

Annual Report 2019

Helsinki

Helsinki

Founded 1550

Capital of Finland since 1812

Population (2019) 653,835

Total area 719 km²

Land area 217 km²

Shoreline 123 km

Helsinki was founded in 1550 by King Gustav Vasa of Sweden. Helsinki was moved from its original location at the mouth of the Vantaa river to its present-day location in the 1640s during the reign of Queen Christina of Sweden. Alexander I, Emperor of Russia, named Helsinki the capital of Finland in 1812, three years after Finland became an autonomous Grand Duchy of the Russian Empire. A university founded by Queen Christina in Turku was moved to Helsinki in 1828 and is today known as the University of Helsinki. Finland became an independent nation in 1917, and Helsinki remains the Finnish capital.

Helsinki is today the hub of an economic area of about 1.5 million people and more than 700,000 jobs.

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Message from the Mayor

The year 2019 marked the halfway point of the current City Council term. The national reform of social welfare and health care collapsed. The country had a new government, and another new government in December. However, the year will be remembered from the onset of the coronavirus disease, although the disease expanded into a pandemic only in the new decade.

Growth necessitates investments.

Helsinki continued to grow powerfully, although the rate of growth lagged behind the numbers of the top years of the 2010s. The population of Helsinki grew by 5,800 persons, which was about 1,000 more than in 2018. Growth necessitates investments from the City, and our total investments increased to 780 million euros. Owing to our good financial management and strong economic structure, we have been able to finance investments mainly with internal financing.

More homes were completed in Helsinki than ever before since the 1960s – close to 6,800. Non-residential construction activity also remained strong especially in Central Pasila and Kalasatama, with only a slight decline from the record year 2018. We built new day care centres and schools, and we expanded and renovated old ones.

We started building the Jokeri light rail system in the summer, and we launched an enormous renovation and modernisation of the major inner-city avenue of Hämeentie. The Crown Bridges alliance went to work. We debated how to develop city centre transport and traffic, at times heatedly, which is part of a functioning democracy.

During the past year, we launched programmes to streamline road works, to improve the management and maintenance of City real estate and to ensure adequate staffing levels in early childhood education. We investigated and clarified permit issues with day care centres. We strengthened the City's strategic capabilities by





launching the process to found a Strategy division. We compiled social and health-care services into multiservice Family Centres, Health and Well-being Centres and Elderly Centres. We managed to cross divisional boundaries increasingly successfully and work as one City.

We set out to look for new solutions to heat Helsinki with the help of Helsinki Energy Challenge. We finalised the renovation and modernisation of the Olympic Stadium, we started to expand the Maria 01 startup community, and we prepared to organise Helsinki Biennial and to build Dance House Helsinki. We transformed the City Hall lobby into a window of transparent and contemporary Helsinki. Citizens committed themselves to participatory budgeting, and we were especially delighted with the busy participation of young people in this fully electronic voting process, which was the largest one ever organised in Finland.

Our vision to be the most functional city in the world is still valid.

Helsinki is increasingly international. Today one in six residents is foreign born. We continued to build natural cooperation as equals with New York, London, Beijing and many other exciting cities worldwide, as well as with the most progressive networks of cities. As the second city in the world, we reported to the UN our implementation of the Agenda 2030 Sustainable Development Goals on local level. Helsinki played its role magnificently during Finland's Presidency of the Council of the EU.

The past year was the last one before the state of emergency caused by the coronavirus pandemic and the recovery from it. We face a great deal of uncertainty, and our vision of the future is blurred. Whatever the outcome, our economic situation will weaken.

In the midst of upheavals, Helsinki's vision to be the most functional city in the world is still valid. In fact, it is more valid than ever before. Functional, agile and safe cities that enable development and utilise digitalisation cope better than average, even in the post-corona pandemic world.

Helsinki is a community, and we build the city together. We took many important steps in 2019 on our road to become the most functional city in the world. That is a good foundation from which to navigate towards uncharted waters.

Jan Vapaavuori
Mayor



City Manager's overview

The work of the City organisation is steered by the Helsinki City Strategy, which is put to action in seven key projects. However, I often speak about 1 + 7 key projects. By 1, I refer to the Carbon-neutral Helsinki 2035 action plan. The implementation of the plan was launched and proceeds well.

Among the key projects of the City Strategy, titled *The Most Functional City In The World*, I would like to mention the Health and Welfare Promotion Project, which was approved by the City Council last year. The project is based on the notion that a functional city is built on equality, non-discrimination, social cohesion and a participatory culture.

Welfare is also linked with physical welfare. The City tackled the question of both citizens' and City employees' physical activity more vigorously than before. The City Strategy's Exercise and Mobility Scheme key project played an important role in earning Helsinki an award in the 2019 physical activity competition organised by the Association of Finnish Municipalities. Helsinki's project has even aroused international interest.

The Helsinki Maritime Strategy Project has also aroused international interest. The project is progressing positively, and it is linked with the Helsinki Biennial visual art event in 2021, which will enhance the city's maritime appeal.

The City continues the work to strengthen public participation. Nearly 50,000 residents voted in the *OmaStadi* participatory budgeting process. This showed that opportunities for public participation are important for the citizens of Helsinki. Our aim is to strengthen public participation further with the

redesigned City Hall lobby, which has quickly assumed its new role as a venue for diverse events.

Helsinki is in an exciting phase of growth and development. The City Executive Office made preparations last year for a new Strategy division, which will focus on key aspects of the City's evolution, such as strategic development, research and analysis. In addition, Strategy will focus on international relations and promotion of interests.

The new Strategy division is also tasked to advance digitalisation. The amazing digital leap that numerous City operations took during the spring defined by the coronavirus outbreak was made possible by our vision for the development of digitalisation. Our ambitious digitalisation programme is not only about technology but about developing our operating culture, being reorganised, leadership and employee skills. All these are of crucial importance in maintaining the welfare of citizens, the prosperity of enterprises and the dynamism of the entire city.

The City's preparedness to retain its operational capabilities are now being tested in a particularly challenging manner, as we are forced to live under exceptional conditions and to seek new ways to provide services. Helsinki is still a growing city, and systematic development of the city can be continued under the guidance of a good strategy, even in the midst of challenges posed by the coronavirus pandemic.

Sami Sarvlinna
City Manager



City Manager Sami Sarvilinna

- City Executive Office functions as the planning, preparation and executive body of the City Council and the City Board
- The development of the city
- Internal audits

Central Administration

- City Executive Office
- Board of Service Centre
- Service Centre municipal enterprise
- Board of Financial Management Helsinki
- Financial Management Helsinki municipal enterprise
- Board of Occupational Health Helsinki
- Occupational Health Helsinki municipal enterprise
- Board of Construction Services
- Construction Services municipal enterprise (Stara)

Key figures

Operating revenue.....EUR 28 million
 Operating expenses ...EUR 241 million (5%)
 Operating expenses
 per capita EUR 369

Personnel* 4,139
 Share of total personnel 11%

** Includes the personnel of Service Centre, Construction Services (Stara), Financial Management Helsinki (Talpa), Audit Department and Occupational Health Helsinki*

City Executive Office

The City Executive Office is the planning, preparation and executive body of the City Council and the City Board. The City Executive Office is responsible for the development of the city and for the City of Helsinki Central Administration. The office is supervised by the City Board.

The halfway-mark evaluation of the Helsinki City Strategy “The Most Functional City In The World”, approved by the City Council for the four-year term 2017–2021, examined how well the key elements of the strategy have been implemented in the City divisions and the City Executive Office.

The City Board approved revised ethical principles for the City in October. These principles guide the City personnel and elected officials to operate according to good governance and in the best interest of citizens. The activities of the City are based on transparency, honesty and justice, and pursuit of personal gain and abuse of office are not tolerated. The ethical principles are examined at all City workplaces.

The City puts a special emphasis on the advancement of digitalisation. An ambitious digitalisation programme was approved in the spring. The programme helps to reform the City and to revise the City’s operating practices and culture, and it helps the City to reorganise and to develop leadership.

The City Executive Office continued to steer the development of administrative procedures throughout the City organisation. The goal is to render

the content of decisions more easy to understand and to unify manners of expression.

About 500 metres of archives of former City departments were reorganised. More than half a million pages of documents were digitalised, including the minutes of City Council meetings from 1875–1986. They are now stored and can be examined in the SINETTI archive information system.

An increasing amount of urban research was published on continuously updated thematic webpages. The themes include housing and construction, welfare, the job market and the development of the Helsinki operating environment.

More responsibility for employment services

The City of Helsinki seeks to improve business conditions in Helsinki and to generate new private sector jobs. The City’s NewCo Helsinki business advisory services served about 3,500 customers, who founded more than one thousand enterprises. About one-quarter of the new enterprises were founded by entrepreneurs of immigrant origin.

The City collaborated with universities and other partners to develop campuses and innovation environments, as well as to coordinate activities to attract skilled workforce to Helsinki and to help international talent to settle in the city more smoothly.



The City's employment services are part of the City Executive Office's Economic Development division. Employment services focused on young people, the long-term unemployed and immigrants. Young people were served by the Ohjaamo one-stop guidance centre, career services and multi-professional labour services.

Helsinki applied to join a municipal experiment on employment, which will increase the City's responsibility for organising employment services.

The City Board approved a personnel equality plan. In early spring, the City Executive Office published an action plan to prevent unfair treatment at work and harassment. The plan should be examined at every City workplace once a year. A harassment-liaison operating model was created in the same connection, and the first liaisons were trained.

According to an occupational health survey, the City is perceived as an attractive employer. Nearly 80 per cent of City employees would recommend the City as an employer. According to the survey, especially local management has improved. Respondents expressed concern about their weakened recovery from work. They were also concerned about the stress and trouble to cope with workloads perceived especially by young people and those in the early stages of their careers.

About 75,000 feedback messages

The City Executive Office is responsible for the development of resident participation throughout Helsinki. Nearly 50,000 residents voted in the first extensive participatory budgeting process organised in Helsinki.

Contacts to the City's central feedback system broke a record with the about 75,000 questions, comments, proposals and expressions of gratitude received.

The Helsinki-info face-to-face information service became a part of regular operations at Central Library Oodi and International House Helsinki.

Visitors to the City's hel.fi website exceeded 20 million for the first time. The smartphone was the most popular device used to visit the site, also for the first time. An analysis discovered that the City has a total of 1,518 digital communication channels, which is far too many and highlights a need for prioritisation.

The City Hall's redesigned lobby including an event square was opened in April. The most extensive programme organised at the event square was the weeklong Climate School, a part of Helsinki Design Week.

New Strategy division

The City Executive Office took an important step forward with the establishment of the new division Strategy by a decision of the City Council. Strategy started operations at the beginning of 2020. The division is in charge of the strategic development of the city, the coordination of key issues and projects, the supervision of digitalisation and ICT management, urban research and statistics, and international affairs.

The City Executive Office now has six divisions: Economic Development, Administration, Human Resources, Strategy, Economy and Planning, and Communications.

The City Executive Office includes Internal Audit, which operates under the direct supervision of the City Manager. Internal Audit conducted 28 audits during the year. Some of the areas audited were the organisation of operations and administration, reporting in the City management, procurement and ICT systems.



Deputy Mayor Pia Pakarinen, National Coalition Party

Chair of Education Committee

Liisa Pohjolainen, Executive Director

- Early childhood education and preschool education
- Basic education
- General upper secondary education and vocational education including the Finnish-language Adult Education Centre
- Swedish-language education services including the Swedish-language Adult Education Centre Arbis

Key figures

Operating revenue.....	EUR 69 million
Operating expenses..	EUR 1,202 million (26%)
Operating expenses per capita	EUR 1,839
Personnel	13,999
Share of total personnel	37%

Education

The Education Division is responsible for the City of Helsinki's early childhood education, preschool education, basic education, general upper secondary education, Finnish-language vocational education and liberal adult education.

The division's services are used daily by 100,000 children, young people and adults in day care centres, educational institutions and liberal adult education operations. Many surveys rank the City's education services among the best in the world.

The *Mukana* programme, aimed at preventing young people's social exclusion and segregation, is one of the City's key projects and especially important for the Education Division. The goals are to ensure that every child and young person has friends and at least one safe adult in their lives and that everyone receives post-comprehensive school education. Childhood circumstances must not limit anyone's opportunities for a good future.

Parents of children in early childhood education expressed very high customer satisfaction in a survey. Their average rate for the services was 6.3 on a scale of 1–7, and more than half of them gave the services the top rate.

The use of early childhood education services increased, and places were increased in City day care centres, which now serve 27,000 children.

Early childhood education was complicated by poor availability of

personnel. Measures to solve the problem included pay raises for teachers and child care personnel as well as intensified recruiting. The situation was particularly difficult in Swedish-language services.

Defects detected in the building permits of several private and some City day care centres inspired a public debate, and the City took decisive action. Most problems with building permits were solved.

A2 language studies start in the third grade.

Focus on pedagogical development

The main focus in basic education was on pedagogical development of teaching and the implementation of the new curriculum by utilising digitalisation. The number of students grew further and exceeded 43,000. Comprehensive school students of foreign origin – those not speaking Finnish or Swedish as their first language – exceeded 20 per cent of the total. Students in special needs education increased somewhat, and their share was 12.6 per cent.

Helsinki was successful in the *Karvi* national evaluation of education. The results of Helsinki first-graders in native-language studies and mathematics were markedly above the national averages. The evaluation revealed excellent achievements in Swedish-language basic education in Helsinki.



Language studies were developed in preschool and basic education by increasing language-enriched teaching and places in Swedish-language immersion studies. The goal is to have an increasing number of parents and guardians to consider some other foreign language than English as the child's A1 language from the first grade onwards. It was decided in December that A2 language studies start in the third grade rather than the fourth grade.

Entire city as learning environment

Learning outside of the school building increased. According to the City Strategy, the entire city is a learning environment. Learning took place in nature, in museums and at cultural and sports sites 12 times a year on average.

The Training Guarantee was implemented by ensuring that every student finishing comprehensive school was interviewed and offered further education or training.

Students finishing comprehensive school increasingly choose general upper secondary education, which is the primary choice of three out of four students in Helsinki. General upper secondary education is guaranteed for 60 per cent of the age group. The number of students in the City's 15 general upper secondary schools was 8,000.

Studies at Helsinki Vocational College and Adult Institute were developed together with business and workplace partners, with the goal of offering students more opportunities for learning in real workplace environments. Vocational education can be entered at any time of the year, and every student receives a personal development plan. The institution educates more than 15,000 young people and adults, and 44 per cent of them are of foreign origin.

A national school health survey delivered both positive and negative messages to Helsinki. Bullying has decreased, but the

perceived loneliness among students has increased, and an increasing number of them report poor mental health. Smoking and drinking among children and young people have decreased, but experiments with drugs have increased.

Opportunities for learning in real workplaces.

Schools deal with the climate crisis

Schools advanced Helsinki's carbon-neutrality goal with environmental education, with several events and by increasing vegetarian school meals. Young people's concern for the climate was evident in climate strikes held at Parliament House. Students could attend the strikes during school hours.

The Adult Education Centre of the City of Helsinki organised more than 5,000 courses and provided 108,000 hours of teaching. Courses were attended by 85,000 people during the year. The centre received the excellent rate of 6.23 on a scale of 1–7 in a customer survey.

The Adult Education Centre founded a new training unit for immigrants. The target groups are such immigrants who have lived in Finland for a long time but whose Finnish skills or reading and writing skills are poor. The Swedish-language Adult Education Centre Arbis was also active with immigrants.

Learning environments should be designed to be flexible, appealing, ecological and healthy, and they should enable pedagogical experiments. This applies both to new buildings and to renovations. Basic education initiated a project with other divisions in which ten schoolyards were designed to encourage physical activity.



Deputy Mayor Anni Sinnemäki, Greens

Chair of Urban Environment Committee

Mikko Aho, Executive Director

- Land use and city structure
- Buildings and public areas
- Services and permits

Division member organisations

Rescue Committee

- Rescue Department
- Helsinki City Transport Board of Governors
- Helsinki City Transport (HKL)

Key figures

Operating revenue..... EUR 1,099 million

Operating expenses.... EUR 771 million (17%)

Operating expenses

per capita.....EUR 1,180

Personnel* 3,582

Share of total personnel 9%

** Includes the personnel of Rescue Department and Helsinki City Transport (HKL)*

Urban Environment

The Urban Environment Division is responsible for the planning, construction and maintenance of Helsinki's urban environment. The division is also responsible for building control and environmental services. The division's goal is to implement the Helsinki City Strategy's vision of Helsinki as the most functional city in the world.

According to an action plan approved by the City of Helsinki, Helsinki should be carbon neutral by 2035. The achievement of

Communication about major inner-city road works received positive feedback.

the climate goal can be monitored with the online tracking tool *ilmastovahti.hel.fi*.

The City joined the Net Zero Carbon Buildings Commitment of the World Green Building Council, which challenges cities, regions and businesses to reach Net Zero operating emissions in their building stock by 2030.

The division spent about EUR 266 million in building renovations and new construction, including schools and day care centres. The biggest new construction projects under way were an expansion of the Mäkelänrinne Upper Secondary School,

the Vuosaari Upper Secondary School, and buildings in Kalasatama and Jakomäki for public services. Renovations were under way at the Aleksis Kivi and Kruununhaka Comprehensive Schools and in the Hakaniemi Market Hall.

Busy residential construction

More than 6,700 homes were completed, nearly 7,000 homes were started, and building permits were granted for about 7,000 homes. More than 10,000 homes were under construction at year-end.

21 per cent of the completed homes were State-subsidised apartments, and 24 per cent represented a blend of housing types, consisting mainly of right-of-occupancy and Hitas homes. More than 55 per cent were unregulated housing.

The City's own housing production started more than 1,500 homes. A mix of ownership types ensures the availability of diverse and affordable housing. The City emphasises equal treatment of all areas in development and maintenance to prevent divergence.

The busiest residential construction took place in the West Harbour area, Mellunkylä, the Jokeri light rail development areas and Kalasatama. The main non-residential construction projects completed were Metropolia's Myllypuro campus and the Mall of Tripla in Pasila. The rebuilt Pasila Station opened. The development of the Kalasatama area progressed.



Nearly 900,000 square metres of new floor area with building rights were zoned mainly in the vicinity of rail transport connections. Infill construction represented about 40 per cent of new plans. New building rights represented about 300,000 square metres of floor area.

According to Helsinki's long-term land use plan, City Plan, work was continued on the future Vihdintie and Tuusulantie "city boulevards" with commercial and economic assessments and an analysis of their effects on business. A draft of an underground city plan was under preparation for consideration by decision-makers.

Road safety improved

No pedestrians were killed in traffic accidents in Helsinki during 2019, for the first time in over a hundred years. Two motorcyclists and one passenger car driver died in accidents, which were the lowest numbers in nearly a hundred years. About 400 people were injured in traffic accidents, down by nearly 7 per cent from 2018.

Road safety has improved with upgrades in road environments, intensified control, improved vehicle technology and new, lower speed limits. The speed limit in residential areas and in the city centre is mainly 30 km/h. The City made an agreement with the police on 74 new traffic enforcement cameras to be installed in Helsinki.

The construction of the Jokeri light rail connection between Itäkeskus in Helsinki and Keilaniemi in Espoo commenced in June. The areas served by light rail will have new housing for 18,000 residents. As part of the rail transport development programme, the inner-city traffic flow was studied in the city centre–Hakaniemi section and with trams on Bulevardi.

Areas served by light rail will be developed with housing.

The combined share of walking, cycling and public transport of all journeys in Helsinki was 77.5 per cent, which equals the average of the last five years. Promotion of cycling progressed according to plan with preparations for the Itäbaana express cycleway, by intensifying cycleway winter maintenance and by expanding the city bikes bike-sharing system, which has been a major success.

Disruptions from road works reduced

Helsinki seeks to reduce disruptions from road works. The City of Helsinki and Aalto University collaborated in a functional road works research project. An ongoing service design project seeks to improve the worksite experience. Communication and interaction related to road works were developed, and communication about the ongoing renovation of the major inner-city avenue Hämeentie received positive feedback.

The implementation of the Helsinki Maritime Strategy proceeded. Infrastructure was developed on the Vallisaari and Kuninkaansaari islands, and the Vasikkasaari island was opened for recreational use. Plans were drawn up for new water transport routes and for a comprehensive operating model for all water transport.

The division's new digitalisation programme is aimed at reforming operations and improving customer service. Electronic services were expanded, for example, in Building Control's permit service. 94 per cent of messages received through the feedback system were answered in less than a week, which is the target time frame.



Deputy Mayor Nasima Razmyar, Social Democratic Party

Chair of Culture and Leisure Committee

Replaced by Tomi Sevander from 18 July to 31 December 2019

Tommi Laitio, Executive Director

- Library services
- Cultural services
- Sports services
- Youth services

Key figures

Operating revenue.....EUR 34 million

Operating expenses ..EUR 255 million (6%)

Operating expenses
per capita..... EUR 390

Personnel1,858

Share of total personnel 5%

Culture and Leisure

The Culture and Leisure Division maintains and improves the opportunities of Helsinki citizens of different ages for mental and physical welfare, for learning and for active citizenship. The division supports the dynamism of Helsinki. It offers both residents and visitors art, events, courses and leisure activities. It provides facilities for activities, sites and services for sports and exercise, and support for civic engagement.

Helsinki City Library had an impressive year. In the wake of the opening of Central Library Oodi in December 2018, all libraries broke records in visitor numbers, and loans increased. Library visits grew by nearly 40 per cent and exceeded 9 million.

The year showed that the digitalising world does not take away customers from libraries; instead, it attracts people to both local and online services.

City Library produced a new service, whereby a library card can be used to borrow season tickets to sports and cultural events. The idea spread from Helsinki to other Finnish cities and also aroused international interest.

Oodi was widely recognised. The main recognition was the Public Library of the Year award presented at the annual conference of the International Federation of Library Associations and Institutions. The Association of Finnish Municipalities named Helsinki the library municipality of the year owing to the City's versatile work to promote reading.

Art institutions grew in popularity

The City of Helsinki owns seven cultural centres – Annantalo, Caixa, Kanneltalo, Malmitalo, Savoy Theatre, Stoa and Vuotalo. Their events, exhibitions, workshops and art education served nearly 900,000 people during the year. The year's main programme content was Futures Laboratory, an artistic adventure to alternative futures.

Helsinki Art Museum HAM was Finland's fourth most popular art museum after Kiasma, Ateneum and Amos Rex. Its exhibitions and events attracted nearly 190,000 visitors to HAM Tennis Palace. HAM's most popular exhibition was *Ellen Thesleff – I Paint Like a God*.

City libraries broke records in visitor numbers.

State of Mind – Helsinki 1939–1945, a joint exhibition by HAM and Helsinki City Museum, aroused a great deal of interest. The exhibition reflected the wartime Helsinki. Helsinki City Museum also broke a record with its nearly half a million visitors.

A study was completed on HAM's future and operating concept. The study forms the basis of a reconsideration of the museum's organisation and location. HAM made preparations for the Helsinki Biennial contemporary art event, which was to be held on the Vallisaari island in summer 2020.



The Helsinki Philharmonic Orchestra (HPO) toured Central Europe, giving concerts in Germany, the Netherlands, Austria and Poland with Pekka Kuusisto, violin, and conducted by HPO Chief Conductor Susanna Mälkki. The orchestra gave 44 symphony concerts, 3 popular music concerts and 5 children's concerts at Musiikkitalo (Helsinki Music Centre). The orchestra produced 19 live stream HKO Screen concerts for a total online audience of about 80,000.

Encouraged by the Helsinki Philharmonic Orchestra's successful HPO Kids programme, the division completed an operating model for cultural children's programmes. Every child born in Helsinki is assigned a personal art and cultural liaison to help the child and the family to acquaint themselves with art. The activity embraces 30 art and cultural liaisons in Helsinki.

Exercise as a strategic key project

The Exercise and Mobility Scheme Project is one of the key projects of the Helsinki City Strategy. The goal of the project is to make citizens move more and sit less. Promotion of physical activity is also part of early childhood education and schooldays, and it is integrated into social services and health care, into urban planning and into the City occupational well-being operations. The implementation of the project progressed well with other City divisions. 85 per cent of the 57 items included in the project's action plan were fully launched. Helsinki was awarded as Finland's most physically active municipality in 2019 at the Finnish Sports Gala in January 2020.

Visits to City of Helsinki sports sites increased and exceeded 8 million despite cool weather in July.

The summer's swimming season was good, as the presence of blue-green algae at beaches was quite low. City swimming beaches recorded about 750,000 visits.

Rastila Camping enjoyed a busy year with about 111,000 visits.

The City of Helsinki sports administration celebrated its 100th anniversary with busy operations. To mark the centenary, summer walking tours were organised in the heart of Helsinki's and Finland's sports history in Töölö, which is home to the Eläintarha

Helsinki is Finland's most physically active municipality.

Stadium, the Olympic Stadium, the Paavo Nurmi Statue and the Töölö Sports Hall.

New youth work model

A key issue in the City of Helsinki Youth Services was a reform of the cultural youth work model to emphasise local action. Work is primarily carried out where young people live and spend time.

The youth public participation system Ruuti was reformed. The Ruuti Youth Council was given the right to attend and speak at City committee meetings. Begun as an experiment, the practice proved to be a success, and the attendance and speaking right was made permanent.

The youth participatory budgeting procedure, Youth Ruuti Budgeting, was implemented for the seventh time. The Helsinki youth also joined a participatory budgeting project targeting all of Helsinki.

An effort uniting all parts of the Culture and Leisure Division was the advancement of digital transformation, and the division established a central solutions office for the purpose. Helsinki's exceptionally busy cultural year attracted wide media coverage both in Finland and internationally.



Deputy Mayor Sanna Vesikansa, Greens

Chair of Social Services and Health Care Committee

Juha Jolkkonen, Executive Director

- Family and social services
- Health care and substance abuse services
- Hospital, rehabilitation and nursing services

Key figures

Operating revenue..... EUR 186 million

Operating expenses...EUR 2,164 million (47%)

Operating expenses

per capita..... EUR 3,312

Personnel..... 13,881

Share of total personnel 37%

Social Services and Health Care

The Social Services and Health Care Division organises and produces social and health-care services for the citizens of Helsinki. The division creates conditions for maintaining and improving health and well-being. It prevents social and health problems, counteracting their adverse effects.

The division continued to reform social services and health care. One of the division's emphases was increased opportunities for the use of electronic social services. An increasing amount of e-services were offered to citizens.

Helsinki participated in the preparation of a national reform of regional governance, until the Finnish Government cancelled the project in the spring because of related constitutional and other problems. Overall, the City was highly critical of the proposed reform.

The City of Helsinki Social Services and Health Care reformed services according to three operating models. These models are Family Centre, Health and Well-being Centre and Elderly Centre.

Elderly Centres, so named as of the beginning of 2020, are former Comprehensive Service Centres. The term Elderly Centre describes the centres' operations more accurately. The City's ten Elderly Centres provide day activities and rehabilitation services for the elderly. They also provide short- and long-term assisted-living services.

Family Centres give wide-ranging support to families.

Third Family Centre opened in Kallio

Helsinki develops social and health-care services for families according to the Family Centre operating model. Multi-professional services are provided for customers on the one-stop-shop principle, whereby information, guidance, service needs evaluations and family support are available from one place.

Helsinki's third Family Centre, located on Toinen linja in Kallio, opened doors in new facilities at the beginning of June. The first two Family Centres operate in Itäkeskus and Vuosaari. A fourth Family Centre is being developed in the city centre.

Family Centres give wide-ranging support to families. The Kallio Family Centre's expertise represents 15 professions, and the personnel comprises about 250 social and health-care professionals. The services include maternity and child health clinics, psychological services, home services for families, children's speech therapy and physiotherapy, family social work, child welfare and disability services. Swedish-language services for all of Helsinki were centralised in the Kallio Family Centre.



Virtual doctor's visits and more e-services

Social and health-care e-services were expanded with a large number of new applications, and new service methods were tested. In late 2019, all health stations introduced a chatbot, which provides automated service information and guidance 24 hours a day.

A chat is also used in social counselling. Here customers are advised by professionals in questions related to social services for adults and how to apply for benefits and allowances. The chat, applied especially in early stages of customer contacts, frees resources for other customer services.

The Senior Info service for the elderly introduced online alerts, whereby anyone can report their concern if they suspect that an elderly person cannot cope without help. An easy-to-use online service designed for families facing problems – a virtual call button to summon help – was established as a regular service.

The Vuosaari and Malmi Health Stations launched an experiment with virtual doctor's visits. Here patients are in touch with doctors by video calls on their mobile devices. The experiment tests if virtual visits could be a routine working method. Virtual diagnostics were tested at four Service Centres.

The range of *Omaolo* online health check-ups was expanded to include all existing symptom check-ups. An *Omaolo* check-up can be made without registering, but if a customer wants feedback, it is necessary to register as a user. Registered users numbered nearly 20,000 during the year.

In total, the use of social and health-care e-services grew by about one-fifth during the year. Health care registered about 400,000 e-service visits. Home care made about 325,000 virtual and telecare visits.

Helsinki is prepared to adopt the customer and patient information system

New methods were tested in e-services.

Apotti in October 2020. Apotti is owned by several municipalities of the Uusimaa Region and by HUS Helsinki University Hospital. The system has necessitated a great deal of training and planning.

Solutions sought to personnel shortages

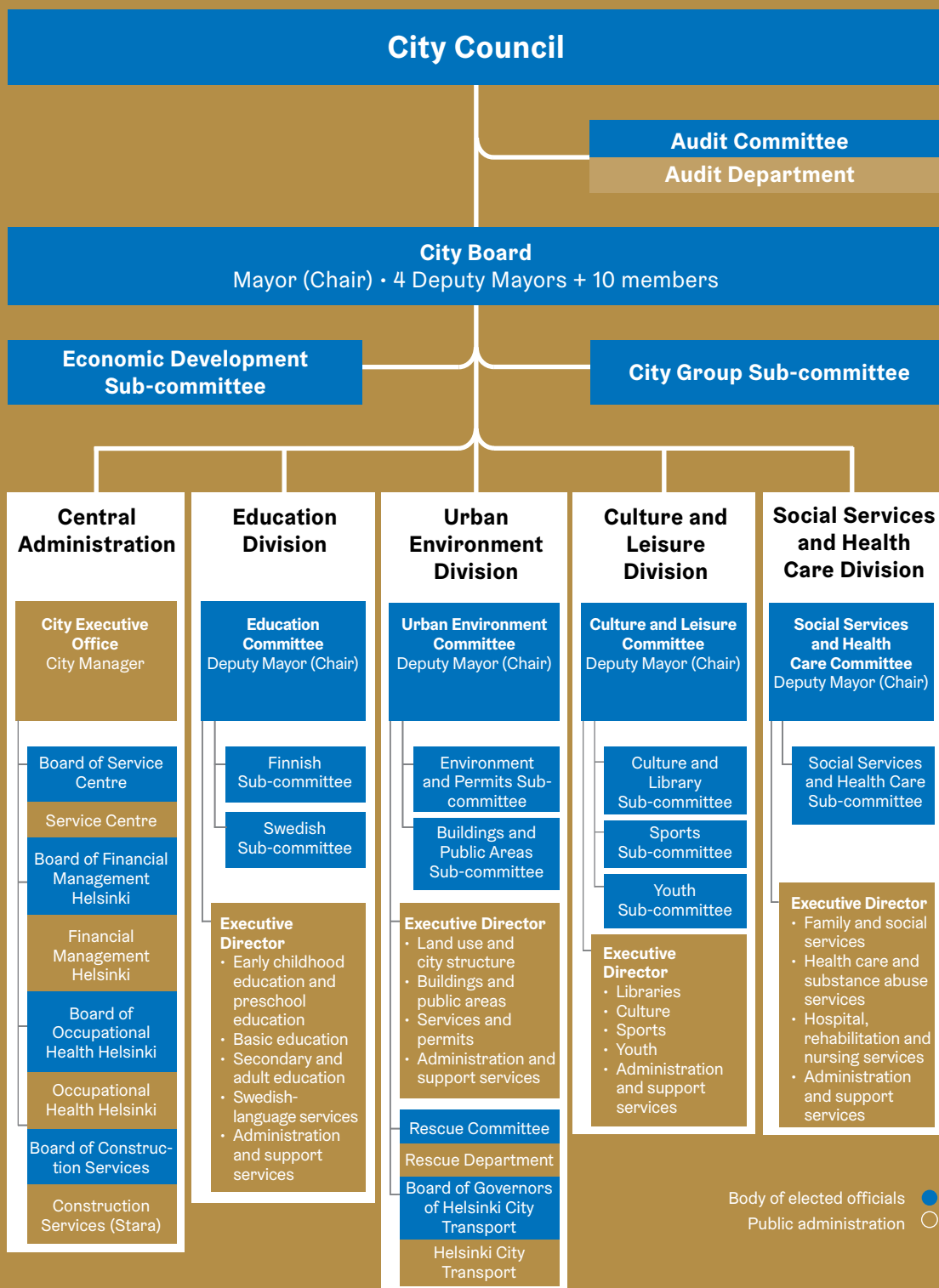
The Social Services and Health Care Division employed about 13,900 persons at year-end, down by about 800 from a year before. The decline was mainly due to a transfer of employees from the Malmi and Haartman Hospitals to the employ of HUS, when emergency operations were combined.

About 11 per cent of the division's personnel were of foreign origin, that is, non-Finnish and non-Swedish speakers. Swedish-speaking employees numbered more than 330.

The availability of doctors, social workers and home care personnel weakened further, which was also manifest in a decline in job applications. Measures were initiated to increase the availability and to decrease the turnover of doctors, and the paths of foreign-born nurses to the Finnish job market were developed. Personnel shortages were also eased with local pay raises within the framework of collective agreements.

According to an occupational health survey, the perceived stress of the social services and health-care personnel increased, their recovery from work weakened, and their concern about their mental state increased. Nevertheless, the personnel's dedication to their work remained strong, they considered their work important, they felt good about going to work, and the social capital of the work community was the highest of all City workplaces.

City of Helsinki administration 31 December 2019



City of Helsinki organisation

The highest decision-making body of Helsinki is the City Council, which is elected by popular vote. The City Council elects the Mayor and the Deputy Mayors for the duration of the Council term from among the councillors and their alternates. The current City Council term began on 1 June 2017.

The Mayor chairs the City Board. The Deputy Mayors chair the division committees and serve as City Board members. The Mayor and the Deputy Mayors are fulltime, salaried elected officials.

City's highest public servants: City Manager and Executive Directors

The City's Central Administration is led by the City Manager and each City division by a Division Executive Director, all as public servants. The City Manager is the supervisor of the Division Executive Directors. The activities of the City Manager and the Division Executive Directors are overseen by the Mayor and the Deputy Mayors.

City Manager

Sami Sarvilinna

Executive Director of Education Division

Liisa Pohjolainen

Executive Director of Urban Environment Division

Mikko Aho

Executive Director of Culture and Leisure Division

Tommi Laitio

Executive Director of Social Services and Health Care Division

Juha Jolkkonen

City Council

The City Council is the highest decision-making body of Helsinki. The City Council governs the City by voting on motions, by passing resolutions on matters within the City's obligations and jurisdiction, and by allocating the City budget.

The members of the City Council are elected as representatives of political parties and movements by popular vote in national municipal elections, which are held every four years. There are 85 councillors and an equal number of alternates. All serve in unpaid positions of trust.

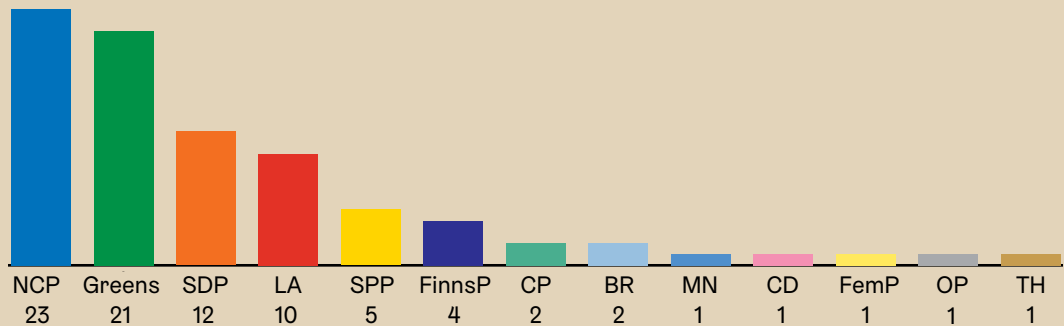
The latest municipal elections were held in the spring of 2017, and the current councillors

and their alternates took their seats on 1 June 2017. The councillors represent 13 political parties and movements.

During the Council season, the City Council meets on every other Wednesday. The meetings are normally held in the Council Chamber of the City Hall. The meetings are normally open to the public, who are seated in a dedicated section on the mezzanine level of the Council Chamber. City Council meetings are webcast on the City's video channel Helsinki-kanava, and they are available on demand. Meeting agendas and decisions are published on the City of Helsinki website.



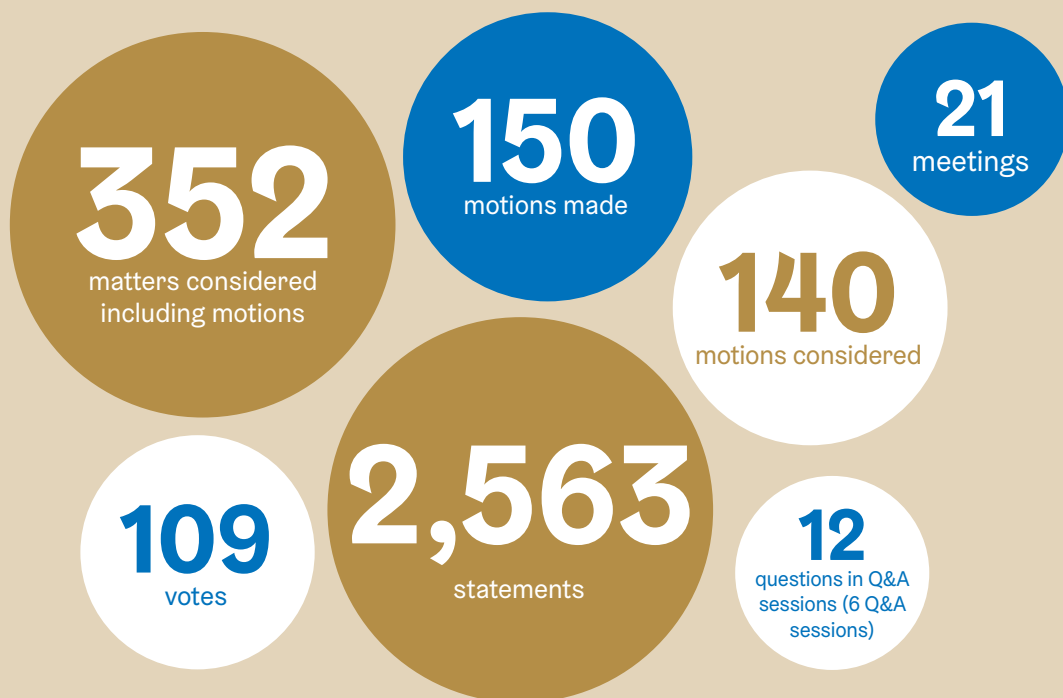
Political parties and movements of councillors in 2019



(NCP) National Coalition Party • Greens • (SDP) Social Democratic Party • (LA) Left Alliance • (SPP) Swedish People's Party • (FinnsP) Finns Party • (CP) Centre Party • (BR) Blue Reform Council group • (MN) Movement Now Helsinki • (CD) Christian Democrats • (FemP) Feminist Party • (OP) Open Party • (TH) Terve Helsinki movement
Women 43 (51 per cent) • Men 42 (49 per cent)



City Council chairs: (middle) Otso Kivekäs, Chair, Greens, (left) Harry Bogomoloff, First Vice-Chair, National Coalition Party, and (right) Paavo Arhinmäki, Second Vice-Chair, Left Alliance



City Board and sub-committees

The City Board is a Helsinki City Government body tasked to oversee administration and financial management, to prepare matters for consideration by the City Council, to implement the City Council decisions and to ascertain the legality of the City Council decisions.

The City Board has 15 members. They comprise the Mayor, who chairs the City Board meetings, the four Deputy Mayors and 10 other members elected by the City Council for a two-year term.

Jan Vapaavuori, Chair, National Coalition Party
Anni Sinnemäki, First Vice-Chair, Greens
Tomi Sevander, Second Vice-Chair, Social Democratic Party

Matters are presented to the City Board by City Manager Sami Sarvilinna.

City Group Sub-committee

The City Board's City Group Sub-committee oversees the operations of foundations and subsidiaries.

The sub-committee has 9 members elected by the City Council for a two-year term.

Jan Vapaavuori, Chair, National Coalition Party
Jasmin Hamid, Vice-Chair, Greens

Matters are presented to the City Group Sub-committee by City Manager Sami Sarvilinna.



City Board chairs: (middle) Jan Vapaavuori, Chair, National Coalition Party, (right) Anni Sinnemäki, First Vice-Chair, Greens, and (left) Tomi Sevander, Second Vice-Chair, Social Democratic Party

Economic Development Sub-committee

The City Board's Economic Development Sub-committee oversees the City's economic development, competitiveness, immigration and employment policies.

The sub-committee has 9 members elected by the City Council for a two-year term.

Jan Vapaavuori, Chair, National Coalition Party
Ozan Yanar, Vice-Chair, Greens

Matters are presented to the Economic Development Sub-committee by Marja-Leena Rinkineva, Director of Economic Development.



Committees and boards

Each of the four City of Helsinki divisions is overseen by a 13-member committee. Each committee has 1–3 sub-committees. Central Administration and the divisions also oversee the boards of municipal enterprises and the Rescue Committee.

Education Division

Education Committee

- Finnish Sub-committee
- Swedish Sub-committee

Urban Environment Division

Urban Environment Committee

- Environment and Permits Sub-committee
- Buildings and Public Areas Sub-committee

Rescue Committee

Board of Governors of Helsinki City Transport (HKL)

Culture and Leisure Division

Culture and Leisure Committee

- Culture and Library Sub-committee
- Sports Sub-committee
- Youth Sub-committee

Social Services and Health Care Division

Social Services and Health Care Committee

- Social Services and Health Care Sub-committee

Boards of municipal enterprises

Board of Service Centre municipal enterprise

Board of Financial Management Helsinki municipal enterprise

Board of Occupational Health Helsinki municipal enterprise

Board of Construction Services (Stara) municipal enterprise

Other

Audit Committee

Central Elections Committee (convenes in conjunction with elections)

Facts about Helsinki

Helsinki	
Founded in 1550	
Finnish capital since 1812	

Area and environment	
Total area, km ²	719
Land area, km ²	217
Population density: inhabitants per km ²	2,993
Shoreline, km	123
Islands	327

Mean temperatures 2019	
Full year	7.4°C
Warmest month, July	17.5°C
Coldest month, February	-4.6°C

Population	
Total population 31 Dec. 2019	653,835
Age groups, %	
• 0–6	6.9
• 7–15	8.2
• 16–64	67.6
• 65–74	9.9
• 75+	7.4

Life expectancy	81.6
• men	78.7
• women	84.1
Finnish citizens, %	90.4
Other nationalities, %	9.6
Finnish-speaking, %	78.2
Swedish-speaking, %	5.6
Other languages, %	16.2

Housing	
Dwellings total	367,680
Owner-occupied dwellings, %	41.3
Housing density, m ² per person	34.1
City-owned rental dwellings 2018	48,288

Labour market	
Jobs 2019	445,000
• primary production, %	0.1
• processing, %	10.2
• services total, %	88.3

Market services, %	61.1
Public administration, welfare services, %	27.2

Other or unknown, %	1.4
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Total enterprises 2017	50,358
Workforce (15- to -74-year-olds) 2019	
• employed	338,400
• unemployed	24,000
Participation rate, %	71.8
Unemployment rate, %	6.6

Transport and communications	
Registered vehicles per 1,000 inhabitants	546
Public transport inside the city, total journeys in one million	290
Mobile phone subscriptions per 100 inhabitants (all of Finland)	172
Internet users (aged 16–89), % of population	95

Energy and water supply	
Electricity sales, GWh	6,724
District heating sales, GWh	6,770
Water sales (Helsinki metropolitan area), million m ³	74.3
Daily water consumption per capita (Helsinki metropolitan area), litres	226
Treated wastewater, million m ³	92

Social services and health care	
City health stations	24
City hospitals ¹	3
Primary health care	
Primary health care visits, million	6.4
• visits to health stations and other ² , million	5.9
• dental care visits ³ , million	0.5
• total per resident	9.8
Average daily number of inpatients	780
• in City hospitals	695
• in contract hospitals	84
• total per 1,000 residents	1.2
Specialised medical care	
Outpatient visits, million	1.4
• City units, million	0.4
• contract outpatient clinics, million	1.0
• total per resident	2.1
Average daily number of inpatients	1,003
• in City units	204
• in contract hospitals	799
• total per 1,000 residents	1.5
Places in assisted living for the elderly	
• per 100 persons aged 75+	6.2
• Places in nursing homes for the elderly ⁴	1,360
• per 100 persons aged 75+	3.0

¹ Hospitals Laakso, Malmi, Suursuo

² The numbers for health station visits include outpatient care, emergency services at health stations, home care and other visits of City of Helsinki outpatient operations, tele-health operations replacing visits, and other care visits. The numbers for home care include outsourced visits and replacing care visits.

³ The numbers for dental care include City of Helsinki and outsourced services as well as visits to Helsinki University Hospital's oral disease teaching and care units.

⁴ Includes institutional care and long-term care

⁵ Includes municipal day care centres, family day care and contract day care centres

Education	
Children in early childhood education ⁵ per 100 children aged 1–6	67
Educational structure	
15-year-olds and older, %	
• comprehensive school certificate	25
• secondary degree	33
• tertiary degree	42
Educational institutions in Helsinki	
• universities	3
• universities of applied sciences	6
• vocational institutions	18
• comprehensive schools and general upper secondary schools	165

Culture and leisure	
City Library	
• Loans, million	9.0
• Loans per capita	14.0
Museums	59
Recreational trails and sports tracks, km	216
Swimming halls	13
Indoor sports facilities	818

Tourism	
Passengers, million	
• Helsinki Airport	22
• Port of Helsinki	12
• Helsinki Railway Station local transport long-distance transport	66 7
Hotel guests, million	2.5
• total overnights	4.5
• international guests	2.4
Hotels	68
• rooms	10,078
• beds	20,871
International conferences and events	395
• participants	84,114



Investment expenses increased sharply

The City of Helsinki's financial result for the accounting period was EUR 377 million, exceeding the budget by EUR 94 million. Investment expenses were up by EUR 150 million from the previous year and totalled EUR 780 million. Despite a high level of investment activity, the City was largely able to finance investments with internal financing. Operating and investment cash flow was negative, totalling EUR –33 million.

Helsinki invested heavily in transport, new housing areas and schools. New day care centres were built. Helsinki secures the conditions for sustainable growth, but the City also emphasises improvements in the quality of services.

Envisioning the future, the City must be prepared for considerable changes in the City's financial situation and consequent ability to allocate financial resources to investments due to the coronavirus pandemic.

Dynamic construction activity

The Helsinki construction sector remained dynamic in 2019. A total of 6,736 new homes were completed. The most intensive residential construction was under way in Jätkäsaari and Kalasatama, with nearly 2,000 homes under construction in each area.

Nearly EUR 270 million was spent on building construction projects. The Jätkäsaari Comprehensive School and an extension of the Vesala Comprehensive School were among the biggest projects. Nearly EUR 150 million was spent on infrastructure development and on road and park construction, most of the sum in Kalasatama, West Harbour and Kruunuvuorenranta.

Non-residential construction was slower than in previous years. The number of new building permits was also somewhat lower than in 2018.

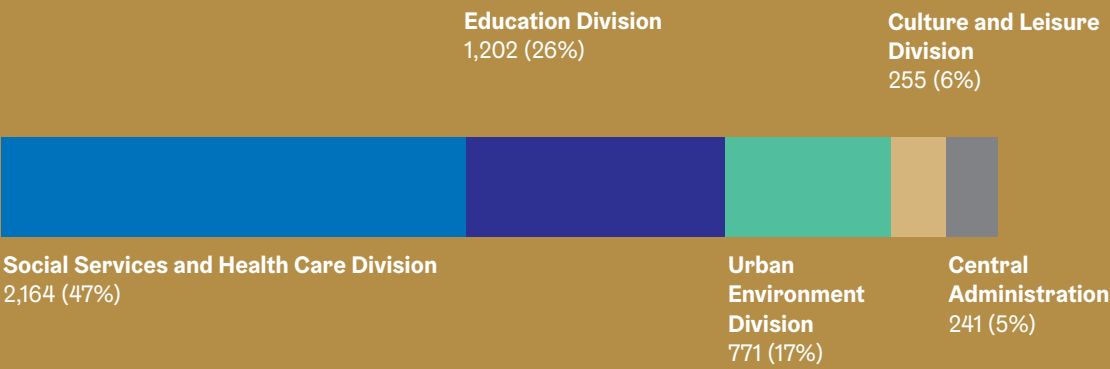
Favourable economic development

The financial result for the accounting period exceeding the budget was generated by markedly higher operating revenue than the estimated sum. Proceeds from the sales of land, buildings and shares exceeded the budget. Total sales proceeds were EUR 157 million, up by more than EUR 40 million from the previous year. Dividend revenue also exceeded the budget.

The favourable economic development and the City's ability to finance investments with internal financing are results of long-range financial management.

Operating expenses

EUR million

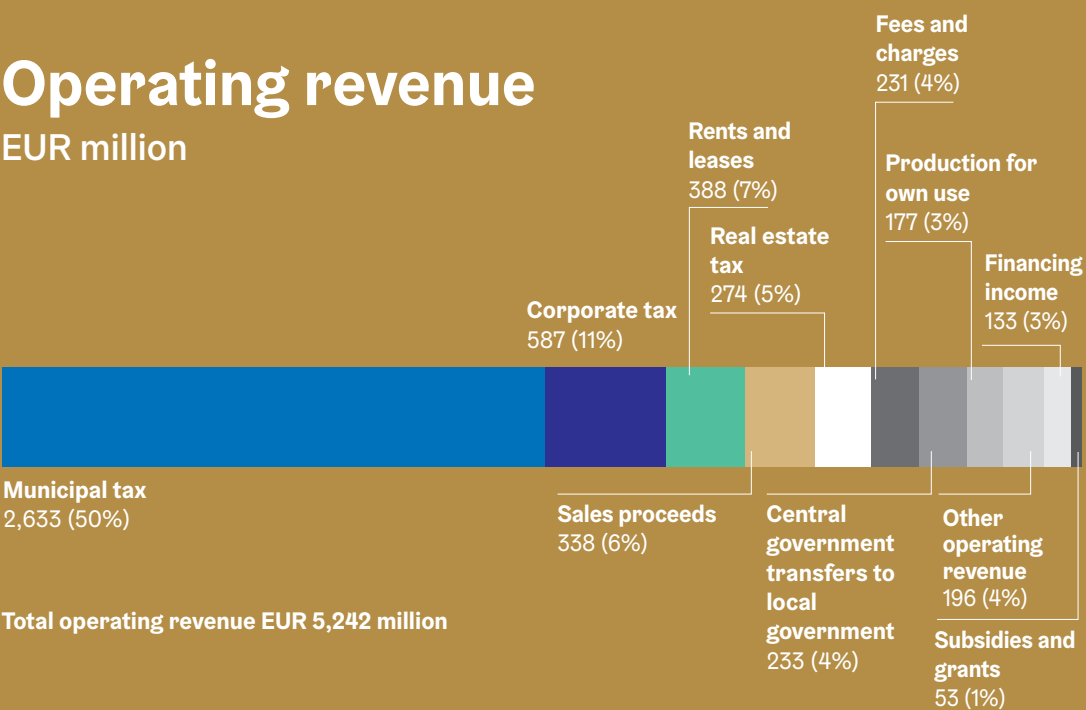


Total operating expenses EUR 4,633 million

The numbers exclude municipal enterprises. Internal transfers have not been eliminated.

Operating revenue

EUR million



Total operating revenue EUR 5,242 million

The numbers include municipal enterprises and funds. Internal transfers have been eliminated.

Tax revenue increased but remained below the budget

Tax revenue increased by 2.3 per cent from the previous year. Combined tax revenue and central government transfers to local government remained below the 2019 budget by EUR 47 million.

External operating expenses increased by nearly 5 per cent

External operating expenses exceeded the budget by EUR 34 million and increased by 4.8 per cent from the previous year.

Despite a high level of investment activity, investments were largely financed with internal financing.

Helsinki secures the conditions for sustainable growth.

Loan repayments made from cash

Loan repayments were made according to plan and totalled EUR 87 million. No new loans were taken. Loan repayments were made from cash while retaining adequate liquidity. Total loans decreased to EUR 1,014 million. Loans per capita totalled EUR 1,551.

Investment expenses

Total investment expenses: EUR 780.4 million

Investment expenses excluding municipal enterprises: EUR 639.9 million

Fixed assets	105.8
Buildings	266.1
Roads and other transport routes	158.7
Parks and sports sites	34.9
Acquisition of movable assets	58.8
Securities	10.8
Other assets	4.8

Personnel

The City of Helsinki employed 37,459 persons in 2019, two-thirds of them women. The biggest age group was 50- to -59-year-olds, and 35.7 per cent of permanent employees had been in the City employ for more than 15 years.

Total personnel was reduced by 0.5 per cent from 2018, that is, by almost 200 employees. The personnel of the Social Services and Health Care Division was reduced as a result of organisational changes and transfers of operations. The personnel of the Culture and Leisure Division was also reduced, but the personnel of the Education Division increased. Early childhood education faced

difficulties in hiring. The Urban Environment Division faced difficulties in filling expert positions. Urban Environment's rate of filled positions remained at 2018 level. An increase in the City Executive Office personnel reflected temporary jobs, project assignments and new tasks in the City's digitalisation programme.

Total salaries and wages of the permanent and temporary employees of divisions, municipal enterprises and departments were more than 1.4 billion euros. General pay increases and pay harmonisation related to the City's divisional reform caused total salaries and wages to increase by 3 per cent.

Number of employees by division at year-end

Division	Permanent employees	Temporary employees	All employees	Change 2018–2019
Central Administration*	3,676	463	4,139	–15
Education	10,703	3,296	13,999	616
Urban Environment**	3,340	242	3,582	56
Culture and Leisure	1,591	267	1,858	–6
Social Services and Health Care	10,986	2,895	13,881	–848
Total	30,296	7,163	37,459	–197

* The numbers of Central Administration include the employees of the City Executive Office, Service Centre, Construction Services (Stara), Financial Management Helsinki (Talpa), Audit Department and Occupational Health Helsinki.

** The numbers of Urban Environment include the employees of Rescue Department and Helsinki City Transport (HKL).

Key indicators 2019

	Group		City	
	2019	2018	2019	2018
Income statement indicators				
Operating revenue of operating expenses, %	61.5	61.3	27.9	28.0
Annual contribution margin, EUR million	1,377.0	1,358.0	741.0	752.0
Annual contribution margin, % of depreciations	166.8	174.6	203.4	216.8
Annual contribution margin, EUR per capita	2,108.0	2,096.0	1,135.0	1,160.0
Financial indicators of cash flow statement				
Operating and investment cash flow accumulation over five years, EUR million ¹	-283.1	97.9	354.7	789.7
Operating and investment cash flow accumulation over five years, EUR million, excluding the effect of the 2014 incorporation of municipal enterprises on accounts	354.7	410.3
Internal financing of investments, %	62.8	79.5	96.9	122.6
Debt-service coverage ratio	3.1	3.3	7.4	6.3
Cash sufficiency, days	62.0	69.0	77.0	91.0
Balance sheet indicators				
Equity ratio, %	62.7	62.6	81.6	80.6
Relative indebtedness, %	88.6	87.4	43.8	45.8
Surplus/deficit accumulation, EUR million	5,724.0	5,250.0	6,102.0	5,753.0
Surplus/deficit accumulation, EUR per capita	8,761.0	8,101.0	9,339.0	8,877.0
Loans 31 Dec., EUR million	5,171.0	4,984.0	1,014.0	1,100.0
Loans, EUR per capita	7,914.0	7,691.0	1,551.0	1,698.0
Loans and lease liabilities 31 Dec., EUR million	5,769.0	5,663.0	1,250.0	1,394.0
Loans and lease liabilities, EUR per capita	8,830.0	8,739.0	1,914.0	2,151.0
Loan receivables 31 Dec., EUR million	474.0	478.0	1,950.0	1,944.0
City Group loan receivables 31 Dec., EUR per capita	726.0	738.0
Total population 31 December			653,400	648,042

Total population based on preliminary data for 2018 has been updated to reflect confirmed total population. The indicators for 2018 have been similarly updated. Confirmed total population: 653,835.

¹⁾ Data for 2018 has been altered: EUR 7.2 million has been transferred from capital and reserves to adjustments to internal financing.

Calculation formulas for financial indicators are presented on page 58.

City of Helsinki Income Statement

EUR million

	1 January– 31 December 2019	1 January– 31 December 2018
Operating revenue		
Sales proceeds	338.0	356.0
Fees and charges	230.8	226.9
Subsidies and grants	52.7	45.1
Rental revenue	387.7	366.8
Other operating revenue	196.0	160.3
	1,205.2	1,155.1
Production for own use	176.6	163.2
Operating expenses		
Personnel expenses		
Salaries and fees	-1,402.2	-1,372.5
Social security expenses		
Pension expenses	-310.4	-333.8
Other social security expenses	-51.5	-55.5
Procured services	-1,967.1	-1,772.7
Materials, supplies and goods	-209.2	-207.0
Allowances and grants	-318.0	-310.1
Rental expenses	-218.6	-222.6
Other operating expenses	-23.2	-18.6
	-4,500.2	-4,292.8
Operating margin	-3,118.5	-2,974.6
Tax revenue and central government transfers to local government		
Tax revenue	3,493.7	3,416.6
Central government transfers to local government	232.8	197.3
	3,726.5	3,613.9
Financing income and expenses		
Interest income	77.8	77.7
Other financing income	72.5	52.5
Interest expenses	-16.6	-16.9
Other financing expenses	-0.3	-0.7
	133.4	112.7
Annual contribution margin	741.4	752.0
Depreciations and reduction in value		
Depreciations according to plan	-364.4	-346.8
	-364.4	-346.8
Extraordinary items		
Extraordinary expenses	0.0	-18.4
	0.0	-18.4
Financial result for the accounting period	377.0	386.8
Increase (–) or decrease (+) in depreciation difference	-0.3	-1.3
Increase (–) or decrease (+) in voluntary provisions	-2.7	1.0
Increase (–) or decrease (+) in funds	5.2	20.1
	2.3	19.8
Surplus/deficit for the accounting period	379.2	406.6

City of Helsinki Cash Flow Statement

EUR million

	2019	2018
Cash flow from operations		
Annual contribution margin	741.4	752.0
Extraordinary items	0.0	-18.4
Adjustments to internal financing	-190.2	-107.2
	551.2	626.4
Cash flow from investment		
Investment expenses	-780.4	-625.3
Allotments for capital expenditure	15.0	11.9
Proceeds from sale of non-current assets	181.2	137.7
	-584.2	-475.7
Operating and investment cash flow	-32.9	150.7
Cash flow from financing		
Change in long-term receivables		
Increase in granted loans	-86.3	-120.0
Decrease in granted loans	79.9	70.3
	-6.4	-49.7
Change in loans		
Increase in long-term loans	-86.5	-105.8
Repayments of long-term loans	-86.5	-105.8
Change in operating capital	0.0	0.0
Other changes in liquidity		
Change in funds and capital from assignments	-30.2	-64.5
Change in current assets	-3.9	4.5
Change in receivables	-33.7	-14.9
Change in interest-free liabilities	64.2	4.5
	-3.5	-70.3
Net cash flow from financing	-96.4	-225.9
Change in liquid assets	-129.4	-75.1
Liquid assets 31 December	1,112.0	1,241.4
Liquid assets 1 January	1,241.4	1,316.6
	-129.4	-75.1

City of Helsinki Balance Sheet

EUR million

	31 December 2019	31 December 2018
ASSETS		
NON-CURRENT ASSETS		
Intangible assets		
Intangible rights	23.1	24.1
Other capitalized long-term expenses	75.5	75.3
Advance payments	5.4	5.6
	104.0	105.0
Tangible assets		
Land and water area	3,345.8	3,256.0
Buildings	1,789.8	1,706.2
Fixed structures and installations	1,623.1	1,525.0
Machinery and equipment	447.9	409.3
Other tangible assets	12.8	12.5
Advance payments and construction in progress	384.2	308.3
	7,603.6	7,217.3
Investments		
Subscribed capital	3,228.8	3,239.8
Other loan receivables	1,950.3	1,944.0
Other receivables	0.5	0.5
	5,179.6	5,184.3
FUNDS FROM ASSIGNMENTS		
State assignments	91.8	113.4
Special margins for donation funds	5.4	5.1
Other reserves from assignments	565.0	544.7
	662.3	663.2
CURRENT ASSETS		
Current assets		
Materials and supplies	10.8	12.0
Work in process	10.8	5.7
Other current assets	0.1	0.1
	21.7	17.8
Receivables		
Long-term receivables		
Loan receivables	0.1	0.1
Other receivables	51.4	71.0
	51.5	71.1
Short-term receivables		
Sales receivables	118.6	96.2
Loan receivables	1.0	0.5
Other receivables	164.5	104.0
Prepayments and accrued income	51.7	81.8
	335.8	282.6
Total receivables	387.3	353.7
Shares and holdings		
Investments in money market instruments	625.0	50.0
Bond receivables	20.0	20.0
	645.0	70.0
Cash in hand and at banks	467.0	1,171.4
BALANCE SHEET TOTAL	15,070.5	14,782.6

	31 December 2019	31 December 2018
LIABILITIES		
CAPITAL AND RESERVES		
Initial capital	2,972.4	2,972.4
Revaluation reserve	1,796.8	1,798.4
Other internal funds	608.0	583.2
Other capital and reserves	729.0	729.0
Surplus/deficit from previous accounting periods	5,722.9	5,346.3
Surplus/deficit for the accounting period	379.2	406.6
	12,208.3	11,836.0
DEPRECIATION DIFFERENCE AND VOLUNTARY PROVISIONS		
Depreciation difference	63.9	63.6
Voluntary provisions	7.4	4.7
	71.3	68.3
MANDATORY PROVISIONS		
Provisions for pensions	67.2	101.2
	67.2	101.2
CAPITAL FROM ASSIGNMENTS		
State assignments	100.2	115.3
Capital from donation funds	5.4	5.1
Other capital from assignments	444.7	461.0
	550.3	581.4
LIABILITIES		
Long-term liabilities		
Loans from financial institutions and insurance companies	924.6	1,006.1
Loans from other creditors	7.4	7.4
Advances received	5.1	5.1
Accounts payable	5.8	1.2
Connection fees and other debts	7.6	7.6
	950.5	1,027.4
Short-term liabilities		
Loans from financial institutions and insurance companies	81.5	86.5
Advances received	10.8	7.6
Accounts payable	289.3	202.3
Connection fees and other debts	485.0	490.9
Accrued expenses and deferred income	356.2	381.0
	1,222.9	1,168.3
Total liabilities	2,173.4	2,195.7
BALANCE SHEET TOTAL	15,070.5	14,782.6

Helsinki City Group operations and financial performance

The Helsinki City Group's annual contribution margin improved by approximately EUR 19 million from 2018 to 2019 and was EUR 1,377 million. The City of Helsinki annual contribution margin declined by approximately EUR 11 million from 2018 to 2019. The positive effect of City Group subsidiaries on the City Group annual contribution margin exceeded the 2018 sum by approximately EUR 29 million.

The City Group's financial result for 2019 was EUR 542 million. The City of Helsinki's share of the financial result was EUR 377 million, and Helen Ltd's share was EUR 128 million.

The City Group's operating and investment cash flow was negative by EUR –333 million and markedly weaker than in previous years. The effect of the City of Helsinki on the City Group's operating and investment cash flow was EUR –33 million, which shows a decline from previous years' levels.

The combined investments of City Group subsidiaries and joint municipal authorities were EUR 1,430.2 million, up by EUR 336.7 million from 2018. In addition to the decline in the City of Helsinki annual contribution margin, the increase in the combined investments of City Group subsidiaries weakened the City Group's operating and investment cash flow.

The combined investments of City Group subsidiaries increased by EUR 665 million from 2017, that is, they nearly doubled.

The City Group's total loans were EUR 5,171.3 million. The City of Helsinki's share of total loans was EUR 1,014 million, that is, EUR 1,551 per capita. The City of Helsinki total loans declined, but the City Group subsidiaries' total loans increased by approximately EUR 434 million due to the increase in investments.

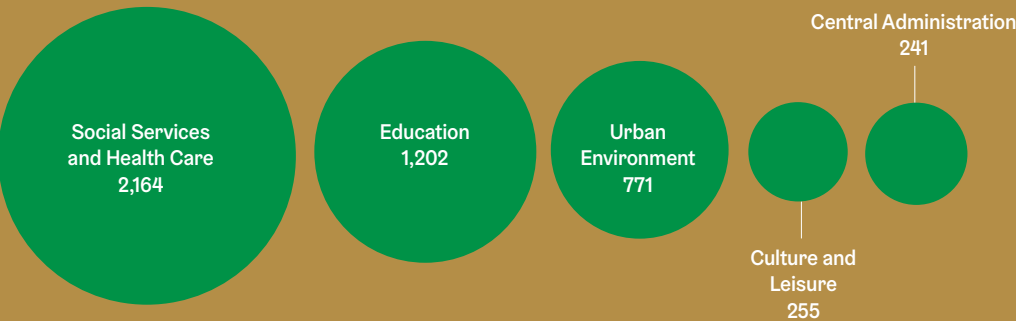
The Helsinki City Group final accounts consolidate 83 City Group subsidiaries. Through the consolidated City Group subsidiaries, the City Group final accounts also include 16 City Group sub-members. The final accounts consolidate the 6 joint municipal authorities in which the City is a member, and the 12 foundations controlled by the City. In addition, the City Group final accounts consolidate the City's one joint company and 38 associated companies.

Helen Group's financial performance remained good, largely owing to successful activities in the electricity market. A total of 14.4 million tonnes of freight passed through the Port of Helsinki in 2019. The freight volume declined by 2 per cent from the record-breaking year 2018. The international cruise ship season was particularly favourable, and total passengers increased by 16.7 per cent. Palmia Oy continued to grow and expand in the market in 2019.

Helsinki City Group

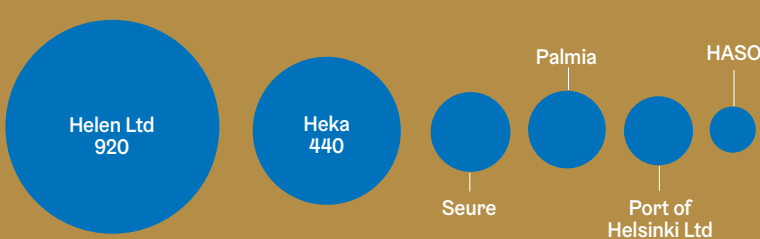
Divisions and Central Administration

The size of pattern reflects operating expenses



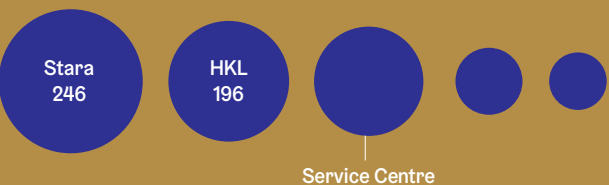
Subsidiaries and foundations 95

The size of pattern reflects operating revenue



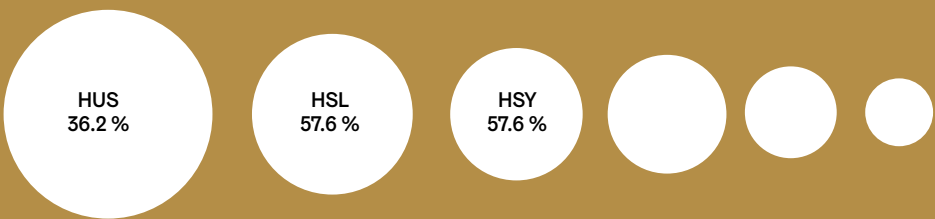
Municipal enterprises 5

The size of pattern reflects operating expenses



Joint municipal authorities 6

The size of pattern reflects the City's vote share (percentage) in relation to the joint municipal authority's operating expenses



Associated companies 38

Associated companies include Vantaa Energy, Metropolia University of Applied Sciences, Startup Maria Oy, Pääkaupunkiseudun junakalusto Oy and Apotti Oy.

Consolidated Income Statement

EUR million

	1 January– 31 December 2019	1 January– 31 December 2018
Operating revenue	3,739.7	3,551.6
Operating expenses	-6,076.8	-5,797.5
Share of profit (loss) of associated companies	16.8	14.5
Operating margin	-2,320.3	-2,231.3
Tax revenue	3,493.7	3,416.6
Central government transfers to local government	233.3	197.9
Financing income and expenses		
Interest income	22.9	20.6
Other financing income	9.0	8.0
Interest expenses	-60.1	-61.5
Other financing expenses	-1.5	7.8
	-29.7	-25.1
Annual contribution margin	1,377.1	1,358.0
Depreciations and reduction in value		
Depreciations according to plan	-824.8	-777.8
Ownership elimination differences	-9.4	-2.6
Reductions in value	-0.6	-0.1
	-834.8	-780.5
Extraordinary items	-0.1	-18.4
Financial result for the accounting period	542.2	559.1
Appropriations	1.5	2.1
Current tax	-24.3	-15.1
Deferred tax	-15.7	-19.0
Minority interest	0.1	1.3
Surplus/deficit for the accounting period	503.7	528.4
Indicators of consolidated income statement		
Operating revenue of operating expenses, %	61.5	61.3
Annual contribution margin, % of depreciations	166.8	174.6
Annual contribution margin, EUR per capita	2,108.0	2,096.0
Population	653,400	648,042

Consolidated Cash Flow Statement

EUR million

	2019	2018
Cash flow from operations		
Annual contribution margin	1,377.1	1,358.0
Extraordinary items	-0.1	-18.4
Current tax	-24.3	-15.1
Adjustments to internal financing ¹	-137.0	-151.0
	1,215.7	1,173.5
Cash flow from investment		
Investment expenses	-2,210.6	-1,718.8
Allotments for capital expenditure	16.6	11.5
Proceeds from sale of non-current assets	645.1	506.4
	-1,548.8	-1,200.8
Operating and investment cash flow¹	-333.1	-27.3
Cash flow from financing		
Change in long-term receivables		
Increase in granted loans	-10.7	-10.1
Decrease in granted loans	14.9	11.5
	4.2	1.4
Change in loans		
Increase in long-term loans	566.8	366.4
Repayments of long-term loans	-397.0	-305.6
Change in short-term loans	17.6	-0.9
	187.4	59.9
Change in operating capital	-1.0	-23.6
Other changes in liquidity		
Change in funds and capital from assignments	-15.0	-58.3
Change in current assets	17.9	-2.9
Change in receivables	-24.8	-6.0
Change in interest-free liabilities	150.8	33.2
	128.9	-33.9
Net cash flow from financing¹	319.5	3.8
Change in liquid assets	-13.6	-23.5
Change in liquid assets		
Liquid assets 31 December	1,495.3	1,508.9
Liquid assets 1 January	1,508.9	1,532.4
	-13.6	-23.5
Indicators of consolidated cash flow statement		
Operating and investment cash flow accumulation over five years, EUR 1,000 ¹	-283,135.0	97,903.0
Internal financing of investments, %	62.8	79.5
Debt-service coverage ratio	3.1	3.3
Cash sufficiency, days	62.0	69.0

¹⁾ Data for 2018 has been altered: EUR 7.2 million has been transferred from capital and reserves to adjustments to internal financing.

Consolidated Balance Sheet

EUR million

ASSETS	31 December 2019	31 December 2018
NON-CURRENT ASSETS		
Intangible assets		
Intangible rights	40.2	59.6
Other capitalized long-term expenses	198.7	203.4
Advance payments	7.9	7.9
	246.9	270.9
Tangible assets		
Land and water area	3,429.5	3,328.9
Buildings	6,266.6	6,032.7
Fixed structures and installations	2,694.2	2,575.1
Machinery and equipment	1,374.9	1,378.4
Other tangible assets	23.6	23.4
Advance payments and construction in progress	1,736.9	1,277.7
	15,525.7	14,616.2
Investments		
Holdings in associated companies	285.1	272.9
Other subscribed capital	473.8	484.1
Other loan receivables	474.0	478.2
Other receivables	2.9	2.9
	1,235.8	1,238.0
FUNDS FROM ASSIGNMENTS	526.2	542.5
CURRENT ASSETS		
Current assets	105.6	123.5
Receivables		
Long-term receivables	129.0	128.4
Short-term receivables	482.9	458.7
	611.9	587.0
Shares and holdings	717.7	105.9
Cash in hand and at banks	777.6	1,403.0
BALANCE SHEET TOTAL	19,747.2	18,887.2

LIABILITIES	31 December 2019	31 December 2018
CAPITAL AND RESERVES		
Initial capital	2,972.4	2,972.4
Initial capital of foundations	7.0	7.0
Revaluation reserve	1,801.7	1,803.3
Other internal funds	1,000.0	962.5
Other capital and reserves	734.1	734.1
Surplus/deficit from previous accounting periods	5,220.7	4,721.2
Surplus/deficit for the accounting period	503.7	528.4
	12,239.7	11,728.9
MINORITY INTEREST	151.3	90.4
MANDATORY PROVISIONS		
Provisions for pensions	68.0	102.1
Other mandatory provisions	37.1	37.1
	105.1	139.2
CAPITAL FROM ASSIGNMENTS	568.3	599.6
LIABILITIES		
Long-term liabilities		
Long-term interest-bearing liabilities	4,855.3	4,654.4
Long-term non-interest-bearing liabilities	130.9	112.9
	4,986.3	4,767.4
Short-term liabilities		
Short-term interest-bearing liabilities	315.9	329.4
Short-term non-interest-bearing liabilities	1,380.6	1,232.2
	1,696.6	1,561.6
Total liabilities	6,682.8	6,329.0
BALANCE SHEET TOTAL	19,747.2	18,887.2

Helsinki in Europe

The Finnish capital Helsinki is the centre of the administrative, economic and cultural life of Finland.

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

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

Finland held the rotating Presidency of the Council of the European Union from 1 July to 31 December 2019. The slogan chosen for the Presidency in June 2019 by the Finnish Government was “Sustainable Europe – Sustainable Future”.



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 2019

Bulgaria
Croatia
Czech Republic
Denmark
Hungary
Poland
Romania
Sweden
United Kingdom
(until 31 January 2020,
when the United Kingdom
left the European Union)

The map reflects the European Union in 2019.





Calculation formulas for financial indicators

Operating revenue, per cent of operating expenses

= $100 \times \text{operating revenue} / (\text{operating expenses} - \text{production for own use})$

Annual contribution margin, per cent of depreciations

= $100 \times \text{annual contribution margin} / (\text{depreciations} + \text{reduction in value})$

Annual contribution margin, EUR per capita

= $\text{Annual contribution margin} / \text{population 31 December}$

Internal financing of investments, per cent

= $100 \times \text{annual contribution margin} / \text{internal investment acquisition expenses}$

Debt-service coverage ratio

= $(\text{annual contribution margin} + \text{interest expenses}) / (\text{interest expenses} + \text{loan amortisation})$

Cash sufficiency (days)

= $365 + \text{liquid assets 31 Dec.} / \text{payments from cash during the accounting period}$

Equity ratio, per cent

= $100 \times (\text{capital and reserves} + \text{depreciation difference and voluntary provisions}) / (\text{total liabilities} - \text{advances received})$

Relative indebtedness, per cent

= $100 \times (\text{liabilities} - \text{advances received}) /$

$(\text{operating revenue} + \text{tax revenue} + \text{central government transfers to local government})$

Surplus/deficit accumulation

= $\text{surplus/deficit from previous accounting periods} + \text{surplus/deficit for the accounting period}$

Surplus/deficit accumulation, EUR per capita

= $(\text{surplus/deficit from previous accounting periods} + \text{surplus/deficit for the accounting period}) / \text{population 31 Dec.}$

Total loans 31 Dec., EUR million

= $\text{liabilities} - (\text{advances received} + \text{accounts payable} + \text{accrued expenses and deferred income} + \text{other debts})$

Loans, EUR per capita

= $\text{total loans 31 Dec.} / \text{population 31 Dec.}$

Loans and lease liabilities 31 Dec.

= $\text{liabilities} - (\text{advances received} + \text{accounts payable} + \text{accrued expenses and deferred income} + \text{other debts})$
+ lease liabilities

Loans and lease liabilities 31 Dec., EUR per capita

= $\text{loans and lease liabilities} / \text{population 31 Dec.}$

Loan receivables 31 Dec.

= $\text{debenture bond receivables and other loan receivables}$

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The logo consists of the word "Helsinki" in a white, sans-serif font, enclosed within a white outline that resembles a speech bubble or a stylized map of the city's coastline.

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