

Annual Report

2018



Helsinki



Helsinki

Helsinki

Founded 1550

Capital of Finland since 1812

Population (31 Dec. 2018) 648,042

Total area 719 km²

Land area 217 km²

Shoreline 123 km

King Gustav Vasa of Sweden founded Helsinki in 1550, when Finland was part of Sweden. Helsinki was moved from its original place at the mouth of the Vantaa River to its present-day location during the reign of Queen Christina of Sweden in the 1640s. Tsar Alexander I of Russia named Helsinki the capital of Finland in 1812, three years after the country became an autonomous Grand Duchy of the Russian Empire. Finland became an independent nation in 1917, and Helsinki remains the nation's capital. At the end of 2018, the population of Helsinki was 648,042. The city is the core of an economic area of 1.5 million people and 700,000 jobs.

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Message from the Mayor

Helsinki is a fast growing city, and our opportunities and challenges are linked with the city's growth.

Although the population of Helsinki grew somewhat slower in 2018 than in previous years, the city's population was close to 650,000 at year-end.

To put the number into perspective, the population of less than half of Finland's 311 municipalities is larger than the average annual growth of Helsinki's population. This comparison helps to illustrate the uniqueness of the challenges faced by Helsinki.

The most important task of Helsinki is to ensure that the city's growth is on a sustainable basis. This requires investment in public services, infrastructure, housing and transport. Helsinki invested 625 million euros in 2018 in the needs of the growing city. During the year, 7,943 housing units went under construction, which is a

record number for the 2000s. At the turn of the year, 10,032 units were under construction, which is markedly more than in previous years. There was new day care centre capacity for more than a thousand children.

The most functional city in the world becomes better day by day.

A growing city has ample opportunities. They are manifest in internationalization, new enterprises and many other indicators such as the development of the city's restaurants into one of the most keenly watched culinary





HENRY'S PUB

HENRY'S PUB



cultures in Europe. The city space has become more dynamic, and citizens' lives have been enriched by the new Amos Rex art museum and Helsinki Central Library Oodi. Both buildings have earned Helsinki a great deal of international fame, and they have allowed Helsinki to advance our important values of education and democracy.

The implementation of the Helsinki City Strategy proceeded in the past year with strategic spearhead projects and with various inputs into the development of our operational culture. The City's physical activity programme and maritime strategy gathered momentum, and the implementation of our emissions reduction programme is now underway. Social exclusion of young people is prevented with new systemic-level measures in the *Mukana* programme. Projects to develop our operational culture included a large collaboration launched with Aalto University to streamline street construction, which represents a

**We become a bit more agile,
modern and service-minded
every day.**

permanent transition in the manner that we do and think about things, becoming a bit more agile, modern and service-minded day by day.

The City entered into new significant partnerships during the year. Helsinki and New York City launched close cooperation, as part of which Helsinki joins New York City as the first European city in a commitment to a voluntary local review of progress towards the UN Sustainable Development Goals. The reporting enables Helsinki to learn from others and also to share our best practices with other cities worldwide.

The most functional city in the world becomes better day by day. We make it happen together.

Jan Vapaavuori
Mayor

City Manager's overview

The Helsinki City organization has undergone a historic transition in the last two years. The year 2018 was the first full year in the era of the City's new governance model. The transition affected both the City's political leadership, which adopted a new mayoral system, and the City's operational organization by combining the City's dispersed departments into four divisions and Central Administration.

Less than two years is a short time to draw final conclusions from such a major transition, but we can well make preliminary assessments. The reform and its results will also be evaluated by formal studies in the future.

It is fair to say that the reform has been carried out with surprising flexibility and without major friction or hesitation. The merit for the successful process belongs to the entire City organization and its 37,000 employees.

The City's political leadership has been strengthened and streamlined, which is also evident outside the City organization. This was one of the main goals of the new mayoral system. One example of the City's new political leadership is the role that the City and its leaders assumed in the debate about the proposed national reform of regional governance, social welfare and health care. The City's strongly critical views contributed to the failure of the Government's proposal for the reform, and we can now start a new process for a better outcome.

For the City organization and management, the past year was marked by adjustment and by fine-tuning practices where they needed to be fixed. New joint City forums have played key roles, for example, in

the preparation of financial matters. Preparation and decision-making processes have been refined under the leadership of the City Executive Office. Good human resource policies have been some of the prerequisites for success. A great deal of work remains to be done to bring the new system to top performance, but the process is on firm ground.

The City Executive Office was reorganized in the summer of 2018, a year after the City governance reform. This reform also required careful preparation and implementation, and adjustment to the new office organization has required some work. The biggest change in the City Executive Office was the establishment of a new Communications Division.

**The City's political
leadership has been
strengthened.**

The establishment of the Communications Division reflects the great importance that up-to-date, active and interactive communication has in today's world. In addition to communications, marketing and brand management, the new division is responsible for participation, citizen information and mediation activities.

It is good to bear in mind in the midst of all reforms why we are making them: we seek to produce better services, increasingly efficiently and flexibly, to all citizens, enterprises and organizations.

Sami Sarvilinna
City Manager





City Manager Sami Sarvilinna

- Planning, preparation and executive body for the City Council and City Board
- Overall development of the city
- Internal auditing

Key figures

Operating income EUR 24 million
 Operating expenses EUR 240 million, 5%
 Operating expenses per capita EUR 370

Central Administration

City Executive Office

Board of Service Centre

- Service Centre municipal enterprise

Board of Financial Management Helsinki

- Financial Management Helsinki municipal enterprise (Talpa)

Board of Occupational Health Helsinki

- Occupational Health Helsinki municipal enterprise (Työterveys Helsinki)

Board of Construction Services

- Construction Services (Stara) municipal enterprise

Personnel * 4,154
 (total City personnel 37,656)
 Share of total personnel 11%

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

City Executive Office

The Helsinki City Executive Office is the planning, preparation and executive body for the City Council and City Board. The City Executive Office is responsible for the overall development of the City and for Central Administration. The office is subordinate to the City Board.

The governance system of Helsinki was fundamentally transformed in the summer 2017, when the City adopted a new mayoral system and the City's more than 30 departments were combined into four divisions and Central Administration. The goal of the reform was to produce better and more flexible services for citizens. Experiences with the new governance system were positive in the first full year of operation.

The operations of Central Administration were also transformed. Preparation and decision-making processes were adjusted under the supervision of the City Executive Office, and new joint forums were created for the preparation of City financial matters.

The implementation of the Helsinki City Strategy "The Most Functional City In The World" was launched, after the strategy had been approved in the summer of 2017. The City Board approved tools in March to evaluate the implementation of the strategy throughout the city, and the implementation was monitored and recorded in various reports.

The City Council met 22 times and made 421 decisions. The City Board and its sub-committees met 76 times and made more than one thousand decisions. The new governance system's cooperation and oversight structures became established in

the City Hall's administrative and decision preparation procedures.

Helsinki is a business-friendly city

Helsinki seeks to be the most business-friendly city in Europe. The achievement of this goal is furthered through cooperation with the business sector, universities and many other actors. The business advisory services of NewCo Helsinki, which supports startups and growth-oriented enterprises, were used by close to 1,200 enterprises, and NewCo Helsinki organized approximately 200 entrepreneurship-themed events with its partners.

The Maria O1 startup community operating in the premises of the former Maria Hospital has been a great success.

The Maria O1 startup community operating in the premises of the former Maria Hospital has been a great success. The community is home to approximately 130 startups. Planning was launched late in the year for an expansion of Maria O1 into a startup campus.

The City Executive Office is responsible for the City's employment services. The focus was on young people under 30, the long-term unemployed and immigrants. The employment of young job seekers was advanced together with the employment office



both in youth career services and at *Ohjaamo Helsinki*, which served nearly 13,000 customers at its premises.

More opportunities to participate

In compliance with the City's new public participation model, the opportunities of citizens to be involved in decision-making processes were increased by various means including participatory budgeting. The City hired seven borough liaisons to enable citizens to approach the City more easily.

The voices of young people were heard. Initiatives made by young people were presented to the City Council, and in April representatives of the Youth Council were able for the first time to attend and to speak at a City Council meeting as initiatives from young people were considered. The initiatives dealt with opportunities for leisure activities, public transport and the situation of young immigrants.

The use of the City's new visual identity, approved in 2017, continued to expand. The new identity – a coat of arms with the text Helsinki inside it – was seen increasingly widely. The identity was adapted in the new designs of the City's website, citizen information magazine and personnel magazine.

A new concept was created for the City Hall lobby, including an events plaza. The plaza can be used by citizens and their communities, by City decision-makers, and by employees for meetings and events.

Anonymous recruiting enabled

According to the Kunta10 survey on personnel job satisfaction, City of Helsinki employees considered their work to be more meaningful than before. Respondents felt that their supervisors' performance had improved.

On the other hand, the survey found that work-related pressures and stress had increased. Overall, employees were found to be happy with the challenging nature of their work. The survey results will be utilized

The opportunities of citizens to participate increased with participatory budgeting.

in work planning, and if some unit reported weak survey results, development activities will be initiated with the unit.

The project to develop the City's human-resource information system progressed with a competitive bid and procurement. The new system will support anonymous recruiting, which helps to limit the impact of a job seeker's gender, age and ethnic background on hiring.

City Executive Office reorganized

The City Executive Office underwent an organizational reform in June. The former Information Technology and Communications Division's Information Technology segment became a unit of the City Executive Office's Economic Development and Planning Division. The new Communications Division comprises the Communications unit, the Participation and Citizen Information unit, City Marketing, and hospitality; the last two units were transferred to the division from other divisions. Mediation in criminal matters and certain disputes was transferred from the Social Services and Health Care Division to the Participation and Citizen Information unit at the beginning of the year.

With the reforms, which took effect in June, the City Executive Office now has five divisions: Economic Development Division, Administrative Division, Human Resources Division, Economic Development and Planning Division, and Communications Division. The City Executive Office also includes internal auditing, which reports directly to the City Manager.



Deputy Mayor Pia Pakarinen, National Coalition Party

Chair of Education Committee

Liisa Pohjolainen, Executive Director

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

Key figures

Operating income	EUR 66 million
Operating expenses	EUR 1,139 million, 26%
Operating expenses per capita.....	EUR 1,757
Personnel.....	13,383
Share of total personnel	36%

Education

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

The Education Division provides education services daily for more than 90,000 children, young people and adults in Helsinki. The number of learners in early childhood education and comprehensive education in Helsinki increases by about 2,000 every year.

The division's digitalization programme seeks to effect a permanent change in the pedagogical culture and to provide every learner with the good learning required in the information society. The division's units conducted a digitalization self-evaluation, which was used as a basis to define development measures. The goal is to link digital technology with the learning process in a natural manner and so to enrich learning.

learning, in which global phenomena are explored across disciplinary boundaries, was applied in all schools.

Helsinki Region Transport decided during the fiscal year that school children and students could use public transport services free of charge during the school day. This made travel in the region more egalitarian, and it offers better opportunities for learning outside the classroom, for example, in nature and at cultural attractions.

Countering social exclusion

Promotion of wellbeing and prevention of social exclusion are some of the key duties of the Education Division. High-standard education services alone help to increase equality and to decrease social exclusion.

In August, early childhood education became free of charge from age five onwards. The goal was to increase the rate of participation in early childhood education. The practice of positive discrimination was continued in Finnish- and Swedish-language comprehensive and general upper secondary education as well as in Finnish-language early childhood education. The practice helps to decrease segregation. All students finishing comprehensive education were offered further education or training, that is, the requirement of Training Guarantee was met.

One of the highlights of the Helsinki City Strategy is the *Mukana* programme, implemented under the leadership of the Education Division. The programme seeks to secure the inclusion of all children and young people, to prevent young people's social exclusion and social exclusion from

Digital technology should be linked naturally with the learning process.

The traditional classroom has been replaced by open and flexible spaces and furniture solutions that support communal learning. Essentially, learning has expanded to versatile learning environments outside the classroom, and these learning environments embrace the entire city. Phenomenon-based



**IHMINEN
MITEN KEHO TOIMII**

Aivot, luusto ja sydän ovat kehon keskeiset osat. Oletko koskaan huomannut, miten nämä osat toimivat yhdessä? Tässä kirjassa saat selville, miten keho toimii ja miten se pystyy sopeutumaan erilaisiin tilanteisiin.

Haluatko tietää, miten tämä kaikki toimii?

Tämä kirja kertoo kehon osista ja niiden tehtävistä. Saat selville, miten keho pystyy sopeutumaan erilaisiin tilanteisiin ja miten se pystyy parantamaan itseään.

Selvitä mielen siunat on tehty!

JANI CAICHELLI



being passed from one generation to the next, and to prevent regional divergence.

The Mukana project plan, completed in the autumn, is divided into four segments and comprises 32 actions. The project embraces an ambitious goal to stop bullying and tangible measures to increase leisure activities for young people.

First-graders studying foreign languages

The Helsinki comprehensive schools launched a new foreign-language programme at the beginning of the autumn term, whereby all children study their first foreign language or the second official language of Finland from first grade onwards, rather than third grade as earlier. Language instruction was provided for two hours per week. Approximately 80 per cent of first-graders studied English, but the language offering also included Chinese, Estonian, French, German, Russian, Spanish and Swedish.

The share of foreign-language speakers of all learners in Helsinki comprehensive schools was 19.7 per cent. First-language instruction complementing comprehensive education was provided in 44 languages. The number of participants in this instruction was about 4,400 during the year, and the groups numbered 330. Russian and Somali were the most popular languages, with about 1,200 learners for each language. The share of foreign-language speakers of all learners in Helsinki general upper secondary schools was 12.4 per cent. Bilingual instruction in Finnish and Sami was launched in the Pasila Comprehensive School in the autumn of 2018.

Helsinki schools implemented the City of Helsinki physical activity programme. Physical activity improves concentration and the learning and school atmosphere.

Helsinki education attracts international interest.

Vocational education reformed

Helsinki Vocational College carried out a professional reform at the beginning of the year, whereby vocational education came better to comply with the needs of students and the job market. The reform embraced both pedagogy and application processes, and continuous applications were introduced.

The Finnish Adult Education Centre's year was marked by many reforms, including continuous applications. The Finnish Adult Education Centre sought to attract especially young men, and it marketed its course and lecture offering actively on social media.

Helsinki education attracts international interest among both education professionals and the media. Helsinki day care centres, schools and other educational institutions were visited by 75 international delegations during the year, and the total number of visitors was over 1,400. The themes of the visits included teacher training, digital solutions, PISA scores and student wellbeing.

The Education Division raises environmental awareness at its day care centres, schools and other educational institutions. The division makes ecological choices whenever possible.

According to a risk assessment carried out in the division, the division's biggest challenge is facilities in such poor condition and with such poor indoor air quality that they cause problems to both customers and the personnel. Another challenge is occasional poor availability of personnel, especially in early childhood education.



Deputy Mayor Anni Sinnemäki, Greens

Chair of Urban Environment Committee

Mikko Aho, Executive Director

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

Division organizations

Rescue Committee

- Helsinki City Rescue Department

Executive Board of Helsinki City Transport

- Helsinki City Transport (HKL)

Key figures

Operating income EUR 1,019 million
Operating expenses EUR 737 million, 17%
Operating expenses per capita EUR 1,138

Personnel * 3,526
Share of total personnel 9%

** Including the personnel of Helsinki City 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.

A key goal of the Urban Environment Division is to implement the vision laid out in the Helsinki City Strategy to develop Helsinki into the most functional city in the world. Helsinki strives to operate and to organize services increasingly efficiently and in an increasingly citizen-centred manner.

Helsinki's new City Plan – a long-term land use plan – took effect in December 2018, and planning proceeds according to this plan.

The Supreme Administrative Court of Finland repealed some sections of the City Plan, most importantly "city boulevards" – that is, development on major routes into the city – proposed for the Länsiväylä motorway and Turku, Hämeenlinna and Lahti highways, as well as some areas in the vicinity of Viikintie and in Vartiosaari. The majority of the City Plan was upheld, which enables development in the city until the 2030s. Planning principles for the Tuusulanväylä and Vihdintie city boulevards were approved by the Urban Environment Committee.

Record level of zoning

Detailed planning achieved excellent results. New detailed plans represented 760,000 square metres of floor area for new homes, which corresponds to more than 7,500 homes – more than ever before. Close to half of the plans were for infill construction. New building rights were granted for

313,000 square metres of residential construction, which represents another record.

Zoning focused on areas with opportunities to increase density with the help of passenger rail transport. The zoning projects completed during the year included urban areas on the future Raide-Jokeri rail line. Other key residential plans completed covered the southern section of the Herttoniemi business park, Postipuisto in Pasila and Melkinlaituri in Jätkäsaari.

The first visions for the Malmi centre were drawn up, and the first planning principles were completed for residential construction in the Malmi airport area. Helsinki, Vantaa and Sipoo approved a joint city plan for the three municipalities of Östersundom.

City housing production started 1,500 homes.

In order to secure good business conditions, non-residential plans are drawn up for sites where they support the city structure. New non-residential plans represented more than 275,000 square metres of floor area.

Robust residential production

Residential production remained at high level in Helsinki. During the year, 7,943 homes went under construction, the number of completed homes was 4,843, and building permits were granted for 7,109 new homes. More than 10,000 homes were under con-



struction at the turn of the year, which is a record number.

Residential construction was focused in Kalasatama, Länsisatama, Kruunuvuorenranta, Herttoniemi, Pasila and Kuninkaan-tammi. 22 per cent of completed homes were state-subsidized, 28 per cent represented some blend of housing types, and one half were unregulated housing.

The City allocated housing with the help of a segregation tool for tenant selection. The goal was to uphold a social balance between residential areas and to prevent the emergence of challenged areas.

The City of Helsinki's main focus in public building construction was on renovations. The main completed renovation projects were Helsinki Vocational College's location on Prinsessantie and the Munkkivuori Comprehensive School (grades 1–6). The main completed new construction project was Helsinki Central Library Oodi.

Helsinki will cut greenhouse gas emissions by 80 per cent from 1990 to 2035.

Helsinki to become carbon neutral

The Urban Environment Division completed the Carbon-neutral Helsinki 2035 Action Plan in cooperation with other City of Helsinki operations. The City Board approved the plan in November. According to the plan, Helsinki will cut greenhouse gas emissions by 80 per cent from 1990 to 2035 and offset the remaining 20 per cent of emissions with emission cuts implemented elsewhere.

Helsinki's total emissions have been reduced by one quarter since 1990, but the city needs to speed up the progress. The achievement of the goal requires inputs into building energy efficiency, low-emission transport and emission-free energy production. Some of the required measures fall

within the City's responsibilities, but others require action by citizens and businesses as well as ambitious governmental climate policies.

Use of public transport increased

The share of public transport services, walking and cycling of all journeys increased to 79.5 per cent in Helsinki, markedly exceeding the previous five years' average at 76.9 per cent.

In an effort to improve traffic safety, principles were defined for speed limits and the use of traffic surveillance cameras. Efforts to improve pedestrian safety included intensified sidewalk snow removal.

The number of cyclists recorded at monitoring stations exceeded the previous three years' average by about 11 per cent. The popularity of the city's bike-share system, with its network of yellow bikes, continued to grow, and the network expanded to Espoo.

The City of Helsinki accessibility activities are coordinated by the Urban Environment Division. The activities are steered by an accessibility working group, whose members include representatives of all City divisions.

Participatory budgeting

The City of Helsinki seeks to improve the opportunities of residents for public participation in matters affecting services and decision-making in neighbourhoods. In a participatory budgeting process, residents made 1,200 proposals, 700 of them to the Urban Environment Division. Consideration of the proposals continues in 2019.

The division's customer service focused on improvements in e-services. The scope of the Lupapiste.fi e-service was expanded. A chat was introduced by the division's customer service and the City rental housing customer service.

One example of the division's new services was a mobile app piloted in parts of the city, which reminded car owners to remove their vehicles to enable street snow removal and cleaning. The pilot was a success, and it was expanded to cover the whole city.



Deputy Mayor Nasima Razmyar, Social Democratic Party

Chair of Culture and Leisure Committee

Tommi Laitio, Executive Director

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

Key figures

Operating income EUR 30 million
 Operating expenses EUR 238 million, 5%
 Operating expenses per capita.....EUR 368

Personnel..... 1,864
 Share of total personnel5%

Culture and Leisure

The Culture and Leisure Division maintains and improves the opportunities of the citizens of Helsinki for mental and physical wellbeing, education and active citizenship. The division supports the dynamism of Helsinki. The division offers both residents and visitors art, events, courses and leisure activities throughout the year, and it provides spaces for activities, sites and services for physical activity and sports, and support for civic participation.

The division's offerings were rich and extended throughout the city. The offerings included culture ranging from symphony concerts to circus, a broad range of physical activity and sports, and thousands of encounters with young people.

The completion and opening of Helsinki Central Library Oodi in December was a grand event in Helsinki. The library built to celebrate one hundred years of Finnish independence exceeded all expectations for visitor numbers from the first days onwards, and 300,000 visits and 70,000 loans were recorded in December. Owing to Oodi, Finnish libraries were profiled notably in both the national and the international media. The value of the media coverage of Oodi in 2018 was estimated to be more than 10 million euros.

Both City of Helsinki museums – Helsinki City Museum and Helsinki Art Museum HAM – enjoyed a good year. Helsinki City Museum earned a Special Commendation in the European Museum of the Year Award competition, in which the museum was cited for working closely with its communities

The completion and opening of Helsinki Central Library Oodi in December was a grand event.

and being easy to approach. The museum's main location on Aleksanterinkatu welcomed more than 360,000 visitors during the year and was the most popular museum in Finland with that number.

Helsinki Art Museum HAM was Finland's fourth most popular art museum after Ateneum, Kiasma and Amos Rex. It held 17 exhibitions. The highest number of visitors was attracted by *The Major Exhibition* of works by the British art duo Gilbert & George. HAM's galleries, located in Tenispalatsi, welcomed more than 170,000 visitors during the year. In addition, HAM placed 275 works from its collection at 20 different locations in the city.

Cultural centres enjoy popularity

The spring season of the Helsinki Philharmonic Orchestra culminated in May with a concert tour in Salzburg and Paris. The orchestra held 46 symphony concerts, 3 popular music concerts and 23 children's concerts at Musiikkitalo – the Helsinki Music Centre. The concerts attracted a total audience of close to 130,000. The symphony concerts filled 92.3 per cent of the available seats.



An increasing emphasis was placed on inspiring citizens to engage in sports.

The division's general cultural services consisted of art education, approximately 2,000 performances and one hundred exhibitions. Grants amounted to a total of 17 million euros, and grant recipients numbered 559.

The division completed a survey and a service design project, which are used to draw up an operational concept for the four regional cultural centres. The international culture centre Caisa promoting cultural diversity moved to modernized and multi-purpose facilities in a former bread plant, located in the Elanto block of Kallio. Savoy Theatre had a record-breaking year financially, and Espa Stage held popular free concerts in summer.

Physical activity to be an easy choice

One of the spearhead projects of the Helsinki City Strategy is a physical activity programme that seeks to inspire citizens to move more and to sit less. According to this programme, approved by the City Board, being physically active should be an easy, straightforward and attractive choice in everyday routines. An increasing emphasis was placed on inspiring citizens to engage in sports.

The City of Helsinki Sports Services recorded nearly 10 million visits during the year. The range of activities was broad and versatile. The multi-sports halls of Töölö and Liikuntamylly recorded more than one million visits and supervised sports events more than 650,000 visits.

Sports services were maintained at the previous year's levels. Hot summer weather brought large numbers of visitors to beaches. The summer's highest water temperature, recorded at the Marjaniemi beach, was 27 °C. Unfortunately the substantial algal bloom in the Gulf of Finland weakened the summer's swimming conditions.

Sports Services assessed the distribution of subsidies to sports societies from the perspective of gender equality and found out that subsidies were distributed evenly.

Encounters with young people

Helsinki seeks to ensure that every child and young person should have a hobby, that

young people should trust Helsinki as their home city and that they should have an impact in the city.

The City of Helsinki and partners launched an extensive project to find solutions to the social exclusion of young people. Outreach youth work was moved from the Education Division to Youth Services. According to feedback, the move was successful.

Encounters with young people were frequent. Opportunities for sharing were found in open youth evenings, group work, international activities, summer camps and gaming. An environmental youth space was opened in Laajasalo, and the Mustikkamaa communal garden was integrated with the Herttoniemi youth work unit.

The youth public participation system, Ruuti, remained active. One hundred youth initiatives were advanced during the year, including a campaign to counter bullying and another campaign dealing with youth sexuality. The 30 members of the Youth Council were voted into office for the 2019 term in elections held at schools, other educational institutions and youth centres.

The City offered young people short-term employment in summer. One in every three 9th graders in Helsinki found a summer job with the summer work voucher.

The division prepared an organizational reform to the effect that City Library would form a new Culture and Leisure segment to complement Cultural Services, Sports Services and Youth Services. The reform took effect on 1 January 2019. The division now has five segments: Library, Cultural, Sports and Youth Services as well as Administration.



Deputy Mayor Sanna Vesikansa, Greens

Chair of the Social Services and Health Care Committee

Juha Jolkkonen, Executive Director

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

Key figures

Operating incomeEUR 217 million
 Operating expensesEUR 2,063 million, 47%
 Operating expenses per capita EUR 3,183

Personnel 14,729
 Share of total personnel 39%

Social Services and Health Care

The Social Services and Health Care Division provides social and health care services for the citizens of Helsinki. The division provides opportunities to maintain and to improve general health and wellbeing. The division prevents social and health problems, counteracting their adverse impacts.

The Social Services and Health Care Division continued its systematic work to reform social and health care services for the citizens of Helsinki according to the concepts of family centres, health and well-being centres and multi-service centres.

The proposed national reform of social welfare and health care burdened the City of Helsinki, among others. Helsinki was critical of the Government's social welfare, health care and regional governance model. In the end, the proposed reform failed in Parliament. Further decisions on the reform will be made by the new Government.

Kalasadama Health and Well-being Centre went into service

The division reached a major milestone with the opening of the Kalasadama Health and Well-being Centre in February. The operations of several health stations and dental care units were combined under the same roof, including those from Herttoniemi, Kallio and Vallila. The new centre also provides rehabilitation, psychiatric and substance abuse services, social services for the youth and adults, and services for the disabled and immigrants.

Information, guidance and service-needs assessment for seniors were focused in Senior Info.

An inspection of the Kalasadama centre found needs for improvements in on-site guidance of customers and in work spaces, and several improvements were carried out. The centre established an online panel and initiated monthly participative meetings open to everybody interested in the development of the centre's operations.

A complex comprising a family centre and a health and well-being centre in Vuosaari was commissioned in June. The Kalasadama and Vuosaari centres serve from 7–20, allowing customers to visit from early morning to after working hours.

Plans proceeded for a health and well-being centre to be built in the Helsinki city centre. The goal is to integrate dispersed social and health care services in a new building in Kamppi served by good transport connections.

Alterations to a building to serve as a new family centre in Kallio, as well as the planning of operations, were commenced. The centre will open in 2019.



Brochtuimline
Aankomst

BBB

Handicapstoel beschikbaar
Aankomst

Information service for seniors

Information, guidance and service-needs assessment for seniors were focused in Senior Info in February. A similar information service in Swedish opened in late 2017. Seniors are now served with an information phone line, a chat and visually informative webpages.

Multi-service centres for seniors offer elderly customers with personal guidance provided by a social adviser on questions ranging from social benefits to coping with everyday challenges. Multi-service centres host hobby and peer support groups, and they house cafés and restaurants.

Home care customers rated the service with the score 8.2 on a scale of 1 to 10 in a customer satisfaction survey. Nine out of ten respondents said they received good care. Customers considered it highly important that they should be visited by a familiar caregiver.

E-services and remote care

E-services are some of the main areas of development in social and health care services. The use of e-services grew by 29 per cent during the year. The share of e-services of all Helsinki health care visits rose to 8 per cent. Helsinki represents more than half of the total use of health care e-services in Finland.

Health stations introduced an online service named *Omaolo*, in which a customer can self-diagnose bronchitis, urinary track infections and lower back pain. On the basis of the diagnosis, the customer receives either instructions for self-treatment or a notice to contact a health care professional.

Electronic home care visits also increased. Remote care visits exceeded 20,000 in a month. Remote rehabilitation became available citywide.

A new help service symbolized by a button – labelled *Tarvitsen apua* (“I need help”) – was introduced for families facing problems. This is an online channel that families can use 24 hours to contact social service professionals, who will steer customers on to appropriate services.

A new help service was introduced for families with problems.

Experiments were conducted with remote doctor’s appointments. Devices tested in the experiments sent health monitoring data online to doctors, who consulted patients and caregivers by video conference.

Negative feedback on queues, positive feedback on expertise

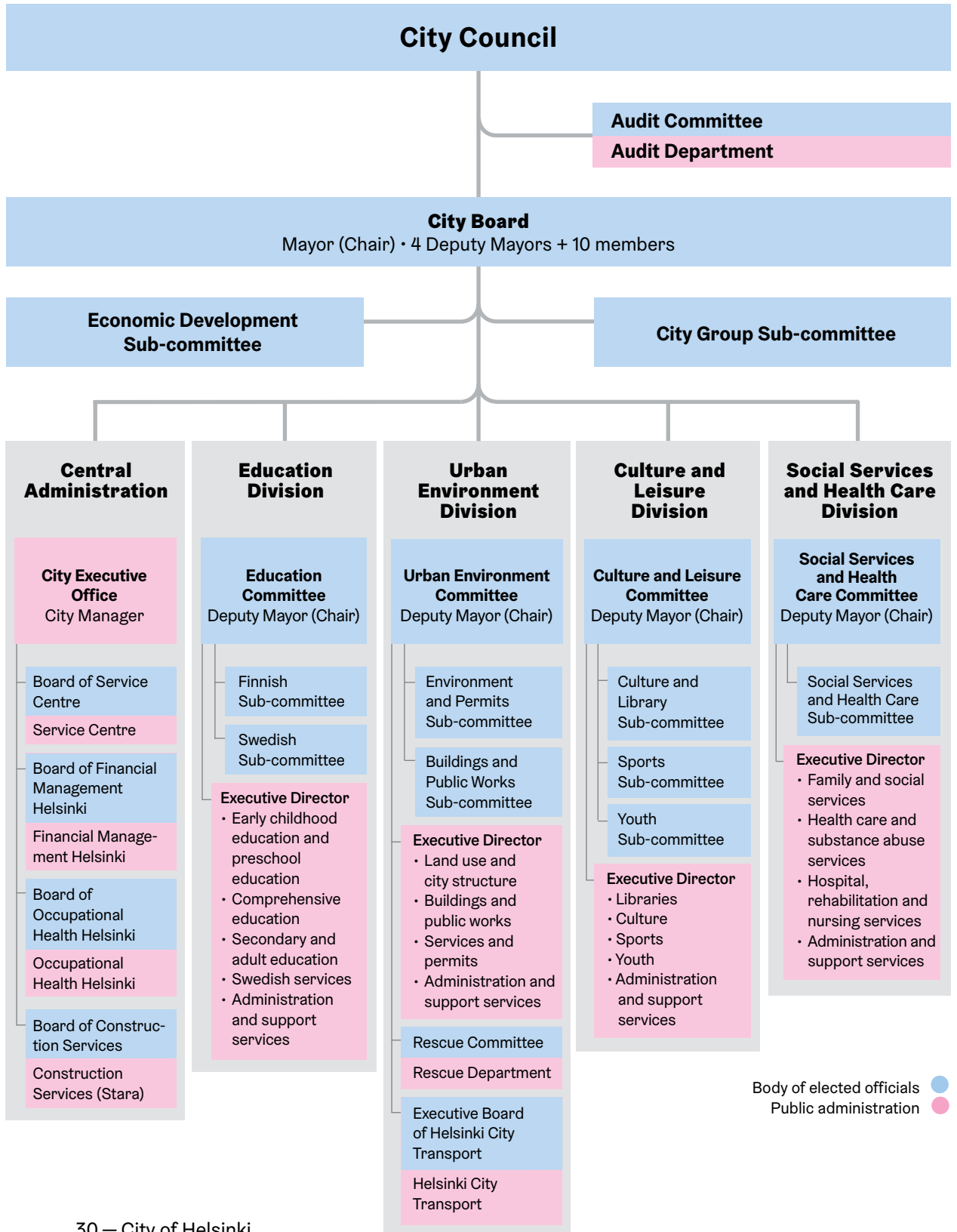
Social and health care services to undocumented persons were expanded in accordance with a City Council decision. In addition to statutory emergency care, undocumented persons receive basic health care services on the same grounds as Helsinki residents. Undocumented persons under 18 or pregnant have been provided with extensive social and health care services since 2014.

The Social Services and Health Care Division received 5,900 messages through the City’s online feedback system. All messages were replied to. The main criticism was about poor access to care and about queues; the main credit came for expertise and friendly attitudes.

The average wait time to see a doctor in non-urgent cases was 16 days. The goal is 10 days. Customers with urgent needs for care can see a doctor during the same day.

The personnel of the Social Services and Health Care Division numbered 14,700 at year-end. 10 per cent of them were foreign-born and spoke some other language than Finnish or Swedish as their first language. The numbers of applicants to open positions declined. There were shortages of social workers, doctors and home care personnel. According to a survey, the personnel’s perceived occupational well-being improved, but employees reported increased workloads and stress.

City of Helsinki administration 1 January 2019



City of Helsinki organization

The highest decision-making body of Helsinki is the City Council, which is elected by popular vote. The City Council elects the Mayor and 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 division committees and serve as City Board members. The Mayor and 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 Division Executive Directors report to the City Manager.

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

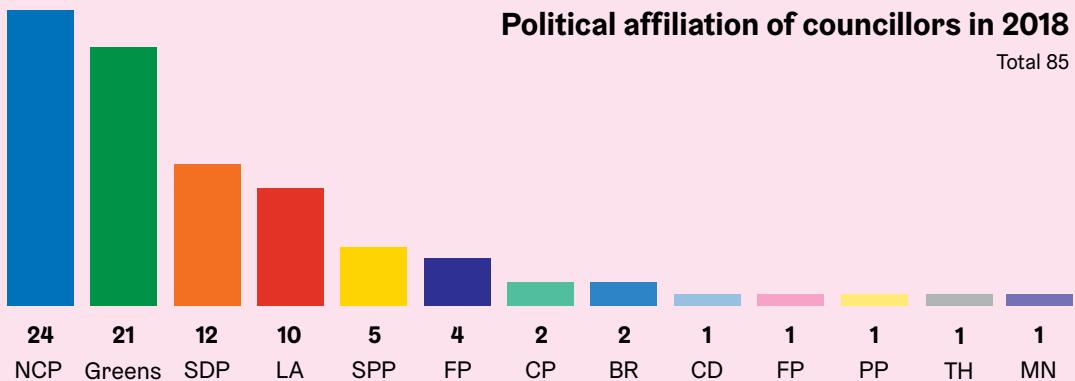
The City Council is the highest decision-making body of Helsinki. The City Council governs the City by voting on motions, by passing resolutions on matters within the City's obligations and jurisdiction, and by allocating the City budget.

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. All serve in unpaid positions of trust.

The latest municipal elections were held

in the spring of 2017, and the current councillors took their seats in the City Council on 1 June 2017. The councillors represent 13 political parties and movements.

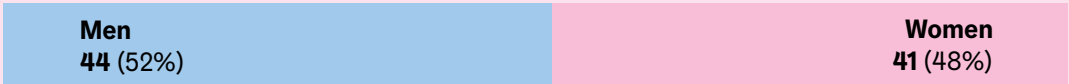
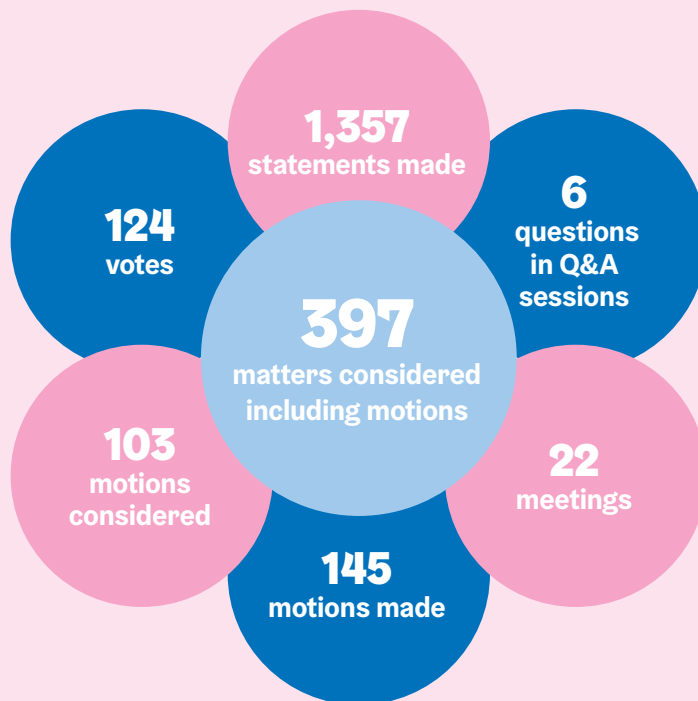
During the Council season, the City Council meets on Wednesday every two weeks. The meetings are normally open to the public, who are seated in a dedicated section of the Council chamber. City Council meetings are webcast on the City's web channel Helsinki-kanava, and they are available on demand. Meeting agendas and decisions are published on the City website.



(NCP) National Coalition Party • Greens • (SDP) Social Democratic Party • (LA) Left Alliance • (SPP) Swedish People's Party • (FP) Finns Party • (CP) Centre Party • (BR) Blue Reform • (CD) Christian Democrats • (FP) Feminist Party • (PP) Pirate Party • (TH) Terve Helsinki movement • (MN) Movement Now Helsinki



City Council chairs (from left): Harry Bogomoloff (National Coalition Party), First Vice-Chair, Tuuli Kousa (Greens), Chair, and Pentti Arajärvi (Social Democratic Party), Second Vice-Chair. Councillor Otso Kivekäs (Greens) was elected as Council Chair as of 16 January 2019; the other City Council chairs remained in office.



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 City Board meetings, the four Deputy Mayors and 10 other members elected by the City Council for a two-year term.

Mayor Jan Vapaavuori, Chair, National Coalition Party

Otso Kivekäs, First Vice-Chair, Greens*

Paavo Arhinmäki, Second Vice-Chair, Left Alliance

*Until January 2019

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, ensuring that they fulfil the functions and meet the goals defined by the City Council and the City Board.

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

Jan Vapaavuori, Chair

Jasmin Hamid, Vice-Chair

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



City Board chairs (from left): Paavo Arhinmäki, Second Vice-Chair, Jan Vapaavuori, Chair, and Otso Kivekäs, First Vice-Chair. Otso Kivekäs was replaced by Anni Sinnemäki (Greens) as First Vice-Chair in January 2019.

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
Anni Sinnemäki, Vice-Chair

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



Wreath of moss and flowers hanging from the utility pole.

Sweet

Committees and Boards

Committees

Each of the four City of Helsinki divisions is overseen by a 13-member committee elected by the City Council for a four-year term. Each committee has 1–3 sub-committees. Central Administration and the divisions also oversee the Executive 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 Works Sub-committee

Rescue Committee

Executive Board 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

Executive Boards of municipal enterprises

- Service Centre municipal enterprise
- Financial Management Helsinki municipal enterprise
- Occupational Health Helsinki municipal enterprise
- Construction Services 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, km ²	217
Population density: inhabitants per km ²	2,986
Shoreline, km	123
Islands	327

Mean temperature (2018)	
Full year	7.2°C
Warmest month: August	21.1°C
Coldest month: February	-7.0°C

Population	
Total population 31 Dec. 2018	648,042
Age groups %	
• 0–6	7.1
• 7–15	8.1
• 16–64	67.8
• 65–74	9.8
• 75+	7.2
Life expectancy	81.6
• men	78.4
• women	84.1
Finnish citizens, %	90.3
Other nationalities, %	9.7
Finnish speakers, %	78.7
Swedish speakers, %	5.6
Other, %	15.7

Housing	
Dwellings total	361,866
Owner-occupied dwellings, %	41.6
Housing density m ² per person	34.0
City-owned rental dwellings 2018	47,306

Labour market	
Jobs 2018	434,400
• primary production, %	0.1
• processing, %	10.1
• services total, %	88.4
Market services, %	61.0
Public administration, welfare services, %	27.4
Other or unknown, %	1.4
Total enterprises 2016	45,934
Workforce (15–74 year olds) 2018	
• employed	336,900
• unemployed	29,100
Participation rate, %	71.8
Unemployment rate, %	7.9

Transport and communications	
Registered vehicles per 1,000 inhabitants	483
Public transport within the city, total journeys in one million	252
Mobile phones per 100 inhabitants (in Finland)	172
Internet users (aged 16–89), % of population	95

Energy and water supply	
Electricity	6,292 GWh
District heating	6,628 GWh
Water (Helsinki metropolitan area) in million m ³	72.8
Daily water consumption per capita (Helsinki metropolitan area) in litres	214
Treated wastewater in million m ³	106

Social Services and Health Care	
City health centres	23
City hospitals ¹	5
Primary health care	
Primary health care visits, total, in one million	6.2
• visits to health centres and other, in one million	5.5
• dental care visits, in one million	0.5
• total per resident	9.6
Average daily number of inpatients	722
• in city hospitals	638
• in contract hospitals	84
• total per 1,000 residents	1.1
Specialized medical care	
Outpatient visits, total, in one million	1.1
• city units ² in one million	0.4
• contract outpatient clinics in one million	0.9
• total per resident	2.0
Average daily number of inpatients	968
• in city units	371
• in contract hospitals	615
• total per 1,000 residents	1.5
Places in service centres for the elderly	2,791
• per 100 persons aged 75 and older	6.0
Places in institutional care ³	1,324
• per 100 persons aged 75 and older	2.8

¹ Laakso, Malmi, Suursuo, Haartman, Aurora

² Including the psychiatric day hospital
Numbers include visits to city and outsourced services as well as phone calls and other consultations replacing visits

³ Including institutional care and long-term care

⁴ Including municipal day care centres, family day care and contract day care centres

Education	
Children in early childhood education ⁴ per 100 children aged 1–6	67.5
Educational structure	
15-year-olds and older, %	
• comprehensive school certificate	26
• secondary education	33
• tertiary education	41
Educational institutions in Helsinki	
• universities	3
• universities of applied sciences	6
• vocational schools	20
• comprehensive schools and general upper secondary schools	145

Culture and Leisure	
City Library	
• loans in one million	9.0
• loans per capita	13.9
Museums	57
Sports trails, km	216
Swimming halls	13
Indoor sports facilities	818

Travel	
Passengers in one million	
• Helsinki Airport	20.8
• Port of Helsinki	13
• Helsinki Railway Station commuter trains	65
long-distance trains	7
Hotel guests in one million	2.4
• overnights total	4.2
• international guests	2.3
Hotels	69
• rooms	9,649
• beds	20,535
International conventions and events	329
• participants	46,844



Final accounts: City economy on firm footing

The year 2018 was favourable in the City of Helsinki economy. Operating margin exceeded the projected sum by EUR 81 million. External operating expenditure grew by 2.8 per cent from 2017. The growth was moderate compared with expenditure growth in other large cities and the municipal sector at large. Helsinki's investments remained at high levels, as in 2017 and 2016.

The population of Helsinki was 648,042 at the end of 2018. Population grew by close to 5,000. Population growth slowed from 2017 but remained significant.

Record year in housing construction

Housing units under construction numbered 10,032 at year-end, which was markedly higher than in previous years. The goal of 6,000 new units was exceeded. 7,943 units were started as a consequence of strong urbanization and favourable conditions with plots, zoning and feasibility. 4,843 units were completed, and 7,109 building permits were issued.

The City's investments including municipal enterprises totalled EUR 625 million.

Profit for financial year remained good

The City's profit for the financial year was EUR 386.8 million, exceeding the budget sum by EUR 199 million. Profit for 2017 was EUR 483.1 million and profit for 2016 EUR 470.2 million. The 2018 profit was caused by operating margin exceeding the budget by EUR 81 million and by higher-than-expected growth in tax revenue and state subsidies (EUR 106 million). Interest expenses were also lower than projected (EUR 12 million).

Expenditure in accordance with the economic goals that set limits to the operating expenses determined by the Helsinki City Strategy grew by approximately 2.0 per cent in 2018.

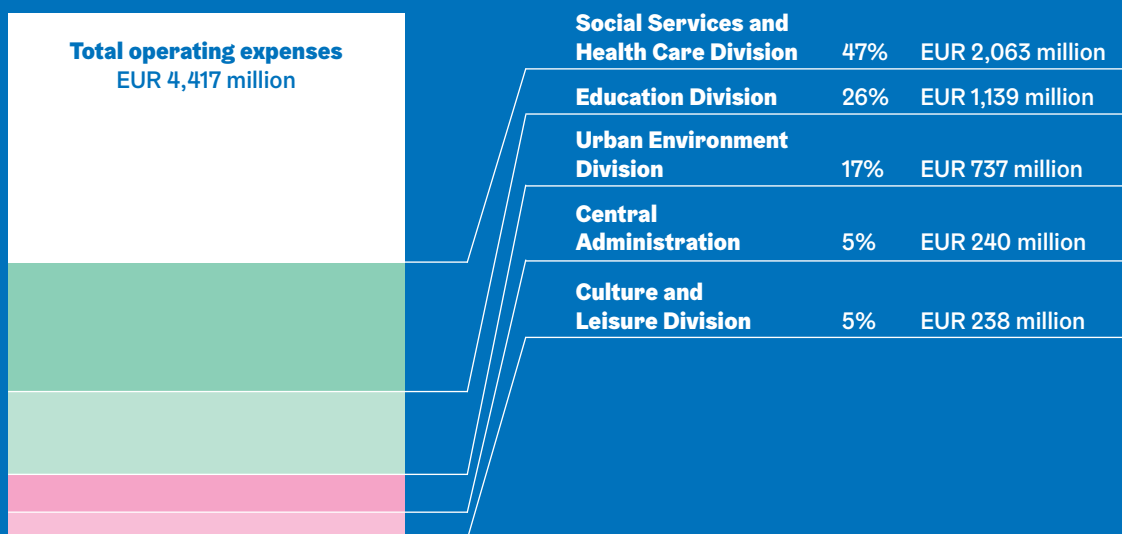
Annual contribution margin was EUR 752 million. Annual contribution margin indicates income financing available for investments and loan instalments. Annual contribution margin exceeded the estimate by EUR 206 million, due in particular to higher-than-expected tax revenue.

Cash flow from operating and investing activities was in profit by EUR 150.7 million. This key financial indicator of the City economy was weaker than in 2017 (EUR 245 million in 2017). The reason for the decline was a decrease in annual contribution margin from 2017.

Operating expenses and income

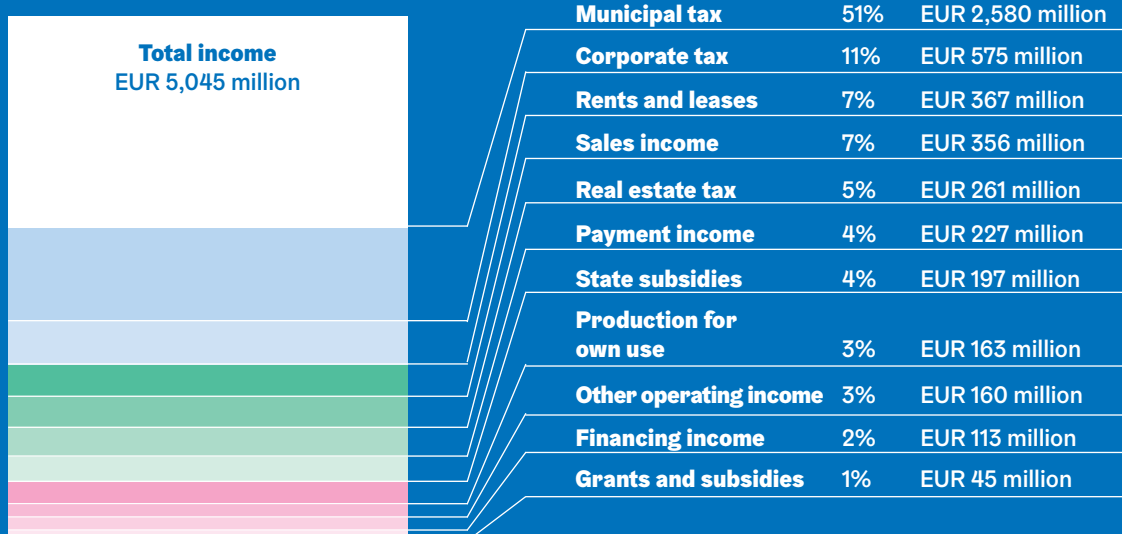
Operating expenses

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



Total income

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



Modest growth in tax revenue

Total tax revenue was EUR 3,416.6 million, up by EUR 35.8 million from 2017. Tax revenue including corporate and real estate taxes was 1.1 per cent higher than in 2017.

Helsinki's municipal tax rate was lowered by 0.5 percentage points as of the beginning of 2018. Despite the lowered tax rate, the City's tax revenue accrual was higher than the national average. Helsinki's income tax base has grown more than the national average in recent years.

State subsidies to Helsinki were EUR 197.3 million, slightly more than EUR 23 million from 2017 as a result of cuts related to the Competitiveness Pact and growth in the equalization of state subsidies related to tax base differences.

EUR 1,693 of loans per capita

Loans amounted to EUR 1,693 per capita, down from EUR 1,871 in 2017. Total loans were EUR 1,100 million at year-end. Liquidity was 91 days at year-end. The City's liquidity includes the deposits of City Group members in the City Group account. The City's total loans (from financial and insurance institutions) were reduced by EUR 106 million.

Housing units under construction numbered 10,032 at the end of 2018, which was markedly higher than in previous years.

The Helsinki City Group's annual contribution margin declined by approximately EUR 35 million from 2017 and was EUR 1,358 million. The City of Helsinki's annual contribution margin declined by EUR 86 million from 2017. Thus the positive effect of City Group members on the City Group's annual contribution margin exceeded the 2017 sum by over EUR 50 million. Especially Helen Ltd's profits grew from 2017. The combined investments of City Group members were EUR 1,093.5 million, up by EUR 328.9 million from the previous year's EUR 764.6 million.

Investment expenditure

Investment expenditure excluding municipal enterprises, in million euros (2018)

Fixed assets	70.9
Buildings	208.7
Streets and other transport routes	140.1
Parks and sports sites	23.2
Acquisitions of current assets	54.5
Securities	13.4
Other equity	5.2
Total	516.0

Personnel

The City of Helsinki employed 37,656 people at the end of 2018. Personnel were reduced by 2.6 per cent from 2017. The Education Division increased employees as the number of its customers grew, the division's educational institutions increased their intake of students, and free early childhood education was expanded. The personnel of the Culture and Leisure Division grew as Helsinki Central Library Oodi opened. The Social Services and Health Care Division increased positions in home care. The Rescue Department also recruited new employees. Municipal enterprises reduced employees by streamlining operations.

Women represented 76 per cent and men 24 per cent of total employees. Employees speaking some other language than Finnish

or Swedish as their first language represented 7 per cent of the total.

43 per cent of permanent employees had been in the City employ for more than 10 years. The biggest age group was 50–59 year olds. The median age of permanent employees was 46.4.

The employee turnover rate was 7 per cent in 2018. A total of 1,385 employees resigned, and 625 employees retired at the average age of 61.

The occupational wellbeing of City of Helsinki employees was assessed with the Kunta10 survey. The employee absenteeism rate was 4.9 per cent.

Total salaries and wages were approximately EUR 1.4 billion.

Number of employees at year-end

Division	Permanent employees	Temporary employees	All employees
Central Administration	3,720	434	4,154*
Education	10,508	2,875	13,383
Urban Environment	3,270	256	3,526**
Culture and Leisure	1,596	268	1,864
Social Services and Health Care	11,556	3,173	14,729
Total	30,650	7,006	37,656

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

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

Indicators of financial statements

	Group		City	
	2018	2017	2018	2017
Financial indicators of profit and loss account				
Operating income of operating expenses, %	61.3	60.7	28.0	29.2
Annual contribution margin, EUR million	1,358	1,393	752	838
Annual contribution margin, % of depreciation	174.6	196.6	216.8	236.2
Annual contribution margin, EUR per capita	2,090	2,160	1,157	1,300
Financial indicators of funds statement				
Cash flow accumulation from operations and investments over five years, EUR million	90.7	-111.9	789.7	563.8
Cash flow accumulation from operations and investments over five years, EUR million, excluding the effect of the 2014 incorporation of municipal enterprises on accounts	410.3	184.4
Internal financing of investments, %*	79.5	103	122.6	137
Debt coverage ratio*	3.3	3.5	6.3	4.7
Cash sufficiency, days*	69	76	91	99
Balance sheet indicators				
Equity ratio, %	62.6	61.7	80.6	79.6
Relative indebtedness, %	87.4	89.2	45.8	47.7
Debts and liabilities, % of operating income	96.9	97.8	51.9	54.2
Loans 31 Dec., EUR million	4,984	4,985	1,100	1,206
Loans, EUR per capita	7,670	7,732	1,693	1,871
Loans receivable 31 Dec., EUR million	478	480	1,944	1,894
City Group loans receivable 31 Dec., EUR per capita	736	745
Total population 31 December	649,800	644,700	649,800	644,700

* The population of Helsinki was confirmed in an official and audited census to be 648,042 at the turn of the year 2018/2019. The data of the financial statements is based on the estimated total population of 649,800.

Calculation formulas for financial indicators

Operating income / operating expenses

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

Equity ratio per cent

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

Annual contribution margin / depreciation, per cent

= 100 x annual contribution margin / (depreciation + amortisation and impairment)

Financial assets, EUR per capita

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

Relative indebtedness, per cent

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

Debts and liabilities, per cent of operating income

= 100 x (liabilities – advance payments received + lease liabilities) / operating income

Loans 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, per cent

= 100 x annual contribution margin / internal investment acquisition cost

Loans receivable 31 December

= debenture bonds receivable listed in investments and other loans receivable

City of Helsinki profit and loss account

EUR million

	1 January– 31 December 2018	1 January– 31 December 2017
Operating profit		
Sales income	356.0	327.6
Payment income	226.9	229.4
Supports and subsidies	45.1	48.8
Rental income	366.8	363.4
Other operating profit	160.3	210.5
	1,155.1	1,179.7
Production for own use	163.2	135.1
Operating expenses		
Personnel expenses		
Wages and salaries	-1,372.5	-1,353.6
Secondary personnel expenses		
Pensions	-333.8	-334.6
Other secondary personnel expenses	-55.5	-66.0
Procured services	-1,772.7	-1,703.3
Material, supplies and goods	-207.0	-192.2
Subsidies	-310.1	-311.6
Rental costs	-222.6	-196.7
Other operating expenses	-18.6	-17.2
	-4,292.8	-4,175.2
Operating profit margin	-2,974.6	-2,860.4
Tax revenue and state subsidies		
Tax revenue	3,416.6	3,380.8
State subsidies	197.3	220.4
	3,613.9	3,601.2
Financing income and expenses		
Interest income	77.7	79.8
Other financing income	52.5	36.3
Interest expenses	-16.9	-18.1
Other financing expenses	-0.7	-1.0
	112.7	97.0
Annual contribution margin	752.0	837.9
Depreciation and impairment		
Depreciations according to plan	-346.8	-354.8
	-346.8	-354.8
Extraordinary items		
Extraordinary expenses	-18.4	0.0
	-18.4	0.0
Result for the financial period	386.8	483.1
Increase (-) or decrease (+) in depreciation difference	-1.3	3.8
Increase (-) or decrease (+) in provisions	1.0	-3.9
Increase (-) or decrease (+) in funds	20.1	-1.6
	19.8	-1.7
Surplus / deficit (-) for financial period	406.6	481.4

City of Helsinki cash flow statement

EUR million

	2018	2017
Operating cash flow		
Annual contribution margin	752.0	837.9
Extraordinary items	-18.4	0.0
Adjustments to internal financing	-107.2	-173.7
	626.4	664.2
Cash flow from investments		
Investment expenses	-625.3	-621.4
Financial contributions for investment expenses	11.9	9.7
Revenues from transfers of fixed assets	137.7	192.6
	-475.7	-419.1
Operating and investment cash flow	150.7	245.1
Cash flow from financing		
Changes in lending		
Additions to lending claims	-120.0	-12.3
Reductions in lending claims	70.3	69.5
	-49.7	57.2
Changes in loan stock		
Additions to long-term loans	0.0	0.0
Repayments of long-term loans	-105.8	-165.3
	-105.8	-165.3
Changes in equity	0.0	0.0
Other changes in liquidity		
Changes in funds and capital for assignments	-64.5	10.3
Changes in current assets	4.5	-4.9
Changes in receivables	-14.9	21.8
Changes in interest-free liabilities	4.5	32.6
	-70.3	59.8
Cash flow from financing	-225.9	-48.4
Change in liquid assets		
Liquid assets 31 December	1,241.4	1,316.6
Liquid assets 1 January	1,316.6	1,119.9
	-75.1	196.7

City of Helsinki balance sheet

EUR million

ASSETS	31 December 2018	31 December 2017
Fixed assets		
Intangible assets		
Intangible rights	24.1	12.6
Other long-term expenses	75.3	74.5
Advance payments	5.6	4.0
	105.0	91.1
Tangible assets		
Land and water areas	3,256.0	3,223.7
Buildings	1,706.2	1,689.3
Fixed structures and equipment	1,525.0	1,430.1
Machines and equipment	409.3	344.8
Other tangible assets	12.5	12.3
Advance payments and unfinished procurement	308.3	324.2
	7,217.3	7,024.5
Investments		
Shares and interests	3,239.8	3,223.7
Other loan receivables	1,944.0	1,894.2
Other receivables	0.5	0.5
	5,184.3	5,118.5
Funds for assignments		
State assignments	113.4	124.5
Special contribution margins for endowment funds	5.1	4.4
Other assignment funds	544.7	456.4
	663.2	585.3
Current assets		
Current assets		
Materials and supplies	12.0	10.0
Unfinished products	5.7	12.2
Other inventories	0.1	0.1
	17.8	22.4
Receivables		
Long-term receivables		
Loan receivables	0.1	0.1
Other receivables	71.0	108.2
	71.1	108.3
Short-term receivables		
Sales receivables	96.2	87.7
Loan receivables	0.5	0.6
Other receivables	104.0	55.8
Transfer receivables	81.8	86.4
	282.6	230.5
Receivables in total	353.7	338.8
Marketable securities		
Investment in money market instruments	50.0	0.0
Investment in bonds	20.0	20.0
	70.0	20.0
Cash and bank receivables	1,171.4	1,296.6
TOTAL ASSETS	14,782.6	14,497.0

EQUITY AND LIABILITIES	31 December 2018	31 December 2017
Equity		
Initial capital	2,972.4	2,972.4
Revaluation reserve	1,798.4	1,800.1
Other internal funds	583.2	553.9
Other shareholders' equity	729.0	729.0
Surplus / deficit (-) from previous accounting periods	5,346.3	4,914.3
Surplus / deficit (-) for the financial period	406.6	481.4
	11,836.0	11,451.1
Depreciation difference and voluntary provisions		
Depreciation difference	63.6	62.3
Voluntary provisions	4.7	5.7
	68.3	68.0
Mandatory provisions		
Provisions for pensions	101.2	112.9
	101.2	112.9
Equities for assignments		
State assignments	115.3	125.6
Equities for endowment funds	5.1	4.4
Equities for other assignments	461.0	438.0
	581.4	567.9
Liabilities		
Long-term		
Loans from financial institutions and insurance companies	1,006.1	1,092.7
Loans from other institutions	7.4	7.4
Advance payments received	5.1	4.0
Accounts payable	1.2	1.2
Connection fees and other debts	7.6	7.6
	1,027.4	1,112.9
Short-term		
Loans from financial institutions and insurance companies	86.5	105.8
Advance payments received	7.6	12.7
Accounts payable	202.3	186.3
Connection fees and other debts	490.9	498.6
Deferred debts	381.0	380.7
	1,168.3	1,184.1
Liabilities in total	2,195.7	2,297.0
EQUITY AND LIABILITIES IN TOTAL	14,782.6	14,497.0

Helsinki City Group

The Helsinki City Group's annual contribution margin declined by approximately EUR 35 million from 2017 to 2018 and was EUR 1,358 million. The City of Helsinki's annual contribution margin declined by EUR 86 million from 2017 to 2018. Thus the positive effect of City Group members on the City Group's annual contribution margin exceeded the 2017 sum by over EUR 50 million. Especially Helen Ltd's profits grew from 2017.

The City Group's surplus for the financial year was EUR 528 million, down by EUR 120 million from 2017. The City of Helsinki's surplus was down by EUR 75 million from 2017.

The Helsinki City Group final accounts consolidate 83 City Group subsidiaries.

The City Group's 2018 cash flow from operating and investing activities was in deficit by EUR -35 million and markedly weaker than in 2017 (a surplus of EUR 171 million). The effect of the City of Helsinki on the City Group's cash flow from operating and investing

activities was EUR 150.7 million, down from 2017 (EUR 245.1 million). The combined investments of City Group members were EUR 1,093.5 million, up by EUR 328.9 million from the previous year's EUR 764.6 million. Together with the weakening of the City of Helsinki annual contribution margin, the increased combined investments of City Group members weakened the City Group's cash flow from operating and investing activities.

The City Group's total loans were EUR 4,983.8 million (EUR 4,984.7 million in 2017), that is, EUR 7,670 per capita. The City of Helsinki's share of total loans was EUR 1,100 million, that is, EUR 1,693 per capita. The City of Helsinki's total loans were down from 2017, but the City Group members' combined loans were up by as much.

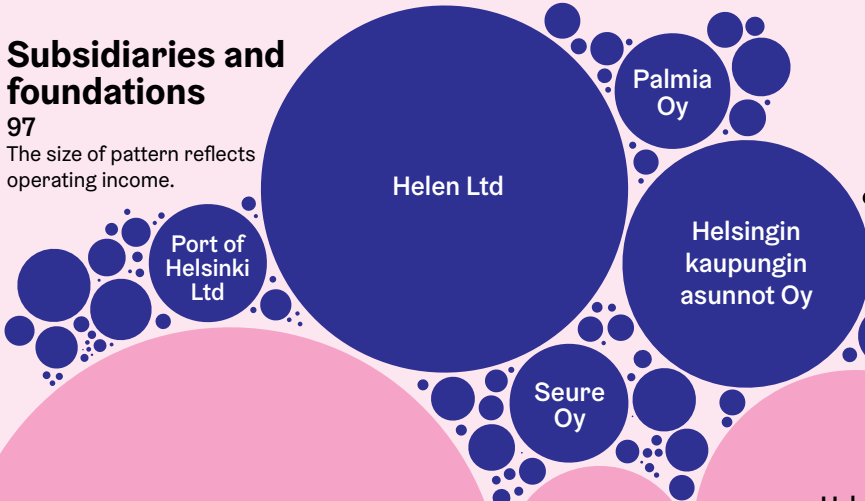
The Helsinki City Group final accounts consolidate 83 City Group subsidiaries. Through the consolidated subsidiaries, the City Group final accounts also include 17 sub-members of the City Group. The final accounts consolidate all six joint municipal authorities in which the City is a member, and all 12 foundations controlled by the City. In addition, the City Group final accounts consolidate the City's one joint company and 37 associated companies.

Helsinki City Group

Subsidiaries and foundations

97

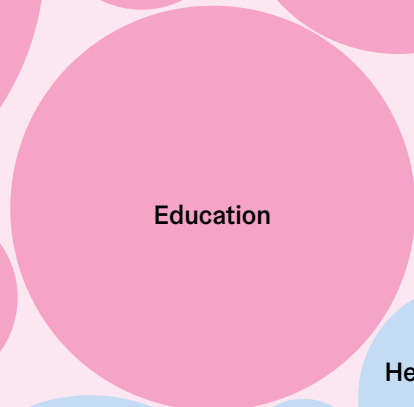
The size of pattern reflects operating income.



Associated companies*

38

The size of pattern does not reflect the volume of operations.



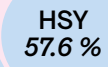
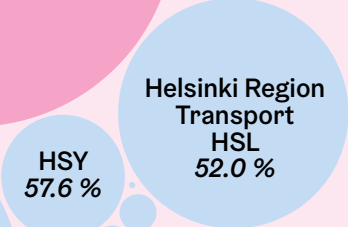
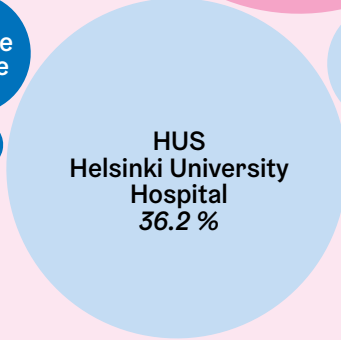
Divisions

4 + Central Administration
The size of pattern reflects operating expenses.

Municipal enterprises

5

The size of pattern reflects operating expenses.



Joint municipal authorities

6

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

* Associated companies include Vantaan Energia Oy, Metropolia University of Applied Sciences, Startup Maria Oy, Pääkaupunkiseudun junakalusto Oy and Oy Apotti Ab.

Consolidated profit and loss account

EUR million

	1 January– 31 December 2018	1 January– 31 December 2017
Operating income	3,551.6	3,368.0
Operating expenses	-5,797.5	-5,549.3
Share of associated company profit / loss (-)	14.5	23.3
Operating margin	-2,231.3	-2,157.9
Tax revenue	3,416.6	3,380.8
State subsidies	197.9	220.4
Financing income and expenses		
Interest earnings	20.6	17.6
Other financing income	8.0	10.0
Interest expenses	-61.5	-69.5
Other financing expenses	7.8	-8.9
	-25.1	-50.6
Annual contribution margin	1,358.0	1,392.7
Depreciation and impairment		
Depreciation according to plan	-777.8	-708.4
Over par and under par values for the financial period	-2.6	-0.9
Impairments	-0.1	0.0
	-780.5	-709.3
Extraordinary items	-18.4	2.5
Result for the financial period	559.1	685.8
Appropriations	2.1	-15.7
Income tax expense	-15.1	-12.6
(Net) Deferred taxes	-19.0	-10.5
Minority shares	1.3	1.3
Surplus / deficit (-) for the financial period	528.4	648.3
Key figures of the consolidated income statement		
Operating income / Operating expenses, %	61.3	60.7
Annual contribution margin / depreciation, %	174.6	196.6
Annual contribution margin, EUR per capita	2,090	2,160
Population	649,800	644,700

Consolidated cash flow statement

EUR million

	2018	2017
Cash flow from operations		
Annual contribution margin	1,358.0	1,392.7
Extraordinary items	-18.4	2.5
Income tax expenses	-15.1	-12.6
Adjustments to internal financing	-158.2	-188.9
	1,166.3	1,193.6
Cash flow from investments		
Investment expenses	-1,718.8	-1,386.0
Financial contributions for investment expenses	11.5	33.4
Revenue from transfers of fixed expenses	506.4	330.2
	-1,200.8	-1,022.4
Operating and investment cash flow	-34.5	171.3
Cash flow from financing		
Changes in lending		
Additions to lending claims	-10.1	-10.7
Reductions in lending claims	11.5	9.0
	1.4	-1.7
Changes in loan stock		
Additions to long-term loans	366.4	417.8
Repayments of long-term loans	-305.6	-347.2
Changes in short-term loans	-0.9	-26.2
	59.9	44.4
Changes in shareholders' equity	-16.4	24.2
Other changes in liquidity		
Changes in funds and capital for assignments	-58.3	-5.8
Changes in current assets	-2.9	-8.5
Changes in receivables	-6.0	-23.3
Changes in interest-free liabilities	33.2	74.2
	-33.9	36.7
Cash flow from financing	11.0	103.5
Changes in liquid assets		
Liquid assets 31 December	1,508.9	1,532.4
Liquid assets 1 January	1,532.4	1,257.7
	-23.5	274.7
Key figures of the group cash flow statement		
Operations and investments cash flow accrual in 5 years, 1,000 euros	90,701	-111,905
Internal financing of investments, %	79.5	103.0
Debt coverage ratio	3.3	3.5
Cash-solvency (days)	69	76

Consolidated balance sheet

EUR million

ASSETS	31 December 2018	31 December 2017
Fixed assets		
Intangible assets		
Intangible rights	59.6	56.5
Other long-term expenses	203.4	206.9
Advance payments	7.9	6.0
	270.9	269.5
Tangible assets		
Land and water areas	3,328.9	3,295.1
Buildings	6,032.7	5,731.6
Fixed structures and equipment	2,575.1	2,515.7
Machines and equipment	1,378.4	1,347.1
Other tangible assets	23.4	20.1
Advance payments and unfinished procurement	1,277.7	1,200.0
	14,616.2	14,109.6
Investments		
Shares in associated companies	272.9	264.1
Other shares and interests	484.1	459.3
Other loan receivables	478.2	480.4
Other receivables	2.9	2.1
	1,238.0	1,205.9
Funds for assignments	542.5	456.8
Current assets		
Current assets	123.5	120.6
Receivables		
Long-term receivables	128.4	157.3
Short-term receivables	458.7	423.8
	587.0	581.1
Marketable securities	105.9	57.3
Cash and bank receivables	1,403.0	1,475.1
ASSETS IN TOTAL	18,887.2	18,275.9

EQUITY AND LIABILITIES

	January 1– 31 December 2018	January 1– 31 December 2017
Equity		
Initial capital	2,972.4	2,972.4
Initial capital of associations and foundations	7.0	5.8
Revaluation reserve	1,803.3	1,805.0
Other internal funds	962.5	903.4
Other shareholders' equity	734.1	734.1
Surplus / deficit (–) from previous accounting periods	4,721.2	4,122.3
Surplus / deficit (–) for financial period	528.4	648.3
	11,728.9	11,191.2
Minority shares	90.4	85.0
Mandatory provisions		
Provisions for pensions	102.1	113.8
Other mandatory provisions	37.1	36.2
	139.2	150.0
Equities for assignments	599.6	572.3
Liabilities		
Long-term		
Long-term liabilities with interest	4,654.4	4,716.5
Long-term liabilities without interest	112.9	97.3
	4,767.4	4,813.8
Short-term		
Short-term liabilities with interest	329.4	268.3
Short-term liabilities without interest	1,232.2	1,195.3
	1,561.6	1,463.6
Liabilities in total	6,329.0	6,277.4
EQUITY AND LIABILITIES IN TOTAL	18,887.2	18,275.9

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.

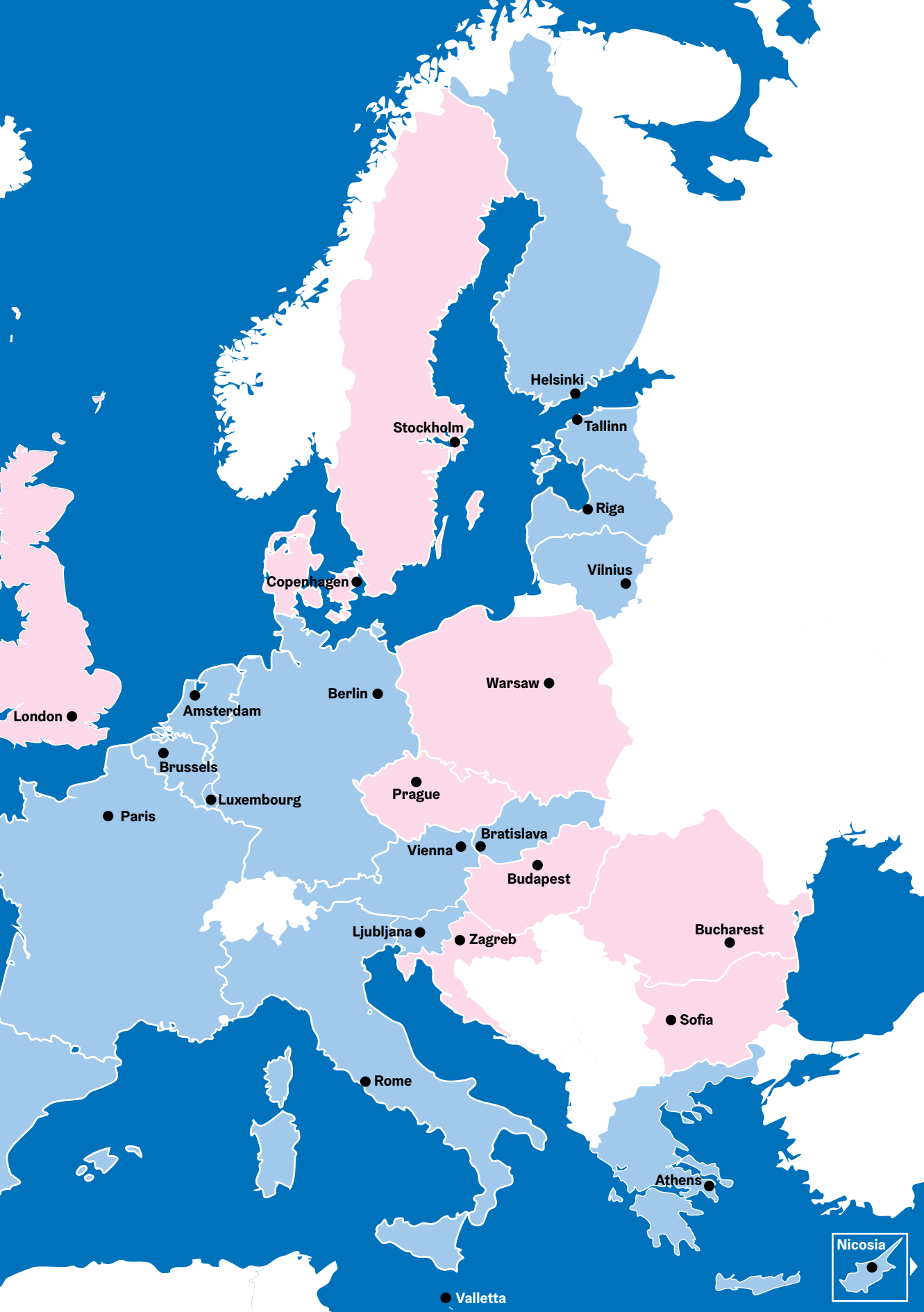
EU eurozone member states

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





London ●

Amsterdam ●

Brussels ●

Paris ●

Luxembourg ●

Berlin ●

Warsaw ●

Prague ●

Vienna ●

Bratislava ●

Budapest ●

Ljubljana ●

Zagreb ●

Bucharest ●

Sofia ●

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