



Annual Report 2023

Helsinki



Helsinki

Helsinki

Founded 1550

Capital of Finland since 1812

Population (2023) 674 500

Total area 719 km²

Land area 217 km²

Shoreline 131 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 on the Helsinki peninsula 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.

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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Mayor's Review

The outlook for the Finnish economy weakened with the unstable international situation. Russia's war of aggression in Ukraine continued, the Middle East crisis spread, the effects of inflation were felt widely, and interest rates rose.

The recession was reflected in the number of bankruptcies and unemployed jobseekers, which began to increase. However, the year was significant for the city's employment service provision because the Finnish Parliament passed a law transferring responsibility for organising public employment services from the state to the municipalities on 1 January 2025.

The city's employment services area will now serve tens of thousands of workers and businesses. We have already gained considerable experience of providing employment services through the local government pilots on employment. A good example of what we have already achieved is the commerce, tourism and catering sectors employment service, which has successfully placed jobseekers in long-term employment.

Although the number of unemployed jobseekers has increased, we are also simultaneously experiencing a staff shortage. To solve this issue, we set up a new strategic programme group, which I chair. The programme group supports the city in recruiting people from abroad to fill labour shortages and steering skilled workers and immigrants in Finland to city jobs. It will also help strengthen multilingualism within the city organisation and its internal career paths to jobs in the sectors with labour shortages.

A significant part of Helsinki's population growth is based on immigration. Indeed, the city's continued vitality increasingly depends on the success of work-, study- and entrepreneurship-based immigration. We also prepared for a comprehensive reform of Finland's Integration Act, which will enter into force on 1 January 2025. This Act aims to strengthen migrants' employment levels, as well as their skills to facilitate employment, language skills and social inclusion.

Confident in its growth, the city continued to invest boldly in 2023, with a total investment of €849 million. Despite a substantial increase in the budget for education services in 2023, the city's expenditure and revenue remained within

the fiscal responsibility parameters set by the City Council.

The economic uncertainty was particularly evident in the construction industry. Housing construction slowed down significantly throughout the country, which was apparent in Helsinki as the number of building permits continued to decline. Despite the poor situation, construction continued in the new districts of Jätkäsaari, Kalasatama and Kruunuvuorenranta, as well as in the new residential areas of Pasila. In addition, planning progressed in selected suburban regeneration areas. Suburban regeneration is our way of developing residential areas and preventing segregation. The city is pursuing high-quality infill development in the districts of Malminkartano-Kannelmäki, Malmi, Mellunkylä and Meri-Rastila.

There are many good examples of actions that have been taken in the suburban regeneration areas, such as in the area surrounding the Mellunmäki metro station, where a new block of flats and the final stop for the Vantaa tram are being planned. In addition, the Smart City project organised a series of rapid experiments in Mellunkylä in 2023. Children and young people were involved in developing these experiments and enjoyed the results.

The whole city is working actively to prevent segregation. We are particularly focused on the wellbeing of children and young people, as it is also an effective way to prevent segregation. National surveys indicate that pupils want there to be more safe and readily available adults in schools. In Helsinki, we have responded to this need since 2019 by developing school coaching activities, which have now become a permanent feature of our services. Multilingual instructors are also safe adults in schools who support the education of foreign-language pupils.

Of course, it is not only young people who should feel safe, accepted and equal in the city. Everyone should be able to enjoy themselves and live their lives as they please. This is what we have worked for and will continue to work towards in the future. I would like to warmly thank all our employees because we could not accomplish our goals without their capable work.

Juhana Vartiainen
Mayor



City Manager's Review

In 2023, Finland was selected as the happiest country in the world for the sixth consecutive time. As its capital, Helsinki is committed to providing the necessary prerequisites for a good life to its residents – as well as to visitors and everyone who works in the city.

During this last operating year, we developed our preparedness for potential upheavals in the global situation and economy. Our work was also affected by legislative changes impacting the operations of municipalities and cities. The biggest of these was the nationwide reform of health and social services. For Helsinki, this meant reorganising our Social Services, Health Care, and Rescue Division within the city. As the new organisation got underway, we aimed to minimise the impacts of the administrative change on both city residents and partners.

The provision of employment services will become the responsibility of municipalities at the beginning of 2025. The City Executive Office has steered this transition by leading it with a change programme and cooperation between stakeholders. We now have a good foundation in Helsinki for the start of operations.

Alongside the provision of employment services, we are continuously looking for solutions to our staff shortages. We need more employees in the fields of early childhood education, social services and health care in particular. One of the ways we are working to address this particular shortage is by developing recruitment outside of Finland. It is important to note that the ethical principles for recruitment from abroad that have been drawn up will help ensure a transparent and fair path for employees so recruited. It is also essential that the city provides ongoing support for their work and the process of settling into their new home country.

The city's salary development programme increased the salaries of 7,500 employees for the fifth time in 2023, especially in the occupational groups suffering from staff shortages. The salary development programme also paid particular attention to the lowest-paid employee groups. Payroll stabilisation, which posed many challenges for the city and its employees, continued throughout the year, and the payroll payment difficulties that started last year were brought under control.

The City Strategy strongly guides all our activities. It underscores our determination to make Helsinki a sustainable place to live in terms of both the climate and environment. For example, Helsinki has a major responsibility for the state of the Baltic Sea and its conservation. Helsinki can also influence the state of its natural and forested areas in a way that promotes biodiversity. Helsinki will forever be the daughter of the Baltic Sea.

I started as City Manager in December 2023. In practice, my task is to lead the city's operational activities together with the executive directors of the city's administrative divisions and the City Executive Office employees. I also serve as the rapporteur to the City Council and its City Group Sub-committee on proposals for decisions. My first impressions have met my high expectations. The City of Helsinki has an experienced, committed and motivated staff that creates sustainable growth for its residents. With satisfaction and gratitude, I can state that we have all the prerequisites to continue providing high-quality services to the city's residents well into the future.

Jukka-Pekka Ujula
City Manager



City Manager Jukka-Pekka Ujula (as of December 2023)

Tasks for which the City Executive Office is responsible

- Acting as a planning, preparation and implementation body for the City Council and the City Board
- Developing the city
- Internal audits

Organisations within the Central Administration

- City Executive Office
- Palvelukeskus Service Centre municipal enterprise
- Financial Management Services municipal enterprise
- Occupational Health Centre municipal enterprise
- Stara Construction Services municipal enterprise

Key figures (Executive Office and the Audit Department; does not include municipal enterprises)



Number of staff

924

Percentage of total staff

4%

12% share of city's total operating expenses

City Executive Office

The City Executive Office is the planning, preparation and implementation body for the City Council and the City Board. The City Executive Office is responsible for developing the city and running its central administration. It operates under the authority of the City Board.

The year was marked by a further deterioration in the outlook for the economy. The number of bankruptcies and unemployed jobseekers began to increase both in Helsinki and nationwide. Russia's war of aggression continued, and the Middle East crisis escalated. The city prepared for changes in the energy situation and participated in readiness exercises.

Special attention to suburban regeneration areas

The development of the city's selected suburban regeneration areas continued. The city aims to renew the districts of Malminkartano-Kannelmäki, Malmi, Mellunkylä and Meri-Rastila, improving services in the residential areas and enhancing their comfort and attractiveness. The city's key objective is to prevent segregation. High-quality infill construction is planned for these suburban regeneration areas. Some notable examples include the project for new construction in Mellunkylä, where an entire old block will be demolished, and the work on Bredbacka's local detailed plan for 2,500 new residents. A new multipurpose building will be built in Meri-Rastila, and the concept plan for the new Kontula House was completed.

Work continued on preparing the Malminkenttä area's building sites, streets and parks for construction and developing its temporary use for recreation and events.

Helsinki becomes its own employment area

In April, the Finnish Government approved a law that will transfer employment services to

municipalities at the beginning of 2025. Helsinki will then become its own employment area, serving tens of thousands of workers and companies.

The city has a good baseline to start from, as it has already been involved in local government pilots for employment. A fine example of something that has already been put into practice is the employment service for the commerce, tourism and catering sectors, which has been successful in placing jobseekers in long-term employment.

The city has its own TE24 change implementation programme for organising employment services and project organisation to help with the smooth employment services transition. The upcoming change was actively planned with various stakeholders. These include staff, TE employment services, other municipalities in the Helsinki Metropolitan Area and various service providers.

Employment services assisted approximately 47,000 clients every month. The number of unemployed jobseekers was on the rise. In November, the share of unemployed jobseekers in the workforce was 10.8 per cent, compared to 9.8 per cent a year earlier. At the same time, as the number of unemployed persons increased, the number of new job postings decreased.

Employment services assisted approximately 47,000 clients every month. The number of unemployed jobseekers grew.



More than 2,600 clients took advantage of free business advisory services from the city in 2023. As in previous years, clients established almost a thousand new businesses.

The city also made preparations for the comprehensive reform of the Integration Act, which will enter into force in 2025. The act aims to enhance integration and strengthen the inclusion of immigrants in society. A significant part of Helsinki's population growth is based on immigration, and the development of the city's vitality increasingly depends on the success of work-, study- and entrepreneurship-based immigration.

Participatory budgeting sees record number of proposals

A new third round of the participatory budgeting initiative known as OmaStadi was launched in the autumn. In the first phase, city residents were invited to submit proposals for how the city should spend EUR 8.8 million. The city promoted the proposal phase extensively with communications, cooperation between the divisions, and events. A record number of proposals – more than 1,600 – was submitted by the deadline.

The city's renewal of its main service and communication channel, the hel.fi website, was completed by the summer. The scale of the website overhaul was one of the largest of its kind in Finland. A new operating model will ensure that development of the website also runs smoothly in the future.

Reducing administrative workloads

Human resources management reforms continued. The city aims to reduce the administrative burden on supervisors and improve support for their work. Training sessions were arranged to improve supervisor knowledge of the city's remuneration options, among other things.

The development of the city's image as an employer continued more systematically than before, which will help attract staff to the city. The city's Open Jobs website was redesigned, and the city held its first-ever summer recruitment event for young people (Nuorten kesärekröy), which attracted 600 participants.

An increasingly sustainable tourist city

Helsinki rose to fourth place in the Global Destination Sustainability (GDS) index – up an impressive eight spots on the previous year. The city aims to be ranked the world's most sustainable tourist destination by 2025 and is making swift progress towards this goal. Helsinki-based tourism companies were supported in carrying out the national Sustainable Travel Finland development programme.

The trend in tourism to Helsinki was positive, but overnight stays by international tourists are still more than 20 per cent below their level before the coronavirus pandemic.





Deputy Mayor Johanna Laisaari, Social Democratic Party

Chair of the Education Committee

Executive Director Satu Järvenkallas

- Early childhood education and pre-primary education
- Comprehensive school
- General upper secondary education and vocational education and training, which includes the Finnish-language Adult Education Centre
- Swedish-language education services, which includes the Swedish-language Adult Education Centre Arbis

Key figures



48% share of the city's total operating expenses

Education Division

The Education Division is responsible for the City of Helsinki's early childhood, pre-primary, basic and general upper secondary school education, vocational education and training in Finnish, and liberal adult education.

After the exceptional period brought on by the coronavirus, the daily routines of daycare centres, schools and educational institutions returned to normal. However, an uncertain global situation continued to impact the wellbeing of young people. Work to strengthen their social and emotional skills is a long-term process, but we are already seeing some positive results. For example, community belonging ratings in the national School Health Promotion study have improved.

The number of children under the age of three in early childhood education increased. Participation in early childhood education has grown significantly over the last ten years, and children are starting at increasingly younger ages. Residents trust the division's early childhood education and care services, and customer satisfaction is high.

There were approximately 43,000 pupils in basic education, which is about 700 more than in the previous year. The number of upper secondary school students also increased, as did the number of participants in vocational and liberal adult education.

Staff shortages being alleviated in many ways

Staff shortages continued, and to overcome them we have invested in wage increases, leadership, and apprenticeship training. In early childhood education, we tackled staff shortages by establishing a city-wide programme group for workforce availability and launching an international recruitment initiative. In the spring, an apprenticeship training programme for to educate childcare workers for early childhood education generated great interest and attracted many applicants.

We also generate part of our own workforce in vocational education and training. In addition to vocational education and apprenticeships, the Adult Education Centres expanded their services, further increasing language training for immigrants.

We anticipated changes in learner needs and working life by improving cooperation between educational levels, among other things. Examples include the new Konepaja Upper Secondary School and the Konepaja Upper Secondary School for Adults in the district of Vallila, which will promote cooperation with workplaces in a new way. The promotion of cross-institutional studies for adult students began between the Helsinki Vocational College and Adult Institute (Stadin AO) and the city's adult education centres.

Helsinki to become reading capital

One of the objectives of the city's daycare centres is to promote linguistic development by building up a reading culture and an interest in reading. New methods are introduced every year. One example of a concrete measure taken

Children are starting early childhood education at increasingly younger ages. Residents trust the division's early childhood education and care services, and customer satisfaction is high.

towards this goal is the multilingual bedtime storybook shelf that has been introduced in 20 daycare centres.

All comprehensive schools promote literacy, and more than half chose reading as their strategic focus. The culture of reading is being developed in cooperation with libraries, and the language-aware pedagogy in schools is being strengthened through in-service training for teachers. In basic education, developer teachers provided training, informational sessions and workshops that reached roughly a thousand teachers during the year.

Ten comprehensive schools have teachers working to strengthen the wellbeing and basic skills of pupils who have immigrated to Finland at an older age. Through increased monitoring, we aim to ensure that each pupil has an appropriate syllabus that suits them at the different stages of their learning path.

In upper secondary schools, language awareness was increased through tutor teacher activities and expert lectures, for example. The Adult Education Centre and upper secondary schools for adults also played an active role in promoting adult literacy. At Stadin AO, community reading weeks have become an established part of activities. Literacy and writing instruction at the Adult Education Centre was strengthened with the support of special education and resource teachers.

Reading and literacy lessons for parents with children at home (Kotiva) has been developed in cooperation with comprehensive schooling.

We started a research and development partnership with the University of Turku to monitor reading support needs. This cooperation will continue at least until 2028, ensuring the long-term continuity of the work.

Preventing segregation and bullying

We have done a lot of work to prevent segregation, and it will continue. National surveys show that pupils want more safe adults in schools who can be present and have the time to talk. Helsinki has responded to this need by developing school coach activities since 2019, and these activities have now been made

permanent. The city hired 25 permanent school coaches in all for Finnish-language schools. The school coach assists other staff in supporting school attendance, teaching emotional and interpersonal skills, and preventing bullying and absenteeism, among other things. Multilingual instructors are also safe adults in schools who support the education of foreign-language pupils. A project in the district of Kannelmäki brought new thinking and operating methods to cross-administrative work in this area.

Improving the wellbeing of young people is one of the city's binding goals. Systematic work towards this goal produced results in 2023, as more and more young people felt themselves to be an important part of the school community, which was a source of great joy in the division. However, we still need to continue this work.

We successfully supported pupil wellbeing and emotional and interpersonal skills in schools using operating models based on evidence from national and international research. Each school district in Helsinki had its own expert to support the development work of the schools in their area.

The causes of declines in mental wellbeing, absenteeism and undesirable group phenomena – especially the lack of a sense of community – were addressed by strengthening children and young people's attachment to the school community and safeguarding their daily lives. We held training sessions on juvenile delinquency, gang involvement, radicalisation and polarisation.

In addition to addressing emotional and interpersonal skills, we developed electronic feedback channels for reporting bullying, violence, harassment or discrimination to prevent bullying in schools.

Ten comprehensive schools have teachers working to strengthen the wellbeing and basic skills of pupils who have immigrated to Finland at an older age.





Deputy Mayor Anni Sinnemäki, Greens

Chair of the Urban Environment Committee

Executive Director Ville Lehmuskoski

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

Organisation within the division Helsinki

- City Transport

Key figures



Number of staff

1694

Percentage of total staff

7%

31% share of the city's total operating expenses

Urban Environment Division

The Urban Environment Division is responsible for the planning, construction and maintenance of Helsinki's urban environment, as well as building control and environmental services.

The Urban Environment Division continued to create the necessary conditions for the city to grow. The year was challenging due to the downturn in the construction sector. Construction costs were high, as were interest rates. The uncertain situation made it difficult to build both housing and infrastructure. Demand for housing declined, which reduced the number of housing project starts. The goal had been to start building 8,000 homes, but that figure remained at just over 5,000. The city itself began construction of almost 1,500 new homes. The city's housing production resulted in more than 2,300 homes being built to completion, nearly a third of all finished homes in the city.

During the year, more than 320,000 square metres of floor space were zoned for housing, almost half of which was used for infill construction. The city is also preparing for the future through a series of partial detailed plans. Work was underway on the partial detailed plans for Vartiosaari, Lahdenväylä, Länsiväylä and Östersundom.

In 2023, the Urban Environment Division prepared a nature conservation programme for 2025–2034. We are safeguarding biodiversity

in many ways. For example, maintenance work leaves dead and decomposing upright and fallen trees in the terrain, adds brushwood fences and controls for invasive species. Proposals for establishing five nature reserves were submitted for decision along with their management and use plans. These areas included Patterinmäki, Varjakanpuisto, the extension of the Ramsinniemi grove nature reserve, Fastholma and Pakilanmetsä.

Ecologically sustainable construction

The city aims to be carbon neutral by 2030 at the latest. To achieve this goal, we steered construction in a low-carbon direction through zoning and land allocation. We adopted and introduced plot reservation terms that will guide residential construction towards a lower carbon footprint.

Energy efficiency improved. The new housing we produced was built to be more energy efficient than required by regulations, using geothermal heat as the preferred form of heating. We also use solar electricity and heat pump systems in new construction

During the year, the city zoned more than 320,000 square metres of floor space for housing, almost half of which was zoned for infill construction.

and renovation projects in the city's service facilities whenever it is technically feasible and economically viable to do so. We have also saved energy in outdoor lighting.

Jokeri Light Rail complete; renovations start on Mannerheimintie

The Helsinki Metropolitan Area's first high-speed light rail line was launched in the autumn. The Jokeri Light Rail, built using the alliance model, was completed ahead of schedule and began operating between the districts of Itäkeskus and Otaniemi.

The most significant street works started in the city was the renovation of Mannerheimintie. The works began in March and will continue until the end of 2025. The oldest water supply system in the city, which dates back to 1877, was replaced as part of the Mannerheimintie renovation.

Several major construction projects were underway in the city that affected the daily lives of its residents. Work continued in the city centre on Kaisantunneli, a bicycle tunnel passing under the railway yard, the tramway between Kalasatama and Pasila, and the Crown Bridges. Renovation also started in Kaisaniemi Park. Several rail transport projects were in the planning stage. The project plan for the West Helsinki light rail lines was completed in November. Work was also underway on the general plan for the Viikki-Malmi light rail line.

Significant street renovation projects included the renovation of Suomenlinna's streets, the Vaasanpuistikko park area, Maatullinkuja and Havis Amanda. Work also started on the renovation of the Rajasaari and Mannerheimintie bridges, and the new Rajasaari bridge was ready for traffic at the end of the year.

Significant investments in school and early childhood education facilities

The city is investing significantly in new service facilities. Completed new construction projects included the Helsinki Upper Secondary School of Languages in Myllypuro, a new building for the Kannelmäki Comprehensive School and Daycare

Kannelmäki, the Honkasuo, Kaarelanraitti, Nuotti, and Sompasaari daycare centres, as well as the underground maintenance yard of the Hakaniemi Market Hall and the maintenance building of the Johanneksenkenttä artificial ice rink. Renovation projects were completed at Pohjois-Haaga, Tahvonlahti and Tehtaankatu primary schools.

Parks maintained to good standard

In new park construction, our focus was on parks in the new residential areas being built. New fitness stairs were built in Iloäenpuisto, Alppikylänhuippu and Vaskipellonpuisto. New parks included the Orapihlajatie and Paatsamatie parks in Etelä-Haaga, the Suuntimopuisto park in Puistola, the Kiertotähti allotment garden area in Siltämäki, and the Lokkisaarenpuisto park in Vuosaari.

City residents were fairly satisfied with the condition and cleanliness of streets and roads in 2023, as well as with the maintenance of parks. The city districts have become more pleasant and are perceived to be safer.

We carried out a pilot project in Ala-Malmi Park, where people could control the colour and temperature of the light using their phones. We have improved the average repair time of outdoor lighting to a record low of less than two days.

We did not meet our target for processing feedback. Our goal was to process feedback within three working days, but the number of days extended to five. When the new feedback system became fully established towards the end of the year, the average processing time for feedback shortened to just one day.

We adopted and introduced plot reservation terms that will guide residential construction towards a lower carbon footprint.





Deputy Mayor Paavo Arhinmäki, Left Alliance

Chair of the Culture and Leisure Committee

Acting Executive Director Kirsti Laine-Hendolin

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

Key figures



Number of staff

1 841

Percentage
of total staff

7%

10% share of the city's
total operating expenses

Culture and Leisure Division

The Culture and Leisure Division maintains and improves the opportunities for Helsinki residents of all ages to foster their mental and physical wellbeing, learning, and active citizenship, while also supporting Helsinki's vitality. The division is responsible for library materials, museum and art museum collections, and maintaining cultural heritage. The division also carries out the official duties of preserving the cultural environment.

The division's main goal was to bring customers back to using the city's services again after the coronavirus years. This target was met by more than 100 per cent. The most important target groups were older adults, children and young people, which was also reflected in the division's tangible activities.

In early February, we launched a dedicated website for older adults that brings together information on all the services the division provides for them. We also compiled all the hobbies for young people in one place on the harrastukset.hel.fi website, as well as all the jobs open to young people on the nuorten.hel.fi website. The division itself is a major employer of young people, at the same time providing them with their first work experience. During the summer, the division hired about 600 summer employees, most of whom worked in Sports and Youth Services.

The coronavirus recovery fund was used to support services for children, young people and older adults, as well as cultural service providers who had been hit hard by the pandemic.

East Helsinki libraries increasingly popular

The number of people using libraries, museums, youth facilities, and sports and cultural services exceeded the target, with more than 21 million physical visits, compared to the target of 19 million. This good result can be explained by the end of the coronavirus era and an increase in the number of tourists, among other things. The

Helsinki's libraries recorded more than five million loans in 2023. In particular, there was a sharp increase in the number of loans of foreign-language materials, especially in children's collections.

city's libraries saw increased visitor numbers, especially at the newly expanded Myllypuro Library and other libraries in East Helsinki. The Central Library Oodi also experienced an increased number of visitors. Helsinki's libraries lent out more than 5 million items, with a particularly large increase in the number of borrowed foreign-language material, especially from the children's collection. They also issued 40,000 new library cards.

The cultural offerings in 2023 were very diverse. The City Museum was again one of the top museums in Finland, and it became a Culture Kids sponsor for babies born in Helsinki. We strengthened the vitality of the city centre with the Experience 6 Museums tour, which included the Design Museum, Villa Hakasalmi, the Helsinki Art Museum HAM, the Helsinki City Museum, Kunsthalle Helsinki and the Finnish Museum of Photography's K1 Gallery.

Helsinki's Cultural Centres offered programmes and events right in the residents' neighbourhoods. The Malmi Summer of Events organised by Malmitalo was once again



popular, while Stoa in the district of Itäkeskus featured contemporary dance and circus acts in particular. The Annantalo Arts Centre was opened to new visitors when the focus of art education shifted to activities open to the public. We also installed a World Map game in the courtyard of Vuotalo. The Savoy Theatre in downtown Helsinki treated visitors to concerts by world-class artists, and the Helsinki Philharmonic Orchestra performed at New York's Carnegie Hall in May.

Record number of visitors to Sports Services

The total number of visits to Sports Services was 10.4 million, exceeding the target by well over a million. The number of visits for guided exercise was over 400,000. The visitor numbers of Outdoor Recreation Services have continued to grow, although the variable summer weather conditions caused a drop in the number of visits to outdoor swimming pools and beaches compared to the two previous record-breaking years. On the other hand, skiing was favoured during the winter season, and most of the entire 200-kilometre network of trails was in use until mid-March. New winter swimming facilities were added, partly through funding from the city's participatory budgeting initiative, and a new artificial ice rink was added to the Johanneksenkenttä sports field.

Käpylä sports park became Finland's first to have hybrid grass, that is, a combination of natural grass and artificial turf. We opened a 16-kilometre mountain biking trail in Central Park and a sports park in the Kruunuvuorenranta district.

During the new third round of OmaStadi participatory budgeting, Sports Services received a record number of resident-inspired proposals, especially ones proposing that we add or improve sports and exercise facilities.

A dedicated unit for promoting physical activity began operations, and work began on coming up with a vision for the development of Helsinki's Sports Services until the year 2033.

The Ministry of Education and Culture awarded Helsinki's Sports Services for their promotion of gender equality and pluralism in sports and encouraging physical activity among the city's staff.

Reinforcing youth work

One of our priorities was to strengthen basic youth work activities. Autumn in particular was a busy time for youth centres, and the number of visits to youth centres and facilities exceeded targets. Nearly 600 small groups offered young people a diverse range of activities and hobbies, as well as opportunities to see their friends and make new ones.

We significantly increased the recruitment of students of youth work for the summer season. In the employee feedback collected after the summer, all the students who responded were willing to return and work for Youth Services again.

The youth outreach team worked regularly in public and semi-public spaces and interacted with young people enjoying their free time. If the situation required it, young people were directed to assistance.

Youth Services held elections for positions on the Helsinki Youth Council and carried out its annual participatory budgeting process for young people. More than 11,000 young people participated in the different stages of 2023's Youth Budget. They brainstorm, vote and negotiate on how Youth Services will spend its resources. The overhaul of the Young people's initiative channel also got off to a good start.

The division hired four youth workers to work with young people exhibiting patterns of violence and criminal behaviour. We deepened our cooperation with the Helsinki Police Department's preventive activities.

During the new third round of OmaStadi participatory budgeting, Sports Services received a record number of resident-inspired proposals, especially ones proposing that we add or improve sports and exercise facilities.



Deputy Mayor Daniel Sazonov, National Coalition Party

Chair of the Social Services, Health Care and Rescue Services Committee

Executive Director Juha Jolkkonen

- Rescue Services
- Family and social services
- Health care and substance abuse services
- Hospital, rehabilitation and care services
- Division's Shared Services

Key figures



Social Services, Health Care and Rescue Services Division

The task of the Social Services, Health Care and Rescue Services Division is to increase the wellbeing, health and safety of Helsinki residents by providing them with timely, equal and functioning high-quality services. Helsinki is the only city in Finland that provides social, health care and rescue services independently for its residents.

The role of the Social Services, Health Care and Rescue Services Division in promoting and ensuring the daily safety of Helsinki residents was strengthened when the Social Services and Health Care Division and the Rescue Department merged as part of the national health and social services reform.

The City of Helsinki will continue to arrange its social, healthcare and rescue services independently, but specialist health care services will mainly be provided by the HUS Group, a health care network of hospitals and other units in the greater capital area. The city cooperates closely with HUS and other wellbeing services counties in the Uusimaa region.

The division took over some of the tasks of the Kärkulla Joint Municipal Authority, which provides Swedish-language services for people with intellectual disabilities. Social workers and psychologist services that are a part of student

welfare remained within the Education Division, although the responsibility for providing and funding them was transferred to the Social Services, Health Care and Rescue Services Division.

The health and social services reform increased state control. The division was given new tasks and obligations, which it managed to meet well.

Although the division is part of the City of Helsinki, its finances are kept separate from the city's finances. This is because the state funds the social, health care and rescue services required by law. The funding model does not adequately account for Helsinki's specific circumstances, and the funding changes made it difficult to plan and manage operations and finances. Even so, the division's finances are balanced.

Although the division is part of the City of Helsinki, its finances are kept separate from the city's finances. The state funds the social, health care and rescue services required by law.

Millions of customer encounters

The Social Services, Health Care and Rescue Services Division provides services to 675,000 Helsinki residents. The division was able to contribute in many ways to the objectives of the City and Service Strategy: Homelessness decreased. The operational readiness of rescue operations improved. We developed new strategies and strengthened existing ones to support children and young people's experience of wellbeing and safety. Examples

include the Toivo model, children's outreach social work, the Youth Station's services, and the Youth Substance Abuse Service Pysäkki. The Kivikko Health Station successfully eliminated its treatment backlog, older people had faster access to round-the-clock care, and the clients of the Kamppi Family Centre gave the service outstanding ratings.

The division's services recorded millions of customer encounters during 2023. Home care alone accounted for nearly 3.7 million visits and other service interactions.

There were more than 1.5 million visits and other service interactions with health station nurses, while the figure for physician services was almost 600,000. There were more than 160,000 visits to maternity and child health clinics. Psychiatric outpatient care had nearly 240,000 visits and service interactions. Disability Services had 15,000 clients. The Rescue Department had almost 70,000 emergency and rescue missions.

New services and service points

We opened a new rescue station in the district of Konala and a new Mieppi low-threshold mental health service unit in Pasila. A Pysäkki youth substance abuse service point began operating in Herttoniemi. Communication with young clients of child welfare services and family social work became easier thanks to a new instant messaging application. Child welfare services opened a reception facility for intensive inpatient care in Auroranmäki. The division's chatbot Sotebot Hester provided information and assistance around the clock.

The Metsälä Youth Reception Centre, the Hyvönen Children's Home, and the Kontula Rescue Station were under construction and will be completed in 2024. The Laakso Joint Hospital, which is currently under construction, will start operations in 2028.

Plans are underway for new senior centres in Vuosaari, the city centre, and Pohjois-Haaga, as well as for the Kamppi Health and Well-being Centre and the Vuosaari Rescue Station.

Ways to alleviate staff shortages

There is a shortage of social services and health care personnel throughout Finland. An adequate supply of professionals is thus a key issue for the division. There was a shortage of professionals in positions such as practical nurses, nurses, doctors, social workers, public health nurses and social counsellors. There was also a shortage of Swedish-speaking personnel. We sought to address the staff shortages through various measures, including remuneration, influencing the number of students being trained for these positions, working with educational institutions, management and international recruitment.

The salary development programme increased the salaries of nearly 2,000 employees in the division. Approximately 80 employees recruited from abroad started working in the division. During the year, we also introduced an operating model for qualifying nurses holding nursing degrees from outside the EU and EEA. In the autumn, we adopted a code of ethical principles for recruitment from abroad.

We have recruited professionals living in Finland to work for the city by strengthening multilingualism. By developing career paths within the city organisation, we have been able to attract staff to fill positions in areas with labour shortages.

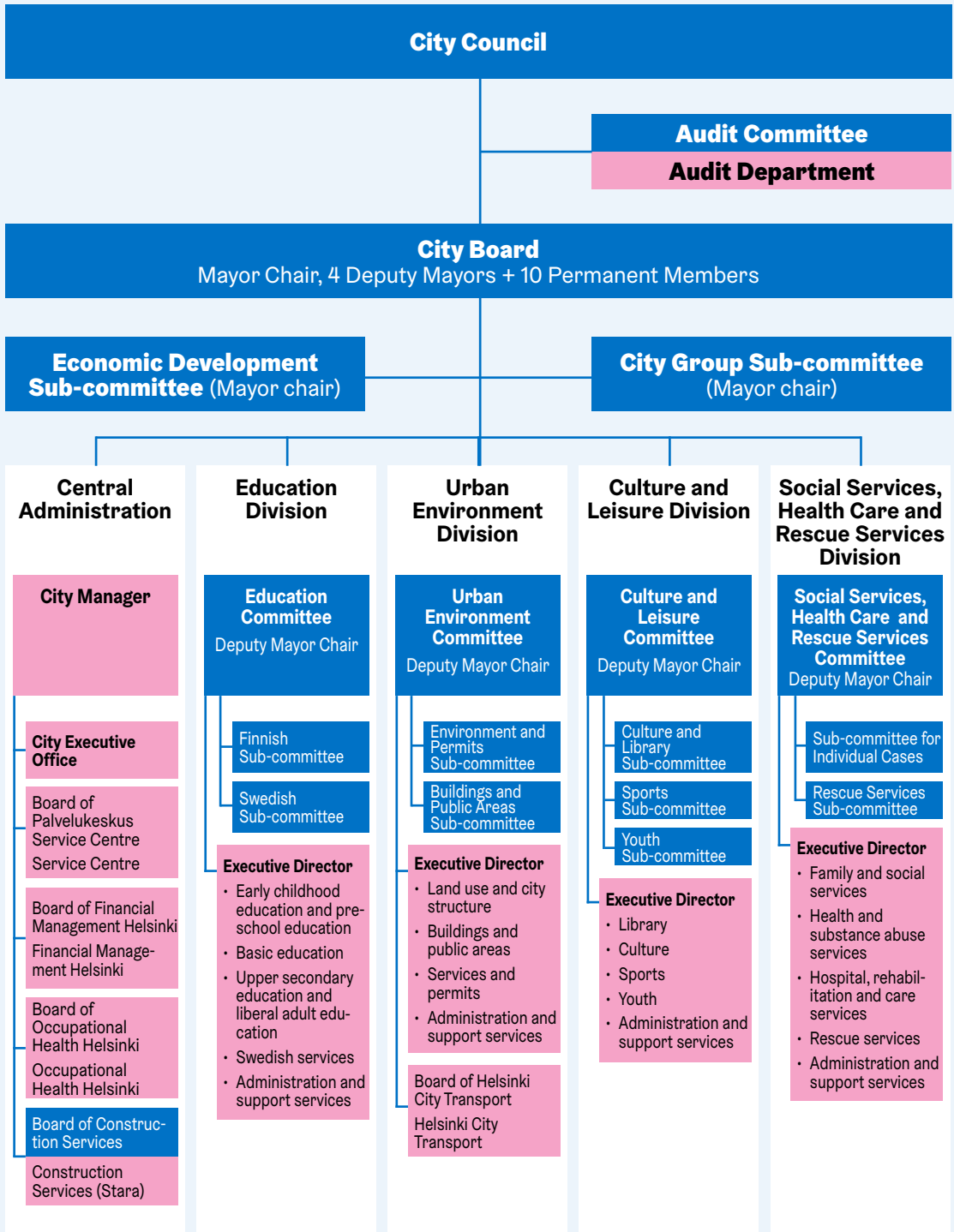
We engaged in systematic cooperation with schools. We increased opportunities for apprenticeship training and started a Swedish-language apprenticeship training programme for practical nurses.

Based on the city's Fiilari employee survey, the Social Services, Health Care and Rescue Services Division's staff feel that the work community is supportive and helpful when needed, and that the meaningfulness of their work is a permanent asset. Most of the personnel also feel that they need new skills in their work, so skills development remains one of the division's priorities.

We developed new operating methods for supporting children and young people's experience of wellbeing and safety.



City of Helsinki Administrative Organisation



Names in use by the City Executive Office's municipal enterprises:
 Pavelukeskus Service Centre Helsinki
 Helsinki City Construction Services (Stara)
 Financial Management Group (Talpa)
 Occupational Health Helsinki

■ Body of Elected Officials
 ■ Public Administration
 jk City Executive Team

Helsinki City Organisation

The City Council, elected in municipal elections, is the highest decision-making body in Helsinki. The Council elects mayors and deputy mayors from among the councillors and deputy councillors for one term at a time.

The Council term is four years. The mayor chairs the City Board. Deputy mayors serve as chairs of the divisional committees and as members of the City Board. The mayor and deputy mayors are full-time elected officials.

The city's Central Administration is led by the City Manager, and each division is led by an Executive Director. The City Manager is the supervisor of the divisions' Executive Directors. The City Manager and the heads of divisions work under the authority of the mayor.

City Manager

Jukka-Pekka Ujula (term started on 11 December 2023)

Tuula Saxholm served as City Manager from 15 October 2023 until Ujula took over.

Sami Sarvilinna (term ended on 14 October 2023)

Executive Director, Education Division

Satu Järvenkallas

Executive Director, Urban Environment Division

Ville Lehmuskoski

Acting Executive Director, Culture and Leisure Division

Kirsi Laine-Hendolin

Executive Director, Social Sciences, Health Care and Rescue Services Division

Juha Jolkkonen



City decision-making

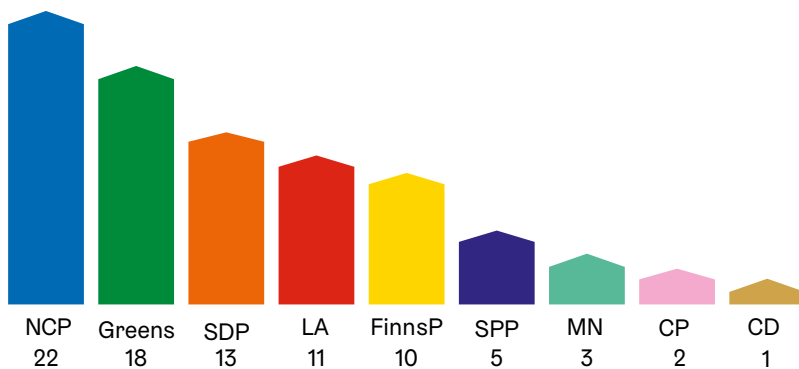
The City Council is Helsinki's highest decision-making body. It is elected through local elections every four years. The current City Council took office on 2 August 2021. The City Council oversees the city's operations and finances. The City Council has 85 members, who represent different political groups. Each group that won council seats in the election has the same number of deputy councillors as they do councillors, but at least two. Thus, there are 86 deputy councillors in Helsinki.

At least two thirds of the councillors must be present at meetings. Decisions require a majority vote of the councillors present. The council met 20 times in 2023. Fatim Diarra (Greens) chaired the council for the first half of 2023. On 14 June 2023, the City Council elected

Reetta Vanhanen (Greens) as her successor. Council meetings are generally held every second Wednesday. Meetings are broadcast live online on the city's video service Helsinki-kanava. Meetings can also be followed on-site in the Council Chambers' public gallery.

The City Board has 15 members and is chaired by the Mayor. Deputy mayors serve as chairs of the divisional committees and as members of the City Board. The mayor and deputy mayors are full-time elected officials. The other members of the City Board are selected from among the councillors and deputy councillors. The City Board has two sub-committees: the City Group Sub-committee and the Economic Development Sub-committee.

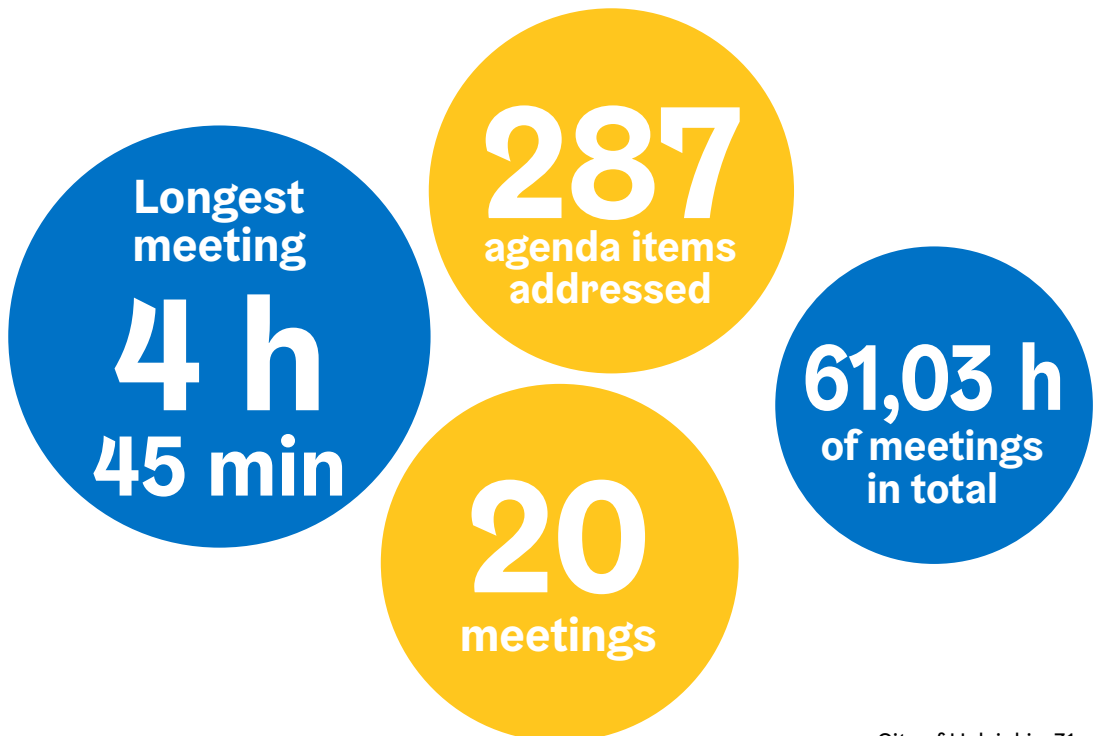
City Council party distribution in 2023



(NCP) National Coalition Party • (Gre) Greens • (SDP) Social Democratic Party • (LA) Left Alliance (PS) Finns Party • (SPP) Swedish People's Party • (MN) Movement Now Helsinki (Cen) Centre Party • (CD) Christian Democrats



City Council meeting details



City Council

City Council elected in the 2021 municipal elections for the 2021-2025 council term.

Chair of the City Council

Reetta Vanhanen (Greens)

I. Deputy Chair

Harry Bogomoloff (NCP)

II. Deputy Chair

Ville Jalovaara (SDP)

National Coalition Party's council group (22)

Harry Bogomoloff
Maaret Castrén
Juha Hakola
Anniina Iskanius
Atte Kaleva
Arja Karhuvaara
Sini Korpinen
Otto Meri
Seija Muurinen
Dani Niskanen
Mia Nygård-Peltola
Matias Pajula
Jenni Pajunen
Pia Pakarinen
Risto Rautava
Sari Sarkomaa
Mirita Saxberg
Daniel Sazonov
Nina Suomalainen
Elina Valtonen
Juhana Vartiainen
Maarit Vierunen*

Greens' council group (18)

Alviina Alametsä
Outi Alanko-Kahiluoto
Fatim Diarra
Atte Harjanne
Mari Holopainen
Shawn Huff
Emma Kari

Otso Kivekäs
Minna Lindgren
Johanna Nuorteva
Maria Ohisalo
Amanda Pasanen*
Tuomas Rantanen
Pekka Sauri
Anni Sinnemäki
Osmo Soininvaara
Reetta Vanhanen
Ozan Yanar

Social Democratic Party's council group (13)

Hilkka Ahde
Mahad Ahmed
Pentti Arajärvi
Elisa Gebhard
Tuula Haatainen
Timo Harakka
Eveliina Heinäluoma*
Ville Jalovaara
Nasima Razmyar
Ilkka Taipale
Erkki Tuomioja
Sinikka Vepsä
Thomas Wallgren

Left Alliance's council group (11)

Paavo Arhinmäki
Mia Haglund*
Titta Hiltunen
Veronika Honkasalo
Elina Kauppila
Mai Kivelä
Minja Koskela
Petra Malin
Sami (Frank) Mutttilainen
Tuomas Nevanlinna
Suldaan Said Ahmed

Finns Party's council group (10)

Jussi Halla-aho
Nuutti Hyttinen*
Pia Kopra
Laura Korpinen
Teija Makkonen
Tom Packalén
Mika Raatikainen
Mari Rantanen
Pirkko Ruohonen-Lerner
Wille Rydman

Swedish People's Party's council group (5)

Eva Biaudet
Silja Borgarsdóttir Sandelin
Nora Grotenfelt
Björn Månsson*
Marcus Rantala

Movement Now Helsinki's council group (3)

Harry Harkimo
Joel Harkimo*
Mikael Jungner

Centre Party's council group (2)

Laura Kolbe
Terhi Peltokorpi*

Christian Democrats' council group (1)

Mika Ebeling *

*Council Group Chair

City Board and Sub-committees

According to the City of Helsinki's Administrative Regulations, with the exception of the mayor and deputy mayors, the City Council elects the other members and deputy members of the City Council and its sub-committees from among the councillors and deputy councillors for a two-year term of office.

In June 2023, the City Council elected the members and deputy members of the City Board, the City Group Sub-committee and the Economic Development Sub-committee.

City Board for the term that began in June 2023

Mayor Juhana Vartiainen (NCP), Chair
Anni Sinnemäki (Greens) 1. Deputy Chair
Johanna Laisaari (SDP) 2. Deputy Chair

Regular members

Juhana Vartiainen
Mayor

Anni Sinnemäki
Deputy Mayor of the Urban Environment Division

Johanna Laisaari
Deputy Mayor of the Education Division

Daniel Sazonov
Deputy Mayor of the Social Services, Health Care and Rescue Services Division

Paavo Arhinmäki
Deputy Mayor of the Culture and Leisure Division

Sari Sarkomaa
Anniina Iskanius
Maarit Vierunen
Shawn Huff
Tuomas Rantanen
Minna Lindgren
Elisa Gebhard
Minja Koskela
Mika Raatikainen
Marcus Rantala

NCP

Greens

SDP

NCP

Left Alliance

NCP

NCP

NCP

Greens

Greens

Greens

SDP

Left Alliance

Finns Party

SFP

Personal deputy members

Pia Pakarinen

Ozan Yanar

Lauri Muranen

Jenni Pajunen

Mia Haglund

Otto Meri

Juha Hakola

Matias Pajula

Johanna Nuorteva

Suvi Pulkkinen

Kasper Kivistö

Tuulia Pitkänen

Titta Hiltunen

Laura Korpinen

Silja Borgarsdóttir Sandelin

Rapporteur for the City Board: City Manager Jukka-Pekka Ujula

City Group Sub-committee

The Sub-committee supervises the activities of foundations and subsidiaries.

The City Group Sub-committee for the term that began in June 2023

Chair Juhana Vartiainen (NCP)

Deputy Chair Tuomas Rantanen (Greens)

Regular members

Juhana Vartiainen
Pia Pakarinen
Jenni Pajunen
Tuomas Rantanen
Anni Sinnemäki
Tuulia Pitkänen
Lauri Muranen
Titta Hiltunen
Mika Raatikainen

Personal deputy members

NCP	Daniel Sazonov
NCP	Juha Hakola
NCP	Maarit Vierunen
Greens	Johanna Nuorteva
Greens	Kasper Kivistö
SDP	Johanna Laisaari
SDP	Elisa Gebhard
Left Alliance	Paavo Arhinmäki
Finns Party	Laura Korpinen

Rapporteur: City Manager Jukka-Pekka Ujula

Economic Development Sub-committee

The Sub-committee steers the city's economic, competitiveness, immigration and employment policies.

The Economic Development Sub-committee for the term that began in June 2023

Chair Juhana Vartiainen (NCP)

Deputy Chair Suvi Pulkkinen (Greens)

Regular members

Juhana Vartiainen
Pia Pakarinen
Matias Pajula
Suvi Pulkkinen
Kasper Kivistö
Lauri Muranen
Minja Koskela
Laura Korpinen
Marcus Rantala

Personal deputy members

NCP	Daniel Sazonov
NCP	Otto Meri
NCP	Jenni Pajunen
Greens	Minna Lindgren
Greens	Shawn Huff
SDP	Johanna Laisaari
Left Alliance	Paavo Arhinmäki
Finns Party	Mika Raatikainen
SFP	Silja Borgarsdóttir Sandelin

Rapporteur: Director of Economic Development Marja-Leena Rinkineva

Committees and Boards

Each of the four divisions has a 13-member Committee and 1–3 subcommittees. In addition, there are boards for the municipal enterprises that operate under the Central Administration and the Divisions.

Education Division

Education Committee

- the Finnish Subcommittee
- the Swedish Subcommittee

Urban Environment Division

Urban Environment Committee

- Environment and Permits Subcommittee
- Buildings and Public Areas Subcommittee
- Rescue Committee

Culture and Leisure Division

Culture and Leisure Committee

- Culture and Libraries Subcommittee

- Sports Subcommittee
- Youth Subcommittee

Social Services, Health Care and Rescue Services Committee

Rescue Services Subcommittee

Subcommittee for Individual Cases

Boards of the municipal enterprises

Board of Palvelukeskus Service Centre

Board of Financial Management Services

Board of Occupational Health Helsinki

Board of Stara Construction Services

Board of Helsinki City Transport

Others

Audit Committee

Central Municipal Election Central Committee
(meets during elections)



About Helsinki

Founded in 1550

Finnish capital since 1812

Area and environment



Total area
719 km²



Shoreline
131 km



Land area
217 km²



Islands
327



Population density
3,108/inhabitants per sq. km

Average temperatures 2023

Whole year



Warmest month,
August



Coldest month,
February

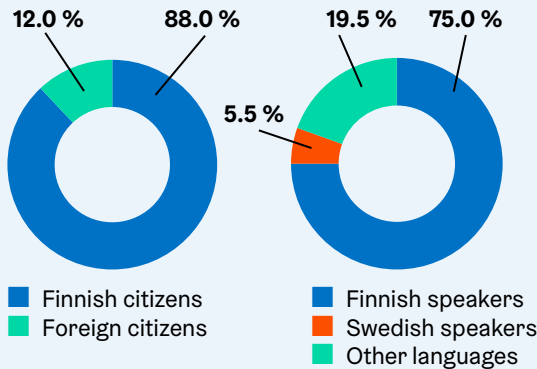


Population

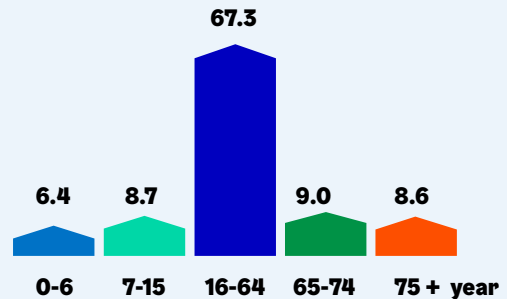
Population on 31 Dec 2023

674,500

(Official, Statistics Finland figure. 31 Dec. 2023)



Age distribution, %



Life expectancy

81.1

Men

78.3

Women

83.6

Housing

Total housing units

387,053



Owner-occupied housing

41.2 %



Residential space, m²/person

34.6 m²



City-owned rental units

50,000

(Rental units owned by Heka)

Labour market	
Jobs in 2023	474,200
– primary production, %	0.1
– processing, %	10.5
– services in total, %	88.5
– other or unknown, %	0.9
Market services, %	62.3
Public administration, welfare services, %	26.1
Total companies in 2022 (Business locations)	81,143
Labour force (15–74 years) 2022	
• employed	357,137
• unemployed	25,170
Labour force participation rate, %	74.1
Unemployment rate, % (Source: Statistics Finland's Labour Force Survey)	6.6
Transport	
Registered cars per 1,000 inhabitants	510
Public transport within the city, total journeys, million	170
Mobile phones, per 100 inhabitants (in Finland)	170
Internet users' (16–89 years) share of population, %	95
Energy and water supply	
Electricity sales, GWh	4,799
District heat sales, GWh	6,765
Water sales (Helsinki Metropolitan Area), million m ³	75.3
Daily water consumption per capita (metropolitan area), litres	220
Treated wastewater volume, million m ³	98
Education	
Children in early childhood education per 100 1–6 year-olds (includes municipal daycare centres, family daycare centres and contract daycare centres)	81
Educational structure, % of 15-year-olds and older with	
• at most, a basic education certificate	23
• upper secondary degree	32
• higher education degree	45
Education institutions in Helsinki	
• Universities	3
• Universities of Applied Sciences	6
• Vocational institutions	15
• Comprehensive and upper secondary schools	137

Culture and leisure	
City Library	
• Loans, in millions of units	8.8
• Loans per capita	13.2
Museums	52
Outdoor paths and fitness trails, km	552
Swimming pools	16
Indoor sports facilities	812
Tourism	
Passengers, millions	
• via the Helsinki Airport	10
• via the Port of Helsinki	8
Via Helsinki's Central Railway Station	
• long-distance transport	5
Local transport	60
Passengers arriving at hotels, millions	2.2
• total overnight stays	3.5
• of which foreigners	1.5
Hotels	71
• rooms	13,266
• beds	26,328
International conferences and events	202
• participants	38,695
Social Services and Health Care 2023	
City health stations	21
Primary health care*:	
Primary care visits, total, millions	
• health station visits, etc., million, total per capita	6.9
Average number in inpatient care daily patients	598
• in contract hospitals	0
Specialist medical care:	
Total outpatient visits, million	1.2
• in contract clinics, million	0.8
Average number in inpatient care	
• in the city's units	153
• total per 1,000 inhabitants	761
Service home placements available to older adults**	3,569
• institutional care placements	970

*The figures for visits to health stations include outpatient healthcare, health centre emergency care, home care and other outpatient visits, and telemedicine sessions that replace in-person visits and other treatment arrangements. Home care figures also include outsourced service visits and other substitute care arrangements.

**Calculated number of places.

Personnel

At the end of 2023, the city employed a total of 37,559 people. The figure includes permanent and fixed-term employees, trainees and apprenticeship positions.

The City of Helsinki's salary development programme, implemented for the fifth time, raised the salaries of 7,500 people. The salary development programme aims to improve the availability of skilled personnel in the professional groups where the city faces challenges in terms of salary competitiveness.

In addition, the programme focused especially on employee groups with lower salaries. The salary development programme increases employee salaries in addition to increases under collective bargaining agreements. The employee groups receiving pay increases vary from year to year.

Persistent staff shortages continued to be a significant factor in the city's operations. Measures to tackle staff shortages include

recruiting from abroad to fill positions in the fields most affected by labour shortages, redirecting skilled workers in Finland to city positions, strengthening multilingualism in the city organisation and strengthening internal pathways to jobs in the sectors with labour shortages.

According to the Fiilari employee survey conducted in the autumn, 75 per cent of the respondents would recommend Helsinki as an employer to friends, while in the previous year's Kunta10 survey, that figure was 64 per cent. There was also a decrease in the willingness of respondents to find new employment.

By the end of 2023, the City of Helsinki's salary costs were EUR 1,622 million, which was about 5.1 per cent more than in 2022. This was due to factors such as the general salary increase in accordance with national collective agreements and the salary development programme.



Number of city employees in 2023

	Permanent		Fixed-term staff, trainees and apprentices		Total (excluding employed)		Change
	2023	2022	2023	2022	2023	2022	2022-23
Central Administration	3,649	3,704	658	610	4,307	4,314	-7
City Executive Office	619	677	290	290	909	967	-58
Palvelukeskus Service Centre	1,462	1,460	91	80	1,553	1,540	13
Stara Construction Services	1,103	1,133	126	118	1,229	1,251	-22
Financial Management Services	346	314	133	111	479	425	54
Audit Department	16	17	0	0	16	17	-1
Occupational Health Helsinki	103	103	18	11	121	114	7
Education Division	9,391	9,036	5,410	5,288	14,801	14,324	477
Urban Environment Division	1,516	2,183	182	213	1,698	2,396	-698
Rescue Services	-	762	-	15	-	777	-
Urban Environment Division	1,516	1,421	180	196	1,696	1,617	79
Helsinki City Transport			2	2	2	2	0
Culture and Leisure Division	1,430	1,452	411	409	1,841	1,861	-20
Social Services, Health Care and Rescue Services Division	11,215	10,181	3,697	3,732	14,912	13,913	999
Social Services and Health Care Division	10,494	10,181	3,663	3,732	14,157	13,913	244
Rescue Services	721	-	31	-	752	-	-
Total in 2023	27,201	26,556	10,358	10,252	37,559	36,808	751

Official number of staff on 31 December 2023.

On 1 January 2023, Rescue Services transferred from the Urban Environment Division to the Social Services and Health Care Division.

City of Helsinki's financial statements for 2023

Helsinki's investment expenditure increased – investments in service facilities and urban structure

The City of Helsinki is divided into the state-funded Social Services, Health Care and Rescue Division and Municipal Helsinki, which includes the Education, Culture and Leisure, and Urban Environment Divisions, the City Executive Office, and municipal enterprises. Helsinki has prepared separate financial statements for Municipal Helsinki, the Social Services, Health Care and Rescue Division, and the entire City of Helsinki.

According to the 2023 financial statements, Municipal Helsinki's finances turned out slightly better than was budgeted. The result for the accounting period was EUR 437 million, EUR 13 million above target. In 2022, the result was EUR 347 million. The municipal and corporate taxes from 2022, which were paid at a higher tax rate and share due to the deferred tax impacts of the health and social services reform, which increased tax revenue by EUR 222 million. Without the deferred tax revenue, the result for 2023 would have been slightly lower than in previous years. The impact of the 2022 tax rates will be eliminated from 2024 onwards.

In 2023, tax revenues totalled EUR 2,038 million. Municipal tax payments amounted to EUR 1,192 million, EUR 52 million more than estimated in the budget. This difference was due to better-than-expected growth in earned income, in addition to the deferred tax revenue. As a result of the health and social services reform, municipal tax revenue decreased by 61 per cent compared to 2022.

Population growth requires investment

In 2023, the population of Helsinki grew strongly. At the end of 2023, the population was almost 675,000, well over 10,000 more than a year earlier. Population growth means building new schools and daycare centres, as well as improving public transport and street infrastructure.

Municipal Helsinki invested a total of EUR 849 million. Helsinki invested EUR 289 million in housing construction projects, EUR 144 million in major transport projects and EUR 92 million in streets and transport routes. Helsinki also invested heavily through its subsidiaries. When we include the public transport investments of Metropolitan Area Transport Ltd, the comparable investment level for 2023 increases to approximately EUR 1,035 million.

Helsinki must use tax revenues and other sources of income to finance the cost of its services, as well as its investments. Investments were almost entirely covered by internal financing. The cash flow from operating and investment activities, a key indicator of financial balance in a growing city, was balanced, at EUR

23 million. Municipal Helsinki's outstanding loans did not increase in 2023, but borrowing needs were postponed to 2024.

Finances better than predicted at Social Services, Health Care and Rescue Division

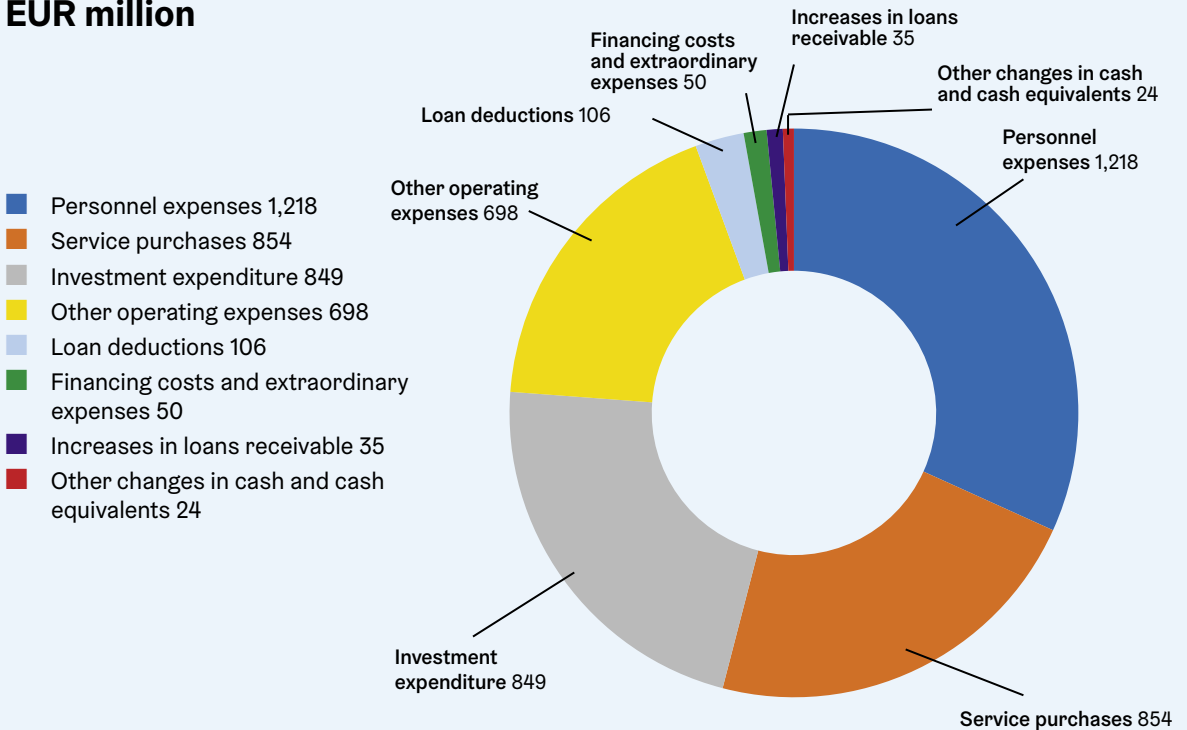
Financial results at the state-funded Social Services, Health Care and Rescue Division were better than forecast. The division's income was EUR 43 million, which was better than expected in the budget due to increased customer fees, startup grants from the Ministry of Finance, and increased services provided to Municipal Helsinki.

The operating expenses of the Social Services, Health Care and Rescue Division were exceeded by a total of EUR 32 million, and the operating margin was EUR -2,569 million. The division received EUR 2,601 million in government transfers to the wellbeing services counties. The annual margin was EUR 40 million, and the profit was EUR 29 million.

Expenditure

EUR million

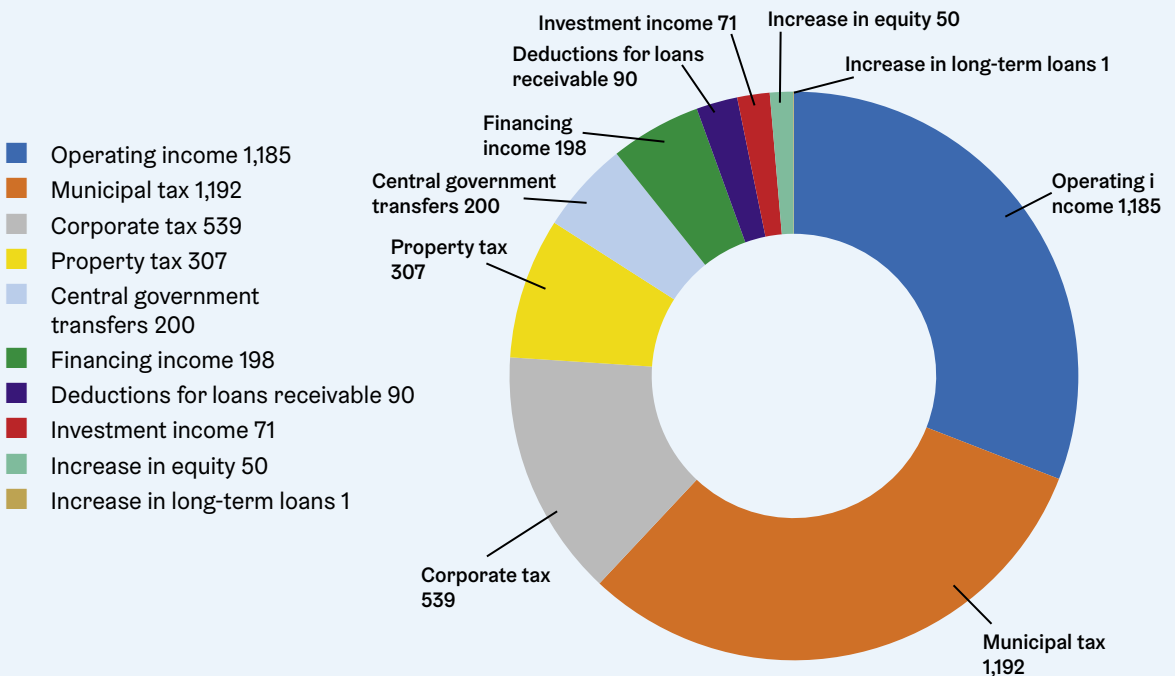
Total Municipal Helsinki expenditure EUR 3 834 million



Income

EUR million

Total Municipal Helsinki income EUR 3 834 million



City Group

In the 2023 financial statements, the City of Helsinki's finances are also reported for the groups in three parts: Helsinki City Group, the Municipal Helsinki Group, and the state-funded Social Services, Health Care and Rescue Division Group. Comparing the consolidated financial statements with previous years is only possible using the key figures describing the financial balance of the Helsinki City Group's income and cash flow statements.

The Helsinki City Group's profit for 2023 was approximately EUR 457 million. The result improved from 2022 by approximately EUR 6 million. In 2023, the cash flow from operations and investments resulted in a deficit of EUR -553 million, which was EUR 118 million better than in 2022. The energy company Helen Group's high level of investment in 2023 and 2022 significantly impacted the cash flow deficit in the City Group's financial statements for operations and investments.

The Municipal Helsinki Group's profit in 2023 was approximately EUR 427 million. Of the subsidiaries, the Helen Group's result weakened from 2022, and the results of housing companies Helsingin kaupungin asunnot Oy (Heka) and Helsinki Asumisoikeus Oy also weakened due to increased interest rates, falling to negative levels in 2023. The Municipal Helsinki Group's investments in 2023 amounted to EUR 2,187 million, of which Municipal Helsinki's share was EUR 849 million.

The result of the Social Services, Health Care and Rescue Division Group for 2023 was EUR 30 million. The figures in the consolidated financial statements of the Social Services, Health Care and Rescue Division are affected not only by the division itself but also mainly by the figures in the income and cash flow statements of the health care network HUS Group.



Key indicators from the 2023 financial statements

	Group		City	
	2023	2022	2023	2022
Income statement key indicators				
Operating income as percentage of operating expenses	59.6	61.2	<i>Income and financial statement key figures should be reviewed separately using Municipal Helsinki and key figures from Social Services, Health Care and Rescue Services Division.</i>	
Annual contribution margin, EUR million	1,482	1,360		
Annual contribution margin, EUR/resident	2,196	2,049		
Cash flow statement key indicators				
Debt-service coverage ratio	3.1	3.9		
Cash sufficiency, days	52	60	66	77
Balance sheet key indicators				
Relative indebtedness, %	95.7	93.6	39.6	45.3
Accumulated surplus (deficit), EUR million	7,456	6,967	7,733	7,215
Accumulated surplus (deficit), EUR per capita	11,047	10,492	11,457	10,865
Outstanding loans on 31 Dec., EUR million	7,412	6,516	906	951
Loans, EUR per capita	10,981	9,813	1,342	1,432
Loans and lease liabilities on 31 Dec., EUR million	8,577	7,557	1,559	1,561
Loans and lease liabilities, EUR per capita	12,708	11,380	2,309	2,351
Loans receivable on 31 Dec., EUR million	498	525	2,263	2,318
City Group's loans receivable on 31 Dec., EUR per capita	739	790

Key indicators from the 2023 financial statements

	Municipa Helsinki 2023	Helsinki 2022
Income statement key indicators		
Operating income as percentage of operating expenses	42.8	23.3
Annual contribution margin, EUR million	815	733
Annual contribution margin, EUR per capita	1,207	1,104
Cash flow statement key indicators		
Debt-service coverage ratio	10.2	8.1
Internal financing of investments, %	98.6	96.6 *

* Internal financing of investments as % without HKL's incorporation in 2022

	Social Services, Health Care and Rescue Services Division 2023
Income statement key indicators	
Operating income as percentage of operating expenses	8.2
Annual contribution margin, EUR million	40
Annual contribution margin, EUR per capita	59

Municipal Helsinki's income statement

EUR million

	1 Jan – 31 Dec 2023
Operating income	1,309.1
Operating expenses	-2,894.4
Operating margin	-1,585.3
Tax revenues	2,038.3
Central government transfers	200.2
Financing income and expenses	161.4
Annual contribution margin	814.6
Depreciations and impairments	-364.9
Extraordinary items	-13.0
Result for the accounting period	436.7
Changes in reserves and funds	1.4
Surplus (deficit) for the accounting period	438.2

Municipal Helsinki's cash flow statement

EUR million

	1 Jan – 31 Dec 2023
Operating cash flow	
Annual contribution margin	814.6
Extraordinary items	-13.0
Adjustments to internal financing	-18.3
Cash flow from investments	
Investment expenditure	-849.2
Contributions to investment expenditure	23.4
Proceeds from the disposal of non-current assets	65.6
Cash flow from operations and investments	23.2
Cash flow from financing	
Changes in lending	
Increase in loans receivable	-34.9
Decrease in loans receivable	90.0
Changes in outstanding loans	
Increase in long-term loans	1.4
Repayment of long-term loans	-46.6
Changes in short-term loans	-59.8
Changes in equity	-0.7
Other liquidity changes	
Change in current assets	-6.5
Change in receivables	-188.8
Change in non-interest-bearing debt	-44.0
Cash flow from financing	-289.9
Impact on liquidity	-266.8

Municipal Helsinki's balance sheet

EUR million

ASSETS	31 Dec 2023
Fixed assets	
Non-current assets	89.0
Intangible assets	8,480.6
Tangible assets	5,654.0
Investments	639.4
Funds for assignments	
Current assets	45.2
Receivables	755.0
Financial securities	1,086.3
Cash and cash equivalents	52.3
TOTAL ASSETS	16,801.8
LIABILITIES	31 Dec 2023
Equity	
Initial capital	2,912.3
Funds	2,444.0
Other equity	729.0
Surplus/deficit from previous accounting periods (-)	7,266.0
Surplus/deficit for the current accounting period (-)	438.2
DEPRECIATION DIFFERENCE AND VOLUNTARY PROVISIONS	47.7
MANDATORY PROVISIONS	59.2
CAPITAL FOR ASSIGNMENTS	639.4
LIABILITIES	
Long-term	859.3
Short-term	1,406.6
TOTAL LIABILITIES	16,801.8

Social Services, Health Care and Rescue Services Division's income statement

EUR million

	1 Jan – 31 Dec 2023
Operating income	230.9
Operating expenses	-2,800.3
Operating margin	-2,569.4
State funding	2,600.9
Financing income and expenses	8.6
Annual contribution margin	40.1
Depreciations and impairments	-11.1
Result for the accounting period	29.0
Surplus (deficit) for the accounting period	29.0

Social Services, Health Care and Rescue Services Division's cash flow statement

EUR million

	1 Jan – 31 Dec 2023
Operating cash flow	
Annual contribution margin	40.1
Adjustments to internal financing	39.7
Cash flow from investments	
Investment expenditure	-12.7
Contributions to investment expenditure	0.4
Proceeds from the disposal of non-current assets	0.0
Cash flow from operations and investments	67.6
Cash flow from financing	
Changes in lending	
Increases in loans receivable	-0.6
Decreases in loans receivable	0.1
Changes in equity	1.4
Other liquidity changes	
Change in current assets	-0.0
Change in receivables	9.5
Change in non-interest-bearing debt	-78.0
Cash flow from financing	-67.7
Impact on liquidity	-0.1

Social Services, Health Care and Rescue Division balance sheet

EUR million

ASSETS	31 Dec 2023
NON-CURRENT ASSETS	
Intangible assets	0.5
Tangible assets	24.9
Investments	157.1
FUNDS FOR ASSIGNMENTS	19.0
CURRENT ASSETS	
Current assets	1.4
Receivables	280.6
Cash and cash equivalents	0.2
TOTAL ASSETS	483.7
LIABILITIES	31 Dec 2023
EQUITY	
Initial capital	102.6
Surplus/deficit for the accounting period (-)	29.0
MANDATORY PROVISIONS	39.7
CAPITAL FOR ASSIGNMENTS	19.0
DEBTS	293.3
TOTAL LIABILITIES	483.7

Consolidated income statement

EUR million

	1 Jan – 31 Dec 2023	1 Jan – 31 Dec 2022
Operating revenue	4,862.2	4,846.8
Operating costs	-8,154.6	-7,915.2
Share of profits/losses from associated companies (-)	-1.1	-13.3
Operating margin	-3,293.6	-3,081.6
Tax revenues	2,020.1	4,091.6
Central government transfers	2,801.8	378.4
Financing income and expenses	-46.3	-28.1
Annual contribution margin	1,482.0	1,360.3
Depreciations and impairments	-1,025.5	-911.3
Extraordinary items	0.3	2.1
Result for the accounting period	456.8	451.1
Accounting transfers and taxes	-16.1	-20.6
Surplus (deficit) for the accounting period	440.7	430.5

City Group's consolidated cash flow statement

EUR million

	1 Jan – 31 Dec 2023	1 Jan – 31 Dec 2022
Operating cash flow		
Annual contribution margin	1,482.0	1,60.3
Extraordinary items	0.3	2.1
Taxes for the accounting period	-18.3	-19.6
Adjustments to internal financing	-100.5	-69.9
Cash flow from investments		
Investment expenditure	-2,286.9	-2,704.6
Contributions to investment expenditure	29.2	61.6
Proceeds from the disposal of non-current assets	336.9	699.0
Cash flow from operations and investments	-557.3	-671.1
Cash flow from financing		
Changes in lending		
Increase in loans receivable	-16.5	-47.3
Decrease in loans receivable	9.4	10.8
Changes in outstanding loans		
Increase in long-term loans	1,306.4	904.2
Repayment of long-term loans	-359.9	-307.2
Changes in short-term loans	-59.6	28.6
Changes in equity	0.7	-1.5
Other liquidity changes	-563.3	312.8
Cash flow from financing	317.3	900.3
Impact on liquidity	-240.0	229.2

City Group's consolidated balance sheet

EUR million

ASSETS	31 Dec 2023	31 Dec 2022
Non-current assets		
Intangible assets		
Intangible assets	390.5	473.4
Tangible assets	19,129.4	18,068.7
Investments	1,417.7	1,405.8
Funds for assignments	652.5	592.7
Current assets		
Current assets	190.0	305.7
Receivables	1,228.5	853.0
Financial securities	1,207.4	977.0
Cash and cash equivalents	360.1	830.6
TOTAL ASSETS	24,576.2	23,506.8
LIABILITIES	31 Dec 2023	31 Dec 2022
Equity		
Initial capital	3,023.9	2,981.5
Funds	3,666.1	2,972.6
Other equity	3.2	734.1
Surplus/deficit from previous accounting periods (-)	7,015.3	6,536.6
Surplus/deficit for the current accounting period (-)	440.7	430.5
Minority shares	287.4	313.5
Mandatory provisions	105.7	98.4
Capital for assignments	681.8	630.5
Liabilities		
Long-term	7,293.3	6,214.6
Short-term	2,058.7	2,594.4
TOTAL LIABILITIES	24,576.2	23,506.8



Calculation formulas for the key indicators

Operating revenue, per cent of operating expenses

= 100 x operating revenue / (operating expenses – production for own use)

Annual contribution margin, per cent of depreciations

= 100 x annual contribution margin / (depreciations + reduction in value)

Annual contribution margin, EUR per capita

= Annual contribution margin / population 31 December

Internal financing of investments, per cent

= 100 x annual contribution margin / internal investment acquisition expenses

Debt-service coverage ratio

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

Cash sufficiency (days)

= 365 + liquid assets 31 Dec. / payments from cash during the accounting period

Equity ratio, per cent

= 100 x (capital and reserves + depreciation difference and voluntary provisions) / (total liabilities – advances received)

Relative indebtedness, per cent

= 100 x (liabilities – advances received) / (operating revenue + tax revenue + central government transfers to local government)

Surplus/deficit accumulation

= surplus/deficit from previous accounting periods + surplus/deficit for the accounting period

Surplus/deficit accumulation, EUR per capita

= (surplus/deficit from previous accounting periods + surplus/deficit for the accounting period) / population 31 Dec.

Total loans 31 Dec., EUR million

= liabilities – (advances received + accounts payable + accrued expenses and deferred income + other debts)

Loans, EUR per capita

= total loans 31 Dec. / population 31 Dec.

Loans and lease liabilities 31 Dec.

= liabilities – (advances received + accounts payable + accrued expenses and deferred income + other debts) + lease liabilities

Loans and lease liabilities 31 Dec., EUR per capita

= loans and lease liabilities / population 31 Dec.

Loan receivables 31 Dec.

= debenture bond receivables and other loan receivables

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