broke the 16 million mark in passenger traffic. The port of Helsinki broke the 11 million mark, and traffic between Tallinn and Helsinki grew by 2.8 per cent.

I extend my sincere gratitude to all our partners and to our personnel for the past year and for our joint efforts for the good of Helsinki and its citizens.

Jussi Pajunen
Mayor



Mayor Jussi Pajunen

- General planning of operations and financial affairs
- Steering of City Group
- Preparation of budget and oversight of budget implementation
- Central accounting
- Internal auditing
- Economic development, travel and tourism, events
- Preparedness plans
- International affairs
- Communication
- Human resource policy

Key figures of Mayor's scope of operations

Operating income, EUR million.....	27.8
Operating expenses, EUR million.....	181.0
Operating expenses per resident, EUR ...	288.0
Personnel.....	1,001
Share of total personnel, %	2.6

Municipal enterprises within the Mayor's scope of operations*, turnover, EUR million

Financial Management Services (387)	26.6
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Departments*

City Executive Office (597)
Audit Department (17)

* Number of personnel with monthly salary or hourly wages presented in parenthesis

Mayor's scope of operations

The City of Helsinki economy was more positive in 2015 than anticipated. The City's operating margin was as budgeted, and the tax income and state subsidies increased beyond the budget. The City's own operations grew by one per cent, that is, according to the strategic goal. Further increases in expenses have been slowed systematically by improving productivity and by maintaining the real-term growth of City operating expenses relative to the population growth.

A modest growth in production in the Helsinki region slowed during the third quarter, and the gap between the region and the rest of Finland narrowed. Total production in the region was depressed by declines in industry, sales, transport and warehousing. Construction activity and most services grew. The communication and information sector grew faster than other sectors, although the growth slowed toward the end of the year. Growth accelerated in the hotel and catering business.

Helsinki's employment rate was 72.4 per cent. The number of the unemployed grew by 13 per cent from 2014. The unemployment rate reached 12.7 per cent at year-end, up by 0.8 per cent from a year earlier.

The population of Helsinki was 628,200 at year-end 2015, up by 7,500 from 2014. The number of foreign nationals grew by 2,500. The number of residents who speak some other language than Finnish or Swedish as their first language grew by 5,000, and they now represent about 14 per cent of the city's population. The number of Swedish-speaking residents is nearly 36,000, which represents nearly 6 per cent of the population.

The number of asylum seekers in Finland increased rapidly. The number of new asylum seekers exceeded 32,000, and it is estimated that about 2,300 of those granted residence

will end up in Helsinki during 2016. Migrants normally become customers of the City immigration unit after they are granted residence and through the family reunification programme. Helsinki prepared for an increased demand for integration services with a special appropriation and with new operation models.

Preparations for reforms

The City of Helsinki operations in 2015 were marked by preparations for national reforms of health care and social welfare provision and regional administration. The preparations included negotiations with the other municipalities of the region. Important themes of regional cooperation included a land use plan extending to 2050 (MASU 2050), a housing strategy extending to 2025 and a traffic and transport system plan for the Helsinki region (HLJ 2015). Preparations were under way for a housing and land use implementation programme. The land use plan is based on an estimate according to which the region's 14 municipalities will be home to more than 2 million people in 2050.

In addition to the proposed national reforms, the City made preparations for organizational reforms. Helsinki will adopt a new mayoral system. The operations and services of the current 31 City departments will be reorganized into sectors. According to plan, the number of the sectors will be no more than four in addition to central administration. The organizational reforms will take effect in June 2017 after the next municipals elections.

New business activity

Positive development in Helsinki is strengthened by means of economic and employment



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policies. Work was started for brand development and new city marketing efforts. In cooperation with the University of Helsinki, Aalto University and the Hospital District of Helsinki and Uusimaa, the City launched a Health Capital Helsinki project, a metropolitan Smart & Clean project and a start-up hub to be established in the premises of the former Maria Hospital.

Large construction sites

The Helsinki city centre and suburbs were developed in 11 project areas. A total of 4,059 new housing units were completed. The largest construction sites were in Kalasatama, Pasila and Jätkäsaari. Construction of 1,400 housing units and a second port terminal, West Terminal 2, went under way in Jätkäsaari.

The major international gymnastics event Gymnaestrada Helsinki 2015 brought its 21,000 participants to Helsinki in July.

City of people

Helsinki is a dynamic and appealing city for events. The streets and parks of the city often serve as scenes for communal events organized by residents and as meeting places for citizens. Residents could take part in the development of the city easier than before, when the participation and information online services were upgraded to comply with mobile devices. Citizens were invited to join the governance reform work through an online survey. All departments were included in the City's joint feedback system, which received nearly 48,000 feedback messages. The information and exhibition activities at Virka in the City Hall lobby served more than 400,000 customers.

Good year for travel and tourism

Events played an important role in travel and tourism, which showed marked growth. The major international gymnastics event Gymnaestrada Helsinki 2015 brought its 21,000 participants to Helsinki in July. The World Junior Ice Hockey Championship, with low ticket prices, attracted a large number of visitors from the major ice hockey countries to Helsinki in December.

Overnights increased by 5 per cent and broke the record at 3.5 million. In addition to domestic visitors, Helsinki welcomed tourists especially from Germany, Sweden, the UK, Japan and China. The number of Chinese visitors grew by 44 per cent from 2014.

Sea and air travel also broke records. Helsinki Airport recorded 16.4 million and the port of Helsinki 11.2 million passengers. The number of international cruise passengers was 437,000.



Deputy Mayor Pekka Sauri

- Public transport
- Public works
- Rescue services
- Environmental affairs

Key figures of public works and environmental affairs

Operating income, EUR million.....	317.2
Operating expenses, EUR million.....	594.8
Operating expenses per resident, EUR...	946.7
Personnel (incl. municipal enterprises) ...	5,384
Share of total personnel, %	14.2

Municipal enterprises within the scope of operations*, turnover, EUR million

Helsinki City Transport (HKL) (992)	153.9
Palmia (1,500).....	94.5

Departments*

Environment Centre (160)
Helsinki Wholesale Food Market (36)
Procurement Centre (56)
Public Works Department (479)
Rescue Department (668)
Stara construction services (1,464)

* Number of personnel with monthly salary or hourly wages presented in parenthesis

Public works and environmental affairs

Helsinki's new Climate Roadmap lays out how Helsinki can become a carbon neutral city by 2050 and how citizens, businesses and the City should act to achieve that goal. The Climate Street project engaged residents and businesses to come up with ideas for the street of Iso-Roobertinkatu to reduce energy consumption and greenhouse gas emissions.

Helsinki continues to be active in the Baltic Sea Challenge project both in Finland and internationally. The first shoreline cleaning event as part of Helsinki's Baltic Sea commitments to protect the sea was held in April. The Citywater project advanced natural control of storm water in both Helsinki and Tallinn. The Helsinki nature conservation programme and a forested area survey proposed 47 new nature reserves, which would nearly double the number and total area of the city nature reserves. The programme has been drafted for 2015-2024.

A survey was conducted on the views of local residents on outdoor concert closing hours. The majority of the respondents viewed the events favourably. The survey results were utilized for 2016 guidelines for concert closing hours.

Celebrating public transport

The Helsinki City Transport (HKL) municipal enterprise celebrated its 70th anniversary. Customer satisfaction with the metro and tram services grew markedly. The metro's total passengers increased by 1.2 per cent. Total passengers on the Suomenlinna ferry increased by 8 per cent. Total passengers on trams declined by 0.5 per cent. The Paloheinä tunnel and Kuusmiehentie public transport street for the transverse bus line 560 were completed. The 1.2-kilometre tunnel short-

ened significantly the bus's travel time from Rastila to Myyrmäki. The tunnel construction cost remained 25 per cent below the estimate.

Preparations for a bike-share system progressed to allow the system to be launched in May 2016 with 500 bikes. The first M300 series metro train was delivered from Spain to Helsinki in March. Serial production of the new Artic trams began in Otanmäki, Finland. HKL's management system and organization were reformed.

Service Centre and Palmia

The Palmia municipal enterprise was renamed as City of Helsinki Service Centre and the name Palmia was assigned to a company established from the municipal enterprise. Service Centre improved the availability, centralization and efficiency of services. The municipal enterprise was reorganized to comply with the new operations.

Bright Helsinki

Responsibilities for outdoor lighting on streets and in green areas moved from the Helsingin Energia energy company to the Public Works Department when the company was incorporated. Helsinki hosted a conference held by Lighting Urban Community International (LUCI). LED lighting was increased. LED lights have kept lighting costs under control. The Esplanade Park's Christmas lights with reindeer figures were highly popular.

The Public Works Department achieved its operational and financial goals. Area development projects progressed well in Pasila and Kalasatama. Utilization of earth materials has increased in construction projects in recent



years. In 2010, the department's construction sites removed 500,000 cubic metres of earth materials to a processing site in Vantaa; since 2014, no earth materials have been taken to the site. This has produced both significant savings and notable environmental benefits. The 2015 savings amounted to about EUR 10 million, and carbon dioxide emissions were reduced by 5,300 tonnes.

The Public Works Department's Twitter account had 12,500 followers at year-end, and the department strengthened its reputation as a local pioneer in social media.

The site of the Public Works Department's old office building on Kasarmikatu in the city centre was sold. The state-of-the-art facilities of a new office building in Vallila offer the department's 500 employees new types of interactive work opportunities. The department's Twitter account had 12,500 followers at year-end, and the department strengthened its reputation as a local pioneer in social media.

New approaches

The construction services provider Stara increased its earnings and achieved its targeted operating margin. Stara's long-term turnover has been on the decline, mainly due to reduced maintenance procurement and investments by Stara customers. Stara was presented with the Lappeenranta recognition

for its long-term work to improve occupational wellbeing, as well as with a City Executive Office recognition for developing an occupational wellbeing measuring tool.

The traditional Helsinki Baltic Herring Market was organized by the Helsinki Wholesale Food Market for the first time. Helsinki Baltic Herring Market is Helsinki's oldest annual event. The international Sideways festival was the largest event ever organized at the Wholesale Food Market's headquarters site. It was decided to develop the Hietalahti Market Hall as a Helsinki City operation, as the Real Estate Committee turned down an offer for the hall from a private investor.

The Rescue Department focused on emergency prevention. Positive results were achieved in operations where apartment properties monitor themselves and in the charting of local risk-prone areas. There was an increase in first-response, non-urgent and low-risk assignments. The situation awareness system was developed to better serve disaster and disruption situations. Personnel wellbeing was promoted.

The Procurement Centre strengthened its role as a joint City procurement unit. The centre organized 159 competitive bids worth EUR 136 million in total. The Logistics Centre delivered to City units jointly procured items worth EUR 14 million. The Procurement Centre participated in national and international sustainable development and innovative procurement projects as well as in work to reform the national procurement legislation.



Deputy Mayor Laura Rätty

- Social services and health care
- Early education

Key figures of social affairs and public health

Operating income, EUR million.....	318.8
Operating expenses, EUR million	2,647.4
Operating expenses per resident, EUR..	4,214.2
Personnel.....	21,783
Share of total personnel, %	57.5

Departments*

Social Services and Health Care (15,946)
 Early Education and Care (5,837)

* Number of personnel with monthly salary or hourly wages presented in parenthesis

Social affairs and public health

The City of Helsinki's reforms in social services and health care focused on developing new operation models for the centres for families, health, wellbeing and diverse other services. The construction of a new health and wellbeing centre went under way in Kalasatama. An appropriate facility for the first family centre was found in Itäkeskus on good transport connections. The family centre will open doors in 2017.

An online course was produced for first-time mothers and couples. The course website contains videos and information on pregnancy, childbirth, infant care and services for families. Health checks for children at 3-year intervals were tested at day care centres.

Child health care and good food

Families could easily conduct all important child health checks at day care centres. A two-hour health-check session included an oral health check and a group discussion. This new service was offered at more than 30 day care centres in Kallio, Ullanlinna, Vironniemi, Kampinmalmi, Lauttasaari and Töölö, as well as at three Swedish-language day care centres. Feedback on the experiment was highly positive, and both parents and the staff gave it a top grade in a survey.

The 275 municipal day care centres in Helsinki follow a shared menu, which was renewed in cooperation with the Education Department and the catering provider Palmia. The food offering was developed on the basis of feedback from children, parents and the day care staff, focusing on nutritional values, versatility, good taste and the educational role of meals.

Joy from physical activity

The Department of Early Education and Care participated in preparations for a children's sports programme organized by the Finnish sports associations. The programme was joined by nearly 50 Helsinki day care units. Children's physical activity was encouraged indoors, outdoors, at home courtyards and in nature. The physical activity practices were reassessed, and many new activity models were adopted. Parents were challenged and engaged to join their children in physical activities.

Children as artists

Public playgrounds and day care centres were visited by professionals in visual arts, puppet theatre, comics and theatre. They created art with children within a joint project of the Department of Early Education and Care and the Cultural Office. The project made art visible in children's everyday lives. Continued cooperation with the Museum of Contemporary Art Kiasma involved art workshops, guided tours and personnel training, aimed at introducing the methods of contemporary art to the education of 3- to 6-year-olds.

Preschools and children at play

A project was launched in August to gain insights into preschool education: operation methods and learning environments utilizing information and communication technology were developed with preschool groups. This city-wide project was used to strengthen early educators' media and pedagogical skills and children's multimedia skills.



Helsinki playgrounds have served families for 101 years and continue to operate actively. A new world record in play was broken in the summer when 9,096 children and grown-ups played and sang together at 65 Helsinki playgrounds. The Suvilahti cultural centre invited families to an event focusing on traditional songs and outdoor plays in September; the event celebrating play was joined by 3,000 play-minded children and parents.

Health promotion campaigns

City-wide health promotion campaigns remained active. A smoking clinic, part of the smoke-free Helsinki programme, was recognized by the Finnish Heart Association for promoting heart health. The association cited the smoking clinic as a pioneer in anti-smoking efforts.

A programme was launched in the summer to prevent and to treat overweight and obesity. An appealing name for the programme ("slim city") was found through a competition open for all.

A growing segment of Helsinki residents use social and health care eServices.

Oral health care services campaigned on social media and offered children an enjoyable method to learn about dental care – by playing an oral health game. The game shared second prize for public sector entries in the Games for Health Finland Challenge 2015.

One-third use eServices

A growing segment of Helsinki residents use social and health care eServices. For example, it has been possible to submit a social assistance application through eServices since the autumn of 2014. During the first year of the eService, more than 10 per cent of the applications were submitted online. Nearly one million health care appointment reminders were sent to customers electronically in

2015, and over 175,000 registrations to oral care appointments were made online.

Emergency shelters for asylum seekers

The numbers of new asylum seekers to Finland rose sharply from the summer onwards. On a request by the Finnish Immigration Service, Helsinki was quick to respond to the challenge, setting up temporary reception units and organizing emergency accommodation at 15 locations. The City organized accommodation and reception services for over 2,000 asylum seekers at a time.

The situation changed for Helsinki in October, when a distribution hub was opened in Tornio and other operators opened reception centres in the Helsinki region. Helsinki closed its emergency shelters by the end of November.

Services and support at homes

Hospital operations were closed in Herttoniemi in 2015. The resources freed from the operations were redirected to home services. In addition to return-to-home teams, physical and occupational therapy was increased to support patients at home during recovery.

Home care services included virtual remote care visits and rehabilitation with remote access. Remote consultation by doctors was also tested.



Deputy Mayor Ritva Viljanen

- General and vocational education, general adult education
- Library services
- Cultural affairs
- Sports and physical activity
- Youth affairs
- Research and statistical operations
- Employment affairs

Key figures of education and cultural affairs

Operating income, EUR million.....	78.1
Operating expenses, EUR million	937.0
Operating expenses per resident, EUR..	1,491.5
Personnel.....	8,769
(incl. Oiva Akatemia, turnover EUR 4.7 million)	
Share of total personnel, %	23.2

Departments*

Cultural Office	(119)
Education Department	(6,394)
Finnish Adult Education Centre	(167)
Helsinki Art Museum	(73)
Helsinki City Library	(538)
Helsinki City Museum	(78)
Helsinki Philharmonic Orchestra	(120)
Helsinki Zoo	(82)
Occupational Health Helsinki	(155)
Oiva Akatemia	(28)
Sports Department	(500)
Swedish Adult Education Centre	(38)
Urban Facts	(90)
Youth Department	(387)

* Number of personnel with monthly salary or hourly wages presented in parenthesis

Education and cultural affairs

The citizens of Helsinki appreciate their local schools. More than four-fifths of children starting comprehensive school chose their local school. Young people completing their comprehensive school education were guaranteed placement in further education or training. They were also offered alternative study paths in preparatory training, workshops for young people or further basic education. Helsinki schools were successful in the Matriculation Examination, and the students' average scores in compulsory subjects exceeded the national average. Finnish language teaching for children of immigrant origin was strengthened, and their guidance to post-comprehensive-school studies was developed.

Vocational education was steered closer to workplace requirements. Learning emphasized skills, and students were offered flexible study paths. Helsinki Vocational College organized open vocational studies, which allowed students to shift from one field to another or to begin studies on an individual basis.

The majority of students in general upper secondary schools and most first- and second-year students of Helsinki Vocational College adopted the electronic tool ePortfolio. This is a personal learning environment in which students can plan their studies, document their learning and demonstrate their skills.

The initiatives system for young people, Ruuti, strengthened its role. On an initiative by Ruuti, a work voucher was introduced to support young people's summer employment. These "summer vouchers" were distributed to all ninth-grade students in the eastern, western and north-eastern districts of Helsinki. The experiment resulted in a decision to continue and to expand the sum-

mer voucher programme. The Ruuti system of participatory budgeting reached close to 7,000 young people, and the system will expand to all areas of Helsinki. A processing system for initiatives from young people was created, and the initiatives will be presented to the City Council annually.

The action programme *Finnish Schools on the Move* encouraged children to be physically active both during and outside school days. Two-thirds of Helsinki schools organized a physical activity school day at the end of the school year. The number of participants in weekly EasySport activities for elementary school children continued to rise, and FunAction activities for 13- to 17-year-olds expanded to new areas. The number of participants and visits doubled in NYT sports activities for 17- to 29-year-olds. Excitement for sports was heightened by World Gymnaestrada Helsinki 2015, which was the largest sports event ever organized in Finland judged by the number of international participants. The organizers of this highly successful event included the Sports Department.

International and local cultural activities

The year's most important day for Helsinki City Library was 28 January, when the City Council approved the project plan of the Helsinki Central Library. The construction of the library building went under way, and City Library continued to refine working methods for the Central Library. The goal of the work was to develop all City Library operations. Residents were engaged in brainstorming for the library values, in choosing new English-language materials and in redefining the role and location of their local library.



Residents were also actively engaged in the planning of the new Helsinki City Museum, which opens doors in 2016. The Sederholm House on Aleksanterinkatu and the neighbouring buildings have been renovated and turned into a new museum, which has already aroused international interest. The City Museum's main exhibition of the year, Music!, was on display at the Hakasalmi Villa from March onwards. This activating and experiential exhibition attracted a record number of visitors to help build the exhibition and the extensive programme of related events.

The year was a turning point for Helsinki Art Museum HAM. The art museum expanded into new space in Tennis Palace, and it changed its name and image. HAM's international programme, including an exhibition of Ai Weiwei, attracted a record number of visitors. The art museum was also active in the city outside Tennis Palace.

The Cultural Office renewed its principles for grants. The office's new "Helsinki model" encourages 12 city-centre cultural institutions to organize activities in areas with limited cultural offerings. The objective of the new principles is to combine the expertise of local actors and art institutions.

The Helsinki Philharmonic Orchestra dedicated the year to the 150th anniversary of the birth of Jean Sibelius.

The Helsinki Philharmonic Orchestra dedicated the year to the 150th anniversary of the birth of Jean Sibelius. The orchestra played all symphonies of the composer and gave an unforgettable presentation of the Kullervo Symphony at the Senate Square together with YL Male Voice Choir. Highpoints of the year included the 11th International Jean Sibelius Violin Competition, the concert at the Senate Square, which marked the composer's birthday on 8 December, and tours to Tallinn, Birmingham and Dublin. The orchestra's

performances in Musiikkitalo (Helsinki Music Centre) and elsewhere attracted more than 120,000 listeners.

The Finnish and Swedish Adult Education Centres continued to enjoy high popularity and offered a wide variety of courses and open lectures. The centres provided a total of 125,000 hours of instruction, which represents a significant investment in free education.

Helsinki Zoo also remained popular, attracting more than 520,000 visitors. A special zoo day broke the daily record with 17,000 visitors. A popular and much praised new service was "zoo paths". Important events of the year included the reintroduction of the moose to the zoo and the birth of an Amur leopard cub – the Amur leopard is a highly endangered species.

Digitalization opens new opportunities at Urban Facts. This was evident as development of electronic archiving in document management and as instructions to all administrative bodies for building electronic archive management systems. Work with open data progressed under the management of the Helsinki Region Infoshare specialist team at Urban Facts.

Personnel training

Oiva Akatemia, in charge of City personnel training, focused on leadership and supervisor training. Training sessions were attended by close to 4,000 persons in supervisor roles. EMBA training for the upper and middle management was continued with two groups.

The occupational health care services were incorporated as a municipal enterprise.



Deputy Mayor Anni Sinnemäki

- Building control
- City planning
- Housing affairs
- Housing policy
- Other land use planning
- Real estate

Key figures of city planning and real estate

Operating income, EUR million.....	743.7
Operating expenses, EUR million	319.4
Operating expenses per resident, EUR ...	508.4
Personnel.....	939
Share of total personnel, %	2.5

Departments*

Building Control Department (120)
Housing Production Department (63)
City Planning Department (289)
Real Estate Department (467)

* Number of personnel with monthly salary or hourly wages presented in parenthesis

City planning and real estate

Helsinki City Planning and Real Estate operations proceeded well in 2015. It was particularly noteworthy in terms of long-term progress that work on a new city plan proceeded on schedule. The City Planning Committee approved the city plan proposal in November. After statements and comments on the plan have been processed, the final decision on the proposal will be made by the City Council. The proposal is based on projected growth from the current population to 865,000 by 2050. The city plan would also enable at least 170,000 new jobs in Helsinki.

About one-third of new construction will be infill construction situated especially at rail transport hubs. One-third of it will take place in new development areas, such as the Malmi airport, and another one-third in the expanding inner city built on city boulevards.

Good year in city planning

Helsinki's goal is to produce detailed plans annually to allow new housing construction amounting to 500,000 square metres of floor space. This scope of plans would enable the construction of 5,500 new housing units annually. The City Planning Committee was presented with plans for 557,654 square metres of floor space, and the City Council approved plans for 447,602 square metres. Infill construction represented 46.5 per cent of the floor space approved for construction by the City Planning Committee. The most floor space of all detailed plans was contained in the plan for Atlantinkaari in Jätkäsaari, totalling 297,000 square metres. Completed new housing units numbered 4,069, and housing starts broke the record at 5,967.

In addition to Jätkäsaari, significant new detailed plans were approved for Verkkosaari in Kalasatama and the Koirasaaret area in Kruunuvuorenranta. Major detailed plans were completed for infill construction in Roihuvuori and Kannelmäki. Significant plans for site and building protection and for recreation were also approved, including detailed plans for the Olympic Village in Käpylä and the City Theatre as well as an alteration of the detailed plan for the Suutarila waterfront park enabling the development of a new allotment garden site. A detailed plan for the underground City Rail Loop (Pisara- rata) was approved by the City Council in June.

The City Board approved a City logistics action plan, a mobility development programme, a traffic safety development programme and policies for a tram project. The most important of the City Council-approved plans for individual projects were a detailed plan and transport and traffic plan for a public transport connection for Kruunuvuorenranta over the Kruunuvuorenselkä water body. Several transport and traffic plans for the targeted cycling network were approved, and also approved were plans for the targeted network of the main public transport routes for buses and trams.

Plots reserved and allocated

Building rights were allocated for 277,753 square metres of floor space, and the annual commitment was achieved. Of the total floor space, 86 per cent was allocated by leasing and 14 per cent by selling. The number of new office construction projects was modest. However, the amount of building rights allocated during 2015 was significant, totalling 211,000 square metres, and more



than 120,000 square metres of the total was sold. The main land sale was for the first stage of the Kalasatama centre, which produced EUR 42 million in sales revenue. Land sales produced EUR 104 million in revenue and exceeded the goal of EUR 100 million set in the City budget.

The City's land ownership in Östersundom, an area for future development, rose to more than 50 per cent with 13 new deals, and the City-owned land in the area approximated 1,500 hectares.

The proposal is based on projected growth from the current population to 865,000 by 2050.

The 2015 income from land leases was EUR 223 million. External leases represented EUR 191.3 million of the total. As detailed plans were confirmed, the City received about EUR 11 million in revenue and land through land use agreements.

Plots were reserved for the construction of 3,800 housing units – enough for 7,000 residents – in the general plot reservation round, a total of 310,000 square metres. City plots reserved for housing construction corresponded to 20,500 housing units at year-end, which exceeds the plot reservation target set in the programme for housing construction and related land use.

A project plan for the proposed Helsinki Central Library was approved in January and one for the Myllypuro campus of Helsinki Metropolia University of Applied Sciences in May. A detailed plan for the new Amos Anderson Art Museum to be built at the site of Lasipalatsi was approved in October.

Construction market improved

The number of new housing units built by the City was 522, and decisions on housing starts were made on 1,045 units, 513 of which were ARA rental units, 294 were right-of-occupancy units and 238 were Hitas owner-occupied units. A new type of property was completed in Pukinmäki, built from CLT solid wood elements and comprising four buildings with only one stairwell in each. Renovations were completed in 678 units, and decisions on renovations were made for 864 units.

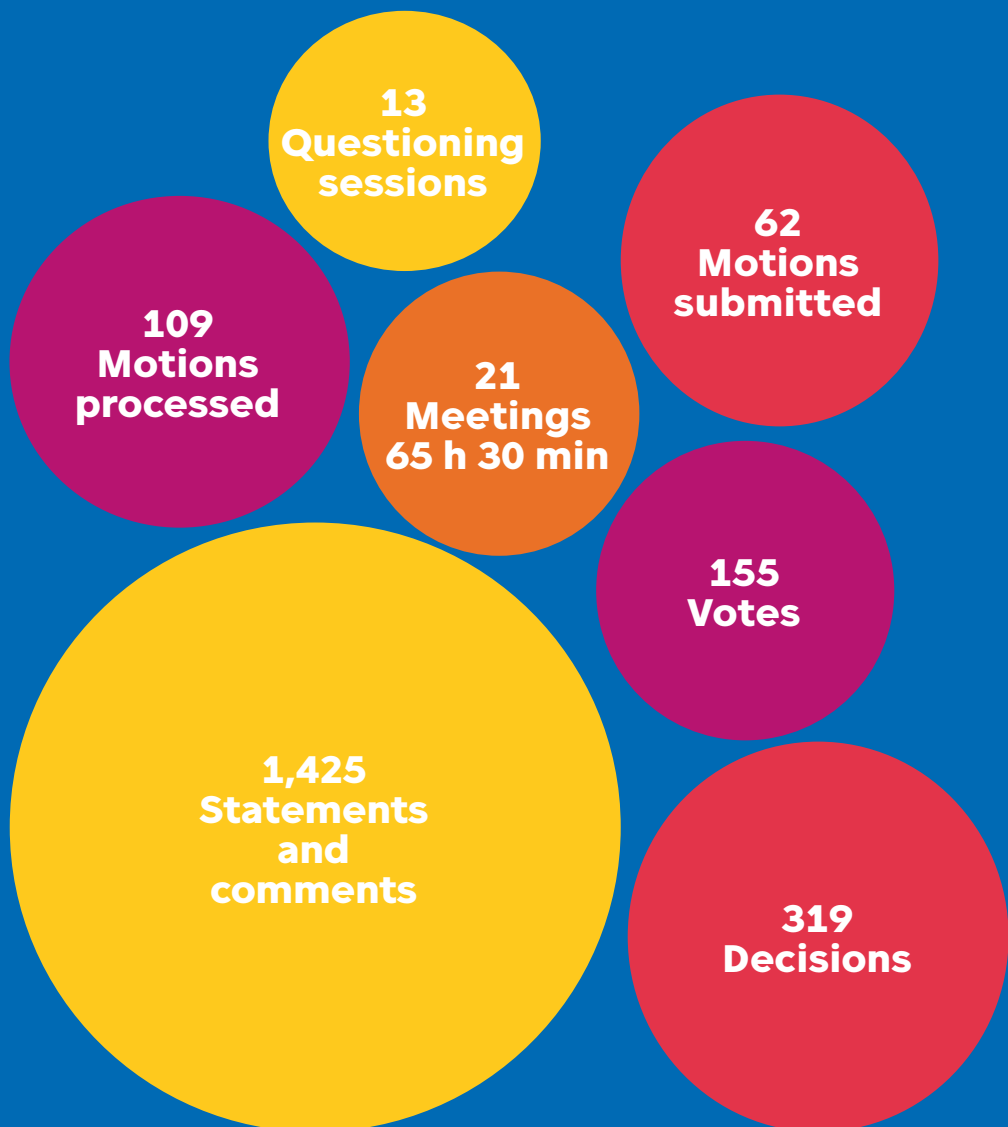
The Helsinki City housing company Heka's property at Harjannetie 13 in Viikinmäki was awarded with distinction for high-quality architecture in the annual building competition organized by the City of Helsinki Building Control Department.

Building permits on the increase

Construction activity remained strong, and a large number of building permits were granted. Permits were granted for 5,900 housing units including building alterations. In addition to tens of apartment buildings, permits were granted for several significant public and office buildings including the Helsinki Central Library and the Children's Hospital. An eServices development project reached the piloting stage, and a development project for the prevention of moisture damage was nationally recognized with an award for moisture-proof building construction. In late autumn, the Real Estate Department reserved the first plots in Melunkylä's Tankovainio for "Helsinki apartment buildings" suitable for infill construction. The Public Works Department applied net sum budgeting for the first time and exceeded the target in gross margin.



**The most important
decision-making body in
Helsinki is the City Council.
Its 85 members represent
10 different political parties.**



Decision-making

City Council

The City Council is the highest decision-making body of Helsinki. The 85 members of the Council are elected as political party representatives by direct popular vote in national municipal elections that are held every four years. The councillors serve in unpaid positions of trust.

From among its members and in proportion to the City Council political party representation, the Council elects a chair and two deputy chairs, the members of the City Board and the members of committees that oversee City departments and administrative sectors. The main tasks of the City Council are to define the general goals for the City, to set the City budget on the basis of a proposal by the Mayor and to balance the City's accounts.

During the regular season, the City Council meets every two weeks. The meetings are open to the public and the media, unless the Council decides to hold a meeting behind closed doors for some specific reason. The council meetings are webcast alive and available on demand on the City's online channel Helsinki-kanava.

City Board

The main tasks of the City Board are to

- oversee administration and financial management,
- prepare matters for the City Council,
- implement the Council decisions and
- ascertain the legality of the Council decisions.

The 15 members of the City Board are elected by the City Council for a two-year term in proportion to the Council's political representation. The City Board meets weekly during the regular season. The meetings are not open to the public and the media.

The City Board has three divisions:

- The City Group Division oversees the operations of the City Group, which consists of the City's subsidiaries, associated companies and foundations.
- The Information Technology Division oversees the implementation of the City's information and communication technology programme and related investments.
- The Governance Division oversees a reform of the City governance to take effect after the municipal elections of 2017.

Mayor and Deputy Mayors

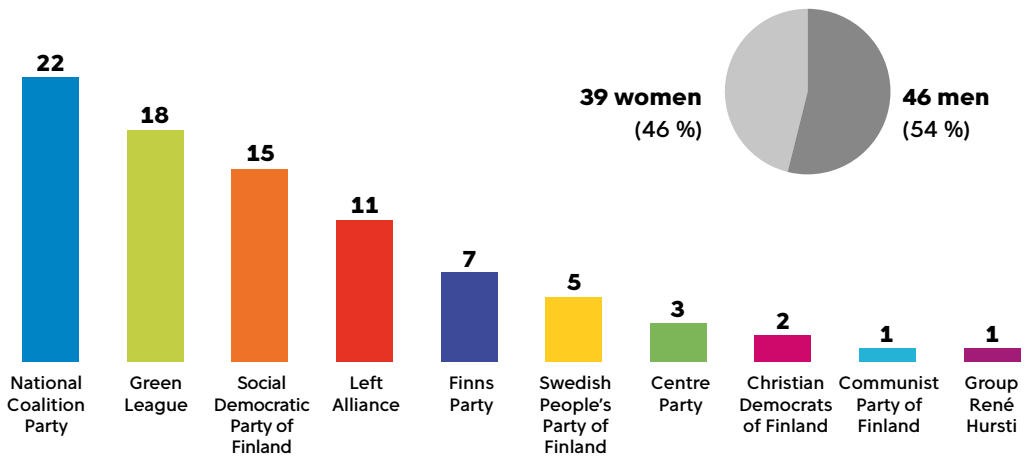
The Mayor and four Deputy Mayors are full-time, salaried elected officials. They are elected to office by the City Council as political party representatives for a set term, which has normally been seven years. According to the new governance system, the City Council will elect the Mayors to office for the council term.

The Mayor and Deputy Mayors are each responsible for distinct segments of administration and report to the City Board. They oversee activities in their respective segments and oversee the implementation of decisions. They are responsible for the preparation of matters for decision-making within their authorities.



City Council chairs (from left): Harry Bogomoloff (1st vice chair, National Coalition Party), Sara Paavolainen (2nd vice chair, Social Democratic Party) and Mari Puoskari (Chair, Green League)

Political party representation



The City Council's meetings can be followed on www.helsinkikanava.fi or in the Council's chamber, address: Sofiankatu 3.

City Board and divisions



City Board chairs (from left): Tatu Rauhamäki (Chair, National Coalition Party), Osku Pajamäki (1st vice chair, Social Democratic Party) and Otso Kivekäs (2nd vice chair, Green League)

City Board

15 members representing the following political parties:

- National Coalition Party (centre-right)
- Green League
- Social Democratic Party of Finland
- Left Alliance
- Finns Party
- Swedish People's Party of Finland
- Centre Party

City Group Division

9 members representing the following political parties:

- National Coalition Party (centre-right)
- Green League
- Social Democratic Party of Finland
- Left Alliance
- Finns Party

31 committees with 9–13 members in each; elected by City Council

Information Technology Division

9 members representing the following political parties:

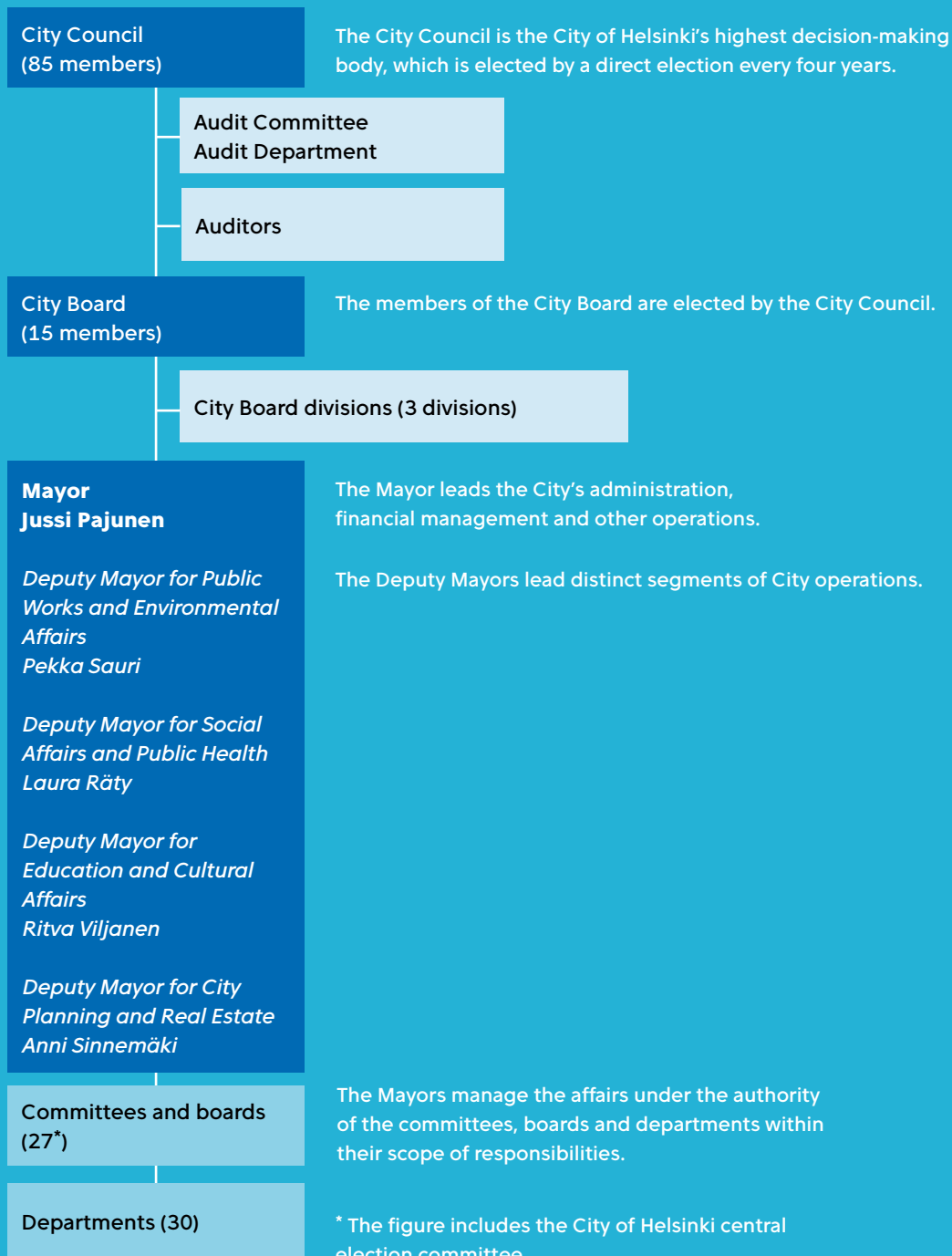
- National Coalition Party (centre-right)
- Green League
- Social Democratic Party of Finland
- Left Alliance
- Swedish People's Party of Finland

Governance Division

9 members representing the following political parties:

- National Coalition Party (centre-right)
- Green League
- Social Democratic Party of Finland
- Left Alliance
- Finns Party
- Swedish People's Party of Finland

City of Helsinki organization



Facts about Helsinki

Helsinki

Founded in 1550

The Finnish Capital since 1812

Area and environment

Total area 719 km²

Land 217 km²

Population density
inhabitants per km² 2,902

Shoreline 123 km

Islands 315

Mean temperature 2015

Whole year 7.8°C

Warmest month, August 17.5°C

Coldest month, January -0.9°C

Population

Total population 2015/2016 628,208

Age groups %

• 0-6 7.2

• 7-15 7.6

• 16-64 68.6

• 65-74 9.7

• 75+ 6.9

Life expectancy 2010-2014 80.4

• men 77.2

• women 83.1

Finnish nationality, % 90.8

Other nationals, % 9.2

Finnish-speaking, % 80.2

Swedish-speaking, % 5.7

Other languages, % 14.0

Housing

Dwellings total 346,751

Owner-occupied dwellings, % 42.6

Housing density m²/person 34.1

Rental dwellings owned
by the City 49,564

Labour market

Jobs 411,307

• primary production (SIC A-B), % 0.1

• processing (SIC C-F), % 10.7

• services total (SIC G-S), % 88.3

Market services (SIC G-N, R-S), % 61.3

Public administration,
welfare services (SIC O-Q), % 27.0

Other or unknown (SIC T-X), % 0.9

Number of companies 44,898

Labour force (15-74 year olds)

• employed 316,300

• unemployed 28,500

Participation rate, % 71.0

Degree of unemployment, % 8.3

Transport and communications

Registered cars per
1,000 inhabitants 404

Public transport within the city,
total journeys 205 M

Mobile phones per
100 inhabitants (in Finland) 172

Internet users (16-74 yr),
percentage of population, % 98.3

Energy and water supply	
Sales of electricity	7,002 GWh
Sales of district heating	6,133 GWh
Sales of water (Helsinki Metropolitan Area)	71.8 M m ³
Water consumption per capita per day (Helsinki Metropolitan Area)	216 l
Treated wastewater	95.4 M m ³

Health care	
City sub-district health centres	25
City hospitals ¹	6

Primary health care	
Primary health care visits total	5.9 M
• visits to health centres, etc	5.3 M
• dental care visits	0.5 M
• total per inhabitant	9.3
Average number of patients in institutional care every day	816
• in city hospitals	760
• in contract hospitals	56
• visits per 1,000 inhabitants	1.3

Specialized medical care	
Out-patient visits total	1.1 M
• in city units	0.3 M
• in contract outpatient clinics	0.8 M
• total per inhabitant	1.8
Average number of patients in institutional care every day	1,094
• in city units	432
• in contract hospitals	665
• visits per 1,000 inhabitants	1.7

Social welfare	
Children in daycare ² per 100 1–6-year-olds	64.5
Places in assisted-living housing for the elderly	3,018
• per 100 persons aged 75+	7.0
• Places in institutional care ³	1,584
• per 100 persons aged 75+	3.7

Education	
Educational structure	
% of 15-year-olds and older with	
• comprehensive school certificate only	27
• secondary education	33
• tertiary education	40

Number of educational institutions in Helsinki	
• Universities	3
• Polytechnics	5
• Vocational training institutions	23
• Comprehensive schools and upper secondary schools	156

Culture and leisure	
City library	
• book loans, million	8.8
• loans per inhabitant	14.1
Museums	58
Recreational trails and jogging tracks, km	216
Swimming pools	13
Sport halls and gyms	32

Tourism	
Passengers (million)	
• via Helsinki Airport	16
• via the Port of Helsinki	12
• via Helsinki railway station	53
Hotel guests (million)	1.9
• overnight stays, total	3.3
• of which foreigners	1.7
Hotels	52
• rooms	8,676
• beds	16,523
International conferences and events	275
• participants	35,235

¹ City hospitals: Herttoniemi, Laakso, Malmi, Suursuo, Haartman, Aurora.

² Includes municipal daycare centres, family centres and contract daycare centres.

³ Includes institutional care and long-term care for the elderly.



Financial statements: Economy was better than forecast

The City economy was better in 2015 than forecast in the budget. Operating margin complied with the budget, but growth in tax income and income from state subsidies was stronger than expected. Although investments remained markedly below the investment ceiling for the second consecutive year, housing construction reached an all-time high.

Internal financing remained markedly below the previous years' levels, because net operating income of Helen Ltd and Port of Helsinki Ltd was no longer included in annual contribution margin. The companies' profits continue to be included in the City Group profit. However, Helen Ltd's effect on the Group profit was smaller than before, due to electricity market conditions and the fact that the company's profit is now subject to tax.

Operating expenses grew by 2.9 per cent, exceeding the strategic objective of 0.9 per cent. This was caused by operations that the City cannot effectively control in the short term by its own measures. Operating expenses grew from the previous year by EUR 37 million (7 per cent) in specialized health care (HUS), by EUR 24 million (74 per cent) in the municipal share of labour market support and by EUR 7 million (48 per cent) in asylum seeker reception centre operations.

Investments excluding municipal enterprises and certain accounting items were EUR 388 million, down from EUR 391 million in 2014. Total investments were EUR 571 million, including EUR 105 million of investments by municipal enterprises and EUR 79 million of accounting entries related to the divestment of the operations of Helsingin Bussiliikenne Ltd and to capital contributions.

Preparing for the future

The City's operations were marked by preparations for proposed national reforms of health care and social welfare provision and regional administration, as well as by preparations for a reform of the City's governance system.

The number of asylum seekers to Finland increased steeply in 2015, when 32,476 asylum seekers entered the country. About 2,300 of those granted residence are estimated to end up in Helsinki during 2016. Helsinki has prepared for an increased demand for integration services with new approaches, with a supplementary appropriation and by other means.

Housing construction activity was strong, and the number of housing starts was record high exceeding the 2014 number by almost 2,500; the 2014 housing starts represented the average for the 2000's. The activity was particularly strong in the Jätkäsaari and Kruunuvuorenranta project areas and in Lauttasaari.

The biggest infrastructure development projects were in Kalasatama (EUR 13.9 million), Länsisatama (West Harbour, EUR 9.0 million) and Pasila (EUR 7.2 million). Municipal engineering development in Kalasatama proceeded in the areas of Sörnäistenniemi, the Kalasatama centre and Sompasaari. Street construction in the centre of Keski-Pasila (Central Pasila) focused on the new Pasila Bridge and the streets of Teollisuuskatu and Veturitie.

Profit for the financial year was EUR 18.6 million. The previous year's comparable profit was EUR 188.5 million. The City's final

accounts were partially affected by accounting entries related to the divestment of the business operations of Helsingin Bussiliikenne Ltd.

Annual contribution margin was EUR 265 million. Annual contribution margin indicates income financing available for investments and loan instalments. The general view is that a municipality's income financing is adequate if annual contribution margin covers depreciation. The City's annual contribution margin covered 69 per cent of depreciation. Annual contribution margin was EUR 114 million higher than forecast in the budget.

Tax income was EUR 54 million higher than forecast, up by 3.9 per cent from the previous year. Municipal tax revenue was EUR 2,480.8 million, up by 1.9 per cent, with the tax rate at 18.5 per cent. Corporate tax revenue was EUR 372.5 million, up by 20.2 per cent. Real estate tax revenue was EUR 214.3 million, up by EUR 7.6 million or 3.7 per cent.

State subsidies to Helsinki were EUR 273.2 million.

Loans amounted to EUR 2,518 per capita, compared with EUR 2,540 in the previous year. Total loans were EUR 1.582 billion at year-end. **Liquidity was 70 days** at year-end, allowing borrowing in 2016.

The equity ratio of the City was 78 per cent. The equity ratio has stayed above 75 percent during recent years; the average goal in the municipal economy is 70 percent.

The balance sheet total was EUR 13.601 billion, up by EUR 45 million from the previous year.

The differences in balance sheet totals of the City between 2015 and 2014 reflect the total effect of the incorporation of the municipal enterprises Helsingin Energia, Palmia and Port of Helsinki on 31 December 2014.

The surplus from previous financial years increased by EUR 1.397 billion as a result of accounting entries related to the incorporation.

Calculation formulas for financial indicators

Operating income / operating expenses

= 100 x operating income / operating expenses - production for own use

Equity ratio %

= 100 x (shareholders' equity + depreciation difference + voluntary reserves) / (balance sheet total - advance payments received)

Annual contribution margin / depreciation, %

= 100 x annual contribution margin / depreciation

Financial assets, EUR per resident

= (receivables + financial values + cash and bank receivable - liabilities + advance payments received) / population, 31 December

Relative indebtedness, %

= (liabilities - advance payments received) / (operating income + tax income + state subsidies)

Loan stock 31 December (EUR million)

= liabilities - (advance payments received + accounts payable + deferred debts + other debts)

Debt servicing margin

= (annual contribution margin + interest expenses) / (interest expenses + loan instalments)

Internal financing for investments, %

= 100 x annual contribution margin / internal investment acquisition cost

Loan receivables 31 December

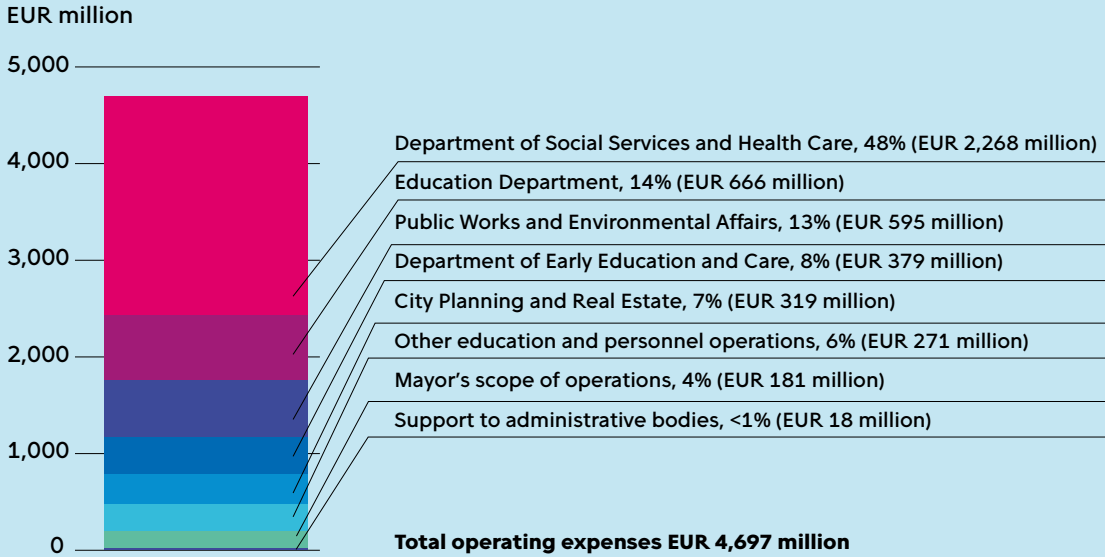
= debenture bonds receivable listed in investments and other loan receivables

Indicators of 2015 financial statements

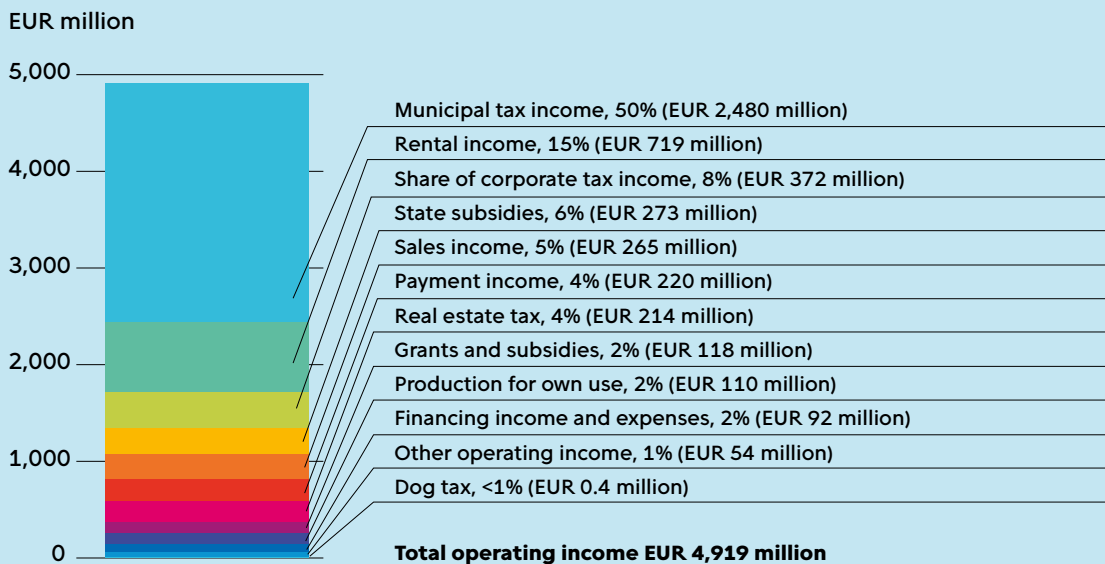
	Group		City	
	2015	2014	2015	2014
Financial indicators of profit and loss account				
Operating income of operating expenses, %	56.0	57.0	24.9	38.8
Annual contribution margin, EUR million	838	867	265	481
Annual contribution margin, % of depreciation	127.0	132.7	68.7	117.8
Annual contribution margin, EUR per resident	1,334	1,394	422	772
Annual contribution margin excluding municipal enterprises and funds, EUR million	..	..	221.3	212.0
Annual contribution margin excluding municipal enterprises and funds, % of depreciation	..	..	63.9	75.1
Annual contribution margin excluding municipal enterprises and funds, EUR per resident	..	..	352	341
Financial indicators of funds statement				
Cash flow accumulation from operations and investments over five years, EUR million	-639.6	-834.1	-16.9	699.0
Cash flow accumulation from operations and investments over five years, EUR million, excluding the effect of the 2014 incorporation of municipal enterprises on accounts	..	..	-396.0	-387.3
Internal financing of investments, %	78.5	36.4	46.8	17.7
Internal financing of investments, %, in 2014 excluding the effect of the 2014 incorporation of municipal enterprises on accounts	..	..	..	88.5
Internal financing of investments, %, excluding municipal enterprises and funds	..	..	47.5	8.3
Internal financing of investments, %, excluding municipal enterprises and funds, in 2014 excluding the effect of the incorporation of municipal enterprises on accounts	..	..	..	55.0
Debt coverage ratio	3.6	1.8	2.1	1.7
Cash sufficiency, days	79	60	70	44
Balance sheet indicators				
Equity ratio, %	58.8	58.8	77.9	78
Relative indebtedness, %	95.6	94.9	52.5	45.6
Loans 31 Dec. EUR million	5,011	4,941	1,582	1,579
Loans, EUR per resident	7,977	7,949	2,518	2,540
Loan receivables 31 Dec., EUR million	476	472	2,009	2,087
Group's loan receivables 31 Dec., EUR per resident	758	759	..	..
Population 31 Dec.	628,200	621,600	628,200	621,600

Operating expenses and income

**By sector 2015, excluding municipal enterprises and funds.
Internal items have not been eliminated.**

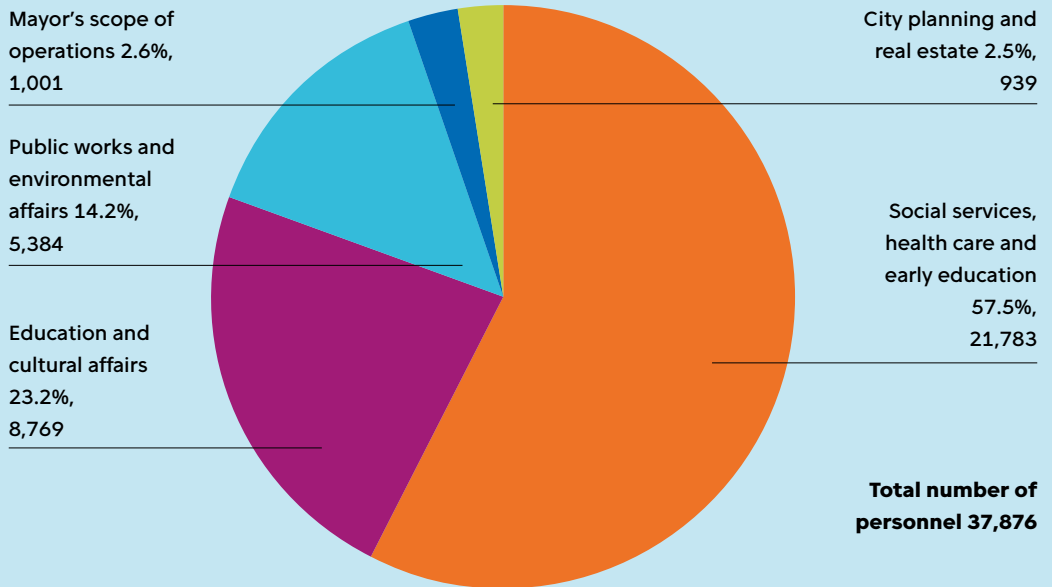


**Tax income and income from state subsidies, net financing income
by sector 2015 excluding municipal enterprises and funds.
Internal items have not been eliminated.**



Personnel

Number of personnel in different sectors (31 Dec. 2015)



Investments

Investment costs without municipal enterprises, million euros:

• Fixed assets	52
• Housing construction	168
• Streets and other traffic lanes, rail tracks	94
• Civil defence shelters	0
• Park construction	11
• Sports facilities	10
• Helsinki Zoo	2
• Acquisition of movable property	40
• Helsinki Wholesale Food Market	0
• Joint municipal authorities	0
• Securities	84
• Other	3
Total	466

City of Helsinki profit and loss account

EUR million	1 January- 31 December 2015	1 January- 31 December 2014*
Operating income		
Sales income	310.7	1,034.4
Payment income	213.4	220.3
Grants and subsidies	116.5	115.7
Rental income	345.7	321.5
Other operating income	55.3	69.8
	1,041.5	1,761.7
Production for own use	114.8	124.8
Operating expenses		
Personnel expenses		
Salaries and wages	-1,374.3	-1,450.4
Secondary personnel expenses		
Pensions	-381.3	-383.4
Other secondary personnel expenses	-82.2	-81.8
Procured services	-1,658.5	-1,602.6
Materials, supplies and goods	-185.4	-507.3
Subsidies	-428.6	-407.3
Rental costs	-180.9	-205.5
Other operating expenses	-11.8	-26.8
	-4,302.8	-4,665.1
OPERATING MARGIN	-3,146.1	-2,778.6
Taxes and state subsidies		
Tax income	3,067.9	2,951.9
State subsidies	273.2	250.6
	3,341.1	3,202.6
Financing income and expenses		
Interest income	86.2	51.8
Other financing income	18.7	28.5
Interest expenses	-22.2	-23.2
Other financing expenses	-12.2	-0.4
	70.5	56.7
ANNUAL CONTRIBUTION MARGIN	265.1	480.7
Depreciation, amortisation and impairment		
Planned depreciation	-329.6	-408.1
Amortisation and impairment	-56.1	0.0
	-385.7	-408.1
Extraordinary items		
Extraordinary income	139.8	1,172.1
Extraordinary expenses	-0.6	-0.1
	139.2	1,172.0
PROFIT FOR THE FINANCIAL PERIOD	18.6	1,244.6
Increase (-) or decrease (+) in depreciation difference	3.1	200.9
Increase (-) or decrease (+) in reserves	-2.1	96.2
Increase (-) or decrease (+) in funds	9.3	91.6
	10.2	388.6
SURPLUS / DEFICIT (-) FOR FINANCIAL PERIOD	28.8	1,633.2

City of Helsinki funds statement

EUR million	2015	2014**
Cash flow from operations		
Annual contribution margin	265.1	480.7
Extraordinary items	139.2	1,172.0
Adjustments to internal financing	-153.1	-1,557.5
	251.2	95.3
Cash flow from investments		
Investment expenses	-571.2	-2,720.9
Financial contributions to investment expenses	5.3	5.2
Income from transfer of fixed assets	147.8	3,022.4
	-418.1	306.8
CASH FLOW FROM OPERATIONS AND INVESTMENTS	-167.0	402.0
CASH FLOW FROM FINANCING		
Changes in lending		
Increase in lending claims	-23.3	-737.4
Decrease in lending claims	101.5	174.2
	78.2	-563.2
Changes in loan stock		
Increase in long-term loans	120.0	355.0
Decrease in long-term loans	-116.6	-274.9
	3.4	80.1
Changes in equity	0	-0.1
Other changes in liquidity		
Changes in funds and capital for assignments	-13.7	7.6
Changes in current assets	-0.3	81.7
Changes in receivables	-11.4	101.9
Changes in interest-free liabilities	43.3	-23.4
	17.9	167.8
CASH FLOW FROM FINANCING	99.5	-315.4
CHANGES IN LIQUID ASSETS	-67.5	86.6
Change in liquid assets		
Liquid assets 31 December	940.4	1,007.9
Liquid assets 1 January	1,007.9	921.3
	-67.4	86.6

* Extraordinary items for 2014 include accounting entries related to the incorporation of municipal enterprises.

** Investment expenses for 2014 include the acquisition costs for shares in incorporated municipal enterprises, or parts thereof, and investment income includes income from the incorporation.

City of Helsinki balance sheet

ASSETS (EUR million)	31 December 2015	31 December 2014
FIXED ASSETS		
Intangible assets		
Intangible rights	19.8	20.7
Other long-term expenses	84.0	87.1
Advance payments	1.1	0.1
	104.9	107.9
Tangible assets		
Land and water areas	3,142.5	3,101.7
Buildings	1,622.5	1,642.8
Fixed structures and equipment	1,313.8	1,265.3
Machinery and equipment	173.0	181.0
Other tangible assets	12.1	11.8
Advance payments and unfinished procurement	311.1	221.2
	6,575.0	6,423.8
Investments		
Shares and holdings	3,143.4	3,122.5
Other loan receivables	2,008.8	2,087.1
Other receivables	0.5	0.5
	5,152.8	5,210.1
ASSIGNMENT RESERVES		
State assignments	139.7	145.7
Special margins for donation funds	4.3	4.3
Other assignment reserves	441.8	425.4
	585.8	575.4
SHORT-TERM ASSETS		
Current assets		
Materials and supplies	9.5	11.3
Unfinished products	5.7	3.5
Other current assets	0.1	0.1
	15.2	14.9
Receivables		
Long-term receivables		
Sales receivables	0.1	0.1
Loan receivables	0.1	0.1
Other receivables	24.1	29.1
	24.2	29.3
Short-term receivables		
Sales receivables	58.0	48.3
Loan receivables	0.4	1.5
Other receivables	40.5	36.4
Accrued income	104.3	100.6
	203.2	186.8
Total receivables	227.5	216.1
Marketable securities		
Investments in financial instruments	474.6	683.7
Debenture receivables	20.0	0.0
	494.6	683.7
Cash and bank receivables	445.9	324.2
TOTAL ASSETS	13,601.7	13,556.2

EQUITY AND LIABILITIES (EUR million)	31 December 2015	31 December 2014
EQUITY		
Initial capital	2,972.4	2,972.4
Revaluation reserve	1,808.4	1,811.0
Other internal funds	514.8	474.1
Other shareholders' equity	729.0	729.0
Surplus / deficit (-) from previous financial periods	4,450.4	2,867.2
Surplus / deficit (-) for the financial period	28.8	1,633.2
	10,503.8	10,486.9
DEPRECIATION DIFFERENCE AND VOLUNTARY PROVISIONS		
Depreciation difference	52.2	55.3
Voluntary provisions	18.1	16.0
	70.3	71.3
MANDATORY PROVISIONS		
Provisions for pensions	138.1	152.0
	138.1	152.0
EQUITIES FOR ASSIGNMENTS		
State assignments	140.6	146.5
Equities for endowment funds	4.3	4.3
Equities for other assignments	419.2	416.6
	564.1	567.5
LIABILITIES		
Long-term		
Loans from financial institutions and insurance companies	1,253.8	1,454.6
Loans from other creditors	7.4	7.4
Advance payments received	13.1	6.9
Accounts payable	1.2	1.1
Connection fees and other debts	0.1	0.2
	1,275.6	1,470.1
Short-term		
Loans from financial institutions and insurance companies	320.7	116.6
Advance payments received	11.6	8.9
Accounts payable	135.1	152.6
Connection fees and other debts	169.7	137.7
Deferred debts	412.6	392.6
	1,049.7	808.5
Total liabilities	2,325.3	2,278.6
TOTAL EQUITY AND LIABILITIES	13,601.7	13,556.2



Treatment of profit for the financial period

The profit for the financial period before adjustments to reserves and funds is EUR 18,601,364.41. This includes the profits/losses of municipal enterprises and funds treated as independent balance sheets; these profits/losses are included in the accounts of the enterprises and funds.

The City Board proposes the following for the profit for the financial period:

- The surplus of the Helsinki City Transport (HKL) municipal enterprise, EUR 2,465,659.64, should be transferred to the balance sheet of HKL as equity, as proposed by the HKL Board of Governors.
- The surplus of the City of Helsinki Service Centre municipal enterprise, EUR 4,593,450.66, should be transferred to the balance sheet of Service Centre as equity, as proposed by the Service Centre Board of Governors.
- The surplus of the City of Helsinki Financial Management Services (Talpa), EUR 315,704.47, should be transferred to the balance sheet of Talpa as equity, as proposed by the Talpa Board of Governors.
- The surplus of the City of Helsinki Personnel Development Services (Oiva Akatemia) municipal enterprise, EUR 101,833.65, should be transferred to the balance sheet of Oiva Akatemia as equity, as proposed by the Oiva Akatemia Board of Governors.
- The deficit of the housing production fund, EUR -1,515,092.18, the surplus of the sports and recreation fund, EUR 139,145.24, the surplus of the insurance fund, EUR 1,564,884.00, and the deficit of the innovation fund, EUR -3,189,191.19, should be transferred to fund equity, in accordance with the rules of the funds.

The City Board also proposes the following for the profit for the financial period from other operations:

- EUR 6,215,719.84 of investments in the Kamppi-Töölönlahti area should be recognized as income from the Kamppi-Töölönlahti area investment fund.
- EUR 2,832,500.00 of the profit for the Housing Production Department's financial period should be transferred to the housing production fund, as proposed by the Housing Production Committee.
- EUR 2,898,228.85, an amount equivalent to the actual expenditure, should be recognized as income from the Suburban Fund.
- The depreciation difference of EUR 840,939.63, resulting from the investment reserve for the renovation of the Kallio office building, should be recognized as income.
- It is proposed that the surplus of EUR 21,357,213.30 for other operations after reserve and fund entries should be entered to City balance sheet under equity as surplus/deficit from previous financial periods.

City Group operations and financial statements

The financial statements of the Helsinki City Group consist of the financial statements of the City of Helsinki departments, municipal enterprises, independent funds, joint municipal authorities, subsidiaries and associated companies.

The City Group financial statements include 74 subsidiaries, in which the City's holding exceeds 50 per cent or the City maintains control otherwise. In addition, the City Group financial statements consolidate 51 sub-group companies through subsidiaries. The financial statements also include 6 joint municipal authorities in which the City is a member, and all 11 foundations in which the City maintains control. The City Group financial statements also include the City of Helsinki's one joint company and all 39 associated companies.

The largest subsidiaries in 2015 measured by turnover were the energy company Helen Ltd, housing company Helsingin kaupungin asunnot Oy, Port of Helsinki Ltd and Palmia Oy. The main joint municipal authorities were HUS (Helsinki and Uusimaa Hospital District), HSY (Helsinki Region Environmental Services Authority) and HSL (Helsinki Region Transport), measured by their scope of operations in relation to the City's share of control. The main associated companies were the energy company Vantaan Energia and Metropolia Ammattikorkeakoulu Oy (Helsinki Metropolia University of Applied Sciences).

City Group financial statements and indicators

The annual contribution margin of the Helsinki City Group weakened from 2014 to 2015 by approximately EUR 29 million and totalled EUR 838 million. The weakening was mainly due to a decline in Helen Ltd's profit from 2014 to 2015. The City of Helsinki's 2015 annual contribution margin improved somewhat from 2014 (when taking into the

comparison the City's 2014 annual contribution margin excluding the incorporated municipal enterprises).

The City Group shows a surplus of EUR 282 million, down by EUR 97 million from 2014 (the 2014 surplus was improved by one-time accounting entries caused by the incorporation of municipal enterprises). The 2015 surplus was weakened by tax consequences caused by the incorporation of municipal enterprises (approximately EUR 15 million), which increased total taxes paid to EUR 20 million.

Extraordinary items in the City Group financial statements include EUR -24 million of loss incurred by the City Group from the divestment of Helsingin Bussiliikenne Oy.

The City Group's investments were EUR 1,075 million, and income financing represented 78.5 per cent of the investments.

Cash flow from the City Group's 2015 operations and investments was negative by EUR -57 million. Cash flow from the City of Helsinki operations and investments was EUR -167 million.

The City Group's loan stock was EUR 5,011 million (EUR 7,977 per resident), and the City of Helsinki's loan stock represented EUR 1,582 million (EUR 2,518 per resident) of the total. The City Group's loan receivables were EUR 476 million (EUR 758 per resident). The City of Helsinki's loan receivables and a decrease in lending shown in the funds statement are eliminated from the Group funds statement, because the majority of the City of Helsinki's lending is internal lending in the City Group.

The City Group's loan stock grew by EUR 70 million. The City of Helsinki's share of the total was EUR 3 million. The increase in the loan stock of City Group companies was mainly focused on companies managing the City's rental housing.

The Helsinki City Group's annual contribution margin weakened by EUR 29 million from 2014 to 2015.

Helsinki City Group

Subsidiaries and City Group foundations

Total 88

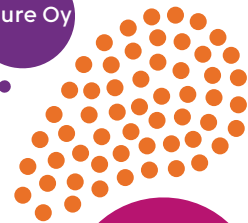
Size of pattern represents turnover.



Associated companies*

Total 56

Size of pattern does not represent volume of operations.



Departments

Total 28

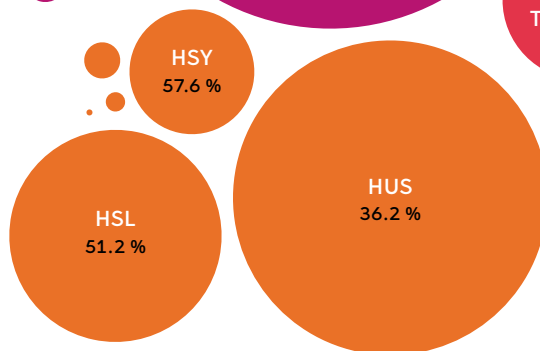
Size of pattern represents operating expenses.



Joint municipal authorities

Total 6

Size of pattern represents the City's share of total expenses (the percentage is the City's holding in the authority).



Municipal enterprises

Total 4

Size of pattern represents operating expenses.



* Associated companies include Vantaan Energia Oy, Metropolia Ammattikorkeakoulu Oy (Helsinki Metropolia University of Applied Sciences), Pääkaupunkiseudun Junakalusto Oy and Apotti Oy.

Group profit and loss account

EUR million	1 January- 31 December 2015	1 January- 31 December 2014
Operating income	3,114.4	3,073.0
Operating expenses	-5,559.5	-5,387.4
Share of associated companies' profits / losses (-)	7.8	46.5
OPERATING MARGIN	-2,437.4	-2,267.9
Tax income	3,067.9	2,952.0
State subsidies	273.2	250.6
Financing income and expenses		
Interest income	19.5	17.6
Other financing income	16.7	14.6
Interest expenses	-90.1	-95.3
Other financing expenses	-12.0	-5.0
	-65.9	-68.2
ANNUAL CONTRIBUTION MARGIN	837.8	866.5
Depreciation, amortisation and impairment		
Planned depreciation	-655.2	-651.3
Ownership elimination differences	14.0	1.1
Amortisation and impairment	-4.4	-1.7
	-645.7	-651.9
Extraordinary items	115.6	115.7
PROFIT FOR THE FINANCIAL PERIOD	307.7	330.3
Appropriations	-0.5	56.9
Taxes for the financial period	-19.9	-4.6
Taxes for the accounting period	-6.3	-5.7
Minority holdings	1.4	2.1
SURPLUS / DEFICIT (-) FOR THE FINANCIAL PERIOD	282.4	379.1
Indicators of the group profit and loss account		
Operating income / Operating expenses, %	56.0	57.0
Annual contribution margin / depreciation, %	127.0	132.7
Annual contribution margin, EUR per resident	1,334	1,394
Population	628,200	621,600

Group funds statement

EUR million	2015	2014
CASH FLOW FROM OPERATIONS		
Annual contribution margin	837.8	866.5
Extraordinary items	115.6	115.7
Taxes for the financial period	-19.9	-4.6
Income financing adjustment items	-120.0	-193.4
	813.4	784.2
CASH FLOW FROM INVESTMENTS		
Investment expenditure	-1,074.7	-2,386.8
Financial contributions to investment expenditure	7.0	5.9
Income from transfer of fixed assets	197.6	1,644.6
	-870.1	-736.3
CASH FLOW FROM OPERATIONS AND INVESTMENTS		
	-56.6	47.9
FINANCING CASH FLOW		
Changes in lending		
Increase in lending	-9.9	-4.6
Decrease in lending	14.2	7.8
	4.3	3.2
Changes in loan stock		
Increase in long-term loans	269.2	590.7
Decrease in long-term loans	-168.8	-447.7
Changes in short-term loans	-30.3	10.9
	70.0	153.9
Changes in equity		
	19.2	9.6
Other changes in liquidity		
Changes in assignment assets and capital	-17.7	-1.9
Changes in current assets	3.3	6.0
Changes in receivables	25.2	-17.3
Changes in non-interest-bearing debts	78.2	39.8
	89.1	26.7
FINANCING CASH FLOW		
	182.6	193.5
CHANGES IN LIQUID ASSETS		
	126	241.3
Changes in liquid assets		
Liquid assets 31 December	1,498.1	1,372.1
Liquid assets 1 January	1,372.1	1,130.7
	126.0	241.4
Indicators of group funds statement		
Cash flow accumulation from operations and investments from five years, EUR thousand	-639,593	-834,127
Internal financing of investments, %	78.5	36.4
Debt coverage ratio	3.6	1.8
Cash sufficiency (days)	79	60

Group balance sheet

EUR million	31 December 2015	31 December 2014
ASSETS		
FIXED ASSETS		
Intangible assets		
Intangible rights	56.8	56.5
Other long-term expenses	240.7	258.9
Advance payments	8.2	4.8
	305.7	320.2
Tangible assets		
Land and water areas	3,213.1	3,172.3
Buildings	5,542.5	5,328.6
Fixed structures and equipment	2,352.1	2,280.0
Machinery and equipment	1,140.3	1,251.9
Other tangible assets	20.2	19.3
Advance payments and unfinished procurement	724.1	615.6
	12,992.2	12,667.8
Investments		
Holdings in associated companies	244.5	255.7
Other shares and holdings	445.3	413.1
Other loan receivables	475.9	472.0
Other receivables	2.1	7.6
	455.7	1,148.4
ASSIGNMENT RESERVES	455.7	440.9
SHORT-TERM ASSETS		
Current assets	98.8	102.1
Receivables		
Long-term receivables	63.6	86.6
Short-term receivables	376.4	379.1
	440.0	465.7
Marketable securities	496.4	703.9
Cash and bank receivables	1,001.6	668.2
TOTAL ASSETS	16,958.2	16,517.1

EUR million	31 December 2015	31 December 2014
LIABILITIES		
EQUITY		
Initial capital	2,972.4	2,972.4
Initial capital of foundations	5.8	5.8
Revaluation reserve	1,813.2	1,815.9
Other internal funds	812.7	746.4
Other equity	734.1	734.1
Surplus / deficit (-) from prior financial periods	3,276.8	2,951.3
Surplus / deficit (-) for financial period	282.4	379.1
	9,897.5	9,604.9
MINORITY HOLDINGS	69.6	64.8
MANDATORY PROVISIONS		
Provisions for pensions	140.1	153.7
Other mandatory provisions	39.4	34.2
	179.6	187.9
EQUITIES FOR ASSIGNMENTS	567.2	570.1
LIABILITIES		
Long-term		
Long-term interest-bearing liabilities	4,443.6	4,594.7
Long-term interest-free capital	97.9	91.8
	4,541.5	4,686.4
Short-term		
Short-term interest-bearing liabilities	567.7	346.6
Short-term interest-free capital	1,135.2	1,056.4
	1,702.9	1,403.0
Total liabilities	6,244.4	6,089.4
TOTAL EQUITY AND LIABILITIES	16,958.2	16,517.1
Indicators of group balance sheet		
Equity ratio, %	58.8	62.1
Relative indebtedness, %	95.6	95.9
Accrued surplus, EUR	3,559,243	2,779,467
Accrued surplus, EUR per resident	5,666	4,471
Group loan stock 31 December, EUR thousand	5,011,275	4,941,245
Group loan stock, EUR per resident	7,977	7,949
Group's loan receivables 31 December, EUR thousand	475,906	472,033
Group's loan receivables, EUR per resident	758	759



Vorwort des Oberbürgermeisters

Sehr geehrte Damen und Herren,

Die angespannte Haushaltslage stellte Helsinki im Jahr 2015 vor viele Herausforderungen. Die anhaltende schwierige wirtschaftliche Lage spiegelte sich u.a. in einem starken Anstieg der Kosten arbeitsmarktpolitischer Maßnahmen wider. Die Konsolidierung der städtischen Finanzen wurde im Rahmen des im Strategieprogramm vereinbarten Zieles weiter fortgesetzt. Eine leichte Reduktion der Jugendarbeitslosigkeit sorgte dennoch zum Ende des Jahres für einen kleinen Lichtblick.

Die Entwicklung der Sicherheitslage Europas ist sehr besorgniserregend. Aufgrund der Terroranschläge im Februar auf ein Kulturzentrum und eine Synagoge in Kopenhagen sowie im November in Paris leidet das Sicherheitsgefühl der Menschen. Gemeinsam mit seinen Kooperationspartnern entwickelte Helsinki aktiv vorbeugende Maßnahmen gegen extremistische Gewalt auf lokaler Ebene.

Infolge der weiteren Eskalation der Nah-Ost-Krise nahm die Zahl der in Finnland angekommenen Asylbewerber im Sommer stark zu. Die Gesamtzahl belief sich im Vergleich zum Vorjahr auf das Zehnfache und setzte eine umfangreiche Zusammenarbeit von Behörden und verschiedensten Organisationen, Vereinen und Initiativen voraus. Insbesondere der Einsatz ehrenamtlicher Helfer ist wertvoll und spielt eine zentrale Rolle.

Trotz der vorliegenden schwierigen Bedingungen konnten aber auch positive Entwicklungen verzeichnet werden. Der Wohnungsbau entwickelte sich ausgesprochen positiv und erreichte ein Rekordniveau. Dabei stieg die Zahl neu gebauter Wohnungen im Vergleich zum Vorjahr um beinahe 2500, d.h. es wurden insgesamt 5967 Wohnungen fertiggestellt. Das auf der erneuerbaren und

dezentralen Energieerzeugung basierende Entwicklungsprogramm von Helen Oy (Helen AG) wurde im Stadtrat verabschiedet. Mit diesem Programm strebt Helsinki im Sinne des Klimavertrags von Paris eine CO₂-neutrale Zukunft an.

Mit dem Beginn der Erdarbeiten wurde der Startschuss für die Errichtung der Zentralbibliothek an der Töölölahti-Bucht gegeben. Über den Bau des „Hauses des Tanzes“, angebunden an das Kulturzentrum Kaapelitehdas, wurde ebenfalls entschieden. Diese Projekte zählen zu den bedeutendsten Vorhaben des 100-jährigen Jubiläums von Finnland. Im Kulturangebot waren deutliche asiatische Einflüsse zu erkennen, da als Teil des Helsinki Festival das einzigartige Focus China-Festival abgehalten wurde.

Das Jahr 2015 war ein Rekordjahr für den Tourismus in Helsinki, das insbesondere bei Touristen aus dem Fernen Osten sehr beliebt war. Die Zahl der Übernachtungen stieg auf 3,5 Millionen, im Jahresvergleich ein Anstieg von 5 %. Vor allem die Großveranstaltungen, wie das weltgrößte Turnfest, Gymnaestrada, haben zahlreiche Besucher nach Helsinki gelockt. Der Flughafen Helsinki-Vantaa erreichte erstmals die Marke von 16 Millionen Fluggästen. Im Hafen von Helsinki verkehrten wiederum mehr als 11 Mio. Passagiere. Der Verkehr zwischen Helsinki und Tallinn stieg um 2,8 %.

Wir danken unseren Kooperationspartnern und unseren städtischen Mitarbeitern für das vergangene Jahr und die gemeinsame Arbeit zum Wohle der Stadt Helsinki.

Jussi Pajunen
Oberbürgermeister

Communiqué du maire

Cher lecteur, chère lectrice,

Le contexte général de la Ville a été en 2015 particulièrement compliqué. La situation économique difficile a continué et cela s'est traduit notamment par une hausse rapide des dépenses en faveur de l'emploi. Nous avons poursuivi notre programme stratégique afin d'équilibrer l'économie conformément à nos objectifs de productivité. Une légère baisse du chômage des jeunes a cependant apporté à la fin de l'année une note positive.

L'évolution des conditions de sécurité en Europe est devenue un sujet de préoccupation de taille. En 2015 les frappes terroristes à Paris et à Copenhague ont réduit le sentiment de sécurité de la population. Helsinki avec ses partenaires ont pris activement part au développement de la prévention de l'extrémisme local violent.

Depuis l'été, suite à l'aggravation de la crise au Proche-Orient, le nombre de demandeurs d'asile en Finlande a connu une très forte augmentation. Le nombre total était dix fois supérieur à l'an précédent et a exigé une vaste collaboration entre les autorités et les associations. Le bénévolat a joué un rôle précieux et même crucial.

Malgré les conditions difficiles, il y a également eu de nombreux événements positifs. La construction de logements a été très dynamique et le nombre de programmes débutés a atteint un record. Près de 2500 nouveaux chantiers de plus ont démarré en comparaison à l'an précédent, au total 5967 chantiers. Le programme de développement de Helen Oy, basé sur la production d'énergie

renouvelable et décentralisée, a été voté par la municipalité. Au fil du programme, Helsinki se dirigera vers un avenir neutre en termes de carbone conformément à l'Accord universel de Paris sur le climat.

Les travaux de la Bibliothèque centrale, l'un des programmes phare de l'anniversaire centenaire de l'indépendance de la Finlande ont débuté au quartier de Töölönlahti et une décision a été prise concernant la construction de la Maison de la danse à côté du bâtiment Kaapelitehdas. L'offre culturelle a été en 2015 fortement influencée par l'Asie, car dans le cadre du Festival d'Helsinki a eu lieu le festival unique "Focus China".

Pour le tourisme 2015 fut une année record. La ville a particulièrement intéressé les voyageurs de l'Extrême-Orient. Le nombre de nuitées s'est élevé à 3,5 millions. La croissance annuelle fut de 5 pourcents. Les grandes manifestations, tout particulièrement le rendez-vous de gymnastique de grande envergure Gymnaestrada, ont eu une influence notable. Le seuil des 16 millions de voyageurs a été dépassée à l'Aéroport de Helsinki-Vantaa. Au port d'Helsinki le nombre de passagers s'est élevé, pour la première fois, à plus de 11 millions. Le transport entre Tallinn et Helsinki a augmenté de 2,8 pourcents.

Je remercie tous nos partenaires et notre personnel pour l'année passée et pour notre collaboration en faveur des Helsinkiens et d'Helsinki.

Jussi Pajunen
Maire d'Helsinki

Обзор мэра города

Уважаемые читатели,

В 2015 году условия деятельности города и городских служб были чрезвычайно проблематичны. Экономическая ситуация продолжала оставаться сложной, что отразилось на работе городских служб и проявилось, в частности, в стремительном росте расходов на сферу занятости. Деятельность, направленная на стабилизацию экономической ситуации в городе, была продолжена в соответствии с поставленной в стратегической программе целью по достижению определенного уровня продуктивности. Однако небольшое снижение уровня безработицы среди молодежи стало положительным моментом при подведении итогов в конце года.

Развитие ситуации с безопасностью в Европе стало одной из центральных проблем. Терракты в Париже и Копенгагене подорвали чувство безопасности людей. Город Хельсинки в сотрудничестве со своими партнерами принимал активное участие в разработке мер по предупреждению актов экстремизма на местном уровне.

В результате обострения кризиса на Ближнем Востоке количество беженцев в Финляндии с лета прошлого года резко возросло. По сравнению с предыдущим годом их общее количество увеличилось в десять раз, что потребовало широкомасштабного сотрудничества и взаимодействия между официальными органами и организациями. Чрезвычайно важным и ценным был вклад волонтеров.

В этих сложных условиях нашлось место и для целого ряда положительных моментов. В частности, значительно возросли объемы жилищного строительства. Количество новых проектов было рекордным: в прошлом году было запущено 5967 новых проектов жилищного строительства, что почти на 2500 больше, чем в предыдущем году. Городской совет Хельсинки

одобрил программу развития компании Helen Oy, основанную на возобновляемом и распределенном производстве энергии. Благодаря этой программе город находится на пути к будущему с нейтральным показателем выбросов углерода, в соответствии с Парижским соглашением по климату.

В районе залива Тёёлёнлахти начаты буровзрывные работы, предшествующие строительству Центральной библиотеки. Строительство библиотеки является одним из центральных проектов, приуроченных к 100-летию независимости Финляндии. Кроме того, было принято решение о строительстве Дворца танцев рядом с культурным центром «Каапелитехдас». В сфере культуры было особенно заметно влияние Азии: в частности, в рамках Хельсинкского фестиваля прошел уникальный фестиваль «В центре внимания – Китай» (Focus China).

2015 год стал рекордным для туристической индустрии Хельсинки. Более всего город привлекал туристов из стран Восточной и Юго-восточной Азии. Количество ночевок в Хельсинки достигло 3,5 миллионов. Годовой прирост составил 5 %. Большое значение в этом отношении имели крупные мероприятия и события в городе, одним из которых стал Фестиваль гимнастики Gymnaestrada. Количество пассажиров, прошедших через аэропорт Хельсинки-Вантаа, превысило 16 миллионов человек. Количество пассажиров, прошедших через порт Хельсинки, впервые превысило 11 миллионов человек. Объем перевозок между Таллинном и Хельсинки вырос на 2,8 %.

Выражаю свою благодарность всем нашим партнерам и персоналу за прошедший год и совместную работу на благо города Хельсинки и его жителей.

Юсси Паюнен
мэр города

Helsinki in Europe



Helsinki – as the nation’s capital – is the centre of administrative, economic and cultural life in Finland.

Helsinki and the neighbouring cities form a metropolitan area with about 1.4 million inhabitants and more than 50,000 enterprises.

Finland has been a member state of the European Union since 1995 and adopted the euro in 1999.



EU eurozone member states

Austria
Belgium
Cyprus
Estonia
Finland
France
Germany
Greece
Ireland
Italy
Latvia
Lithuania
Luxembourg
Malta
Netherlands
Portugal
Slovakia
Slovenia
Spain



EU non-eurozone member states

Bulgaria
Croatia
Czech Republic
Denmark
Hungary
Poland
Romania
Sweden
United Kingdom





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