

Annual Report



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Mayor's foreword

Dear Reader,

Helsinki is one of Europe's fastest growing and developing metropolises. Population growth is forecast to prevail strong in the future as well. Helsinki's historic boom in construction at record-breaking levels coincides with a challenging time period both economically and in terms of global affairs.

Helsinki is achieving its goals in balancing the City economy in accordance with the strategy programme. During the past Council term, the City's level of expenditure was dictated by the one per cent goal for productivity growth, by changes in cost levels and by population growth. Increase in long-term loans was slowed during the strategy term with an investment ceiling as well as by financing a larger share of investments with income financing and with income from sales of fixed assets.

The total population of the Helsinki region is estimated to reach nearly two million by 2050. The new City Plan, a long-term land use plan, approved in the autumn lays out provisions for the challenges posed by growth. An emphasis on Helsinki's maritime nature strengthens the city's identity and appeal. An increasing number of Helsinki residents will be able to enjoy the sea as new waterfront districts are completed. The fortress islands of Vallisaari and Kuninkaansaari were opened to the public in the spring and became an immediate success. Recent surveys show that nutrient loads to the Baltic Sea have been reduced and that the weakening of the ecological state of the sea has been stopped through joint activities by diverse actors.

The year was marked by preparations for a new organizational structure adopted at the beginning of June 2017, complementing a reform of the governance system. In the new

organization, the departmental organizational structure is replaced by four sectors and the central administration. The objectives of the reforms are to reflect the results of municipal elections more directly in governance, to strengthen participation and democratic decision-making and to improve resident-orientation and productivity.

The organizational reform is complemented with the development of a new model for participation and interaction. This development involves models for local participation, interaction, participatory budgeting and voluntary work. Furthermore, City of Helsinki spaces are opened for use by various actors. The expanding city serves as a test platform in which a maximum number of actors can utilize open data and functional services. The city as a platform offers a growing number of people opportunities to make Helsinki a better place to live and work.

For tourists, Helsinki is a stimulating city destination, which draws its appeal from a combination of urban culture and nature. In 2016 Helsinki recorded 3,580,000 overnights, which shows a 3 per cent increase over the previous year. Helsinki Airport recorded the record number of 17 million passengers. The popularity of sea travel has grown continuously for close to ten years. Especially the Helsinki-Tallinn route sees constantly growing numbers of work-related passengers, and more and more tourists come from the Far East. The port of Helsinki is the busiest passenger port in the Baltic Sea region and continental Europe.

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

Jussi Pajunen
Mayor



Mayor Jussi Pajunen

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

Key figures of Mayor’s scope of operations

Operating income, EUR million.....	25.2
Operating expenses, EUR million.....	194.9
Operating expenses per resident, EUR.....	306.8
Personnel	1,025
Share of total personnel, %.....	2.7

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

Financial Management Services (406)	28.1
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Departments*

City Executive Office (602)
 Audit Department (17)

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

Mayor's scope of operations

The Mayor's scope of operations was marked by preparations and provisions for reforms. In addition to provisions for the upcoming national reforms of social services, health care and regional administration, a key theme of the operations was preparations for a new City governance system and a restructuring of the City organization. The City Council approved in June the proposed changes to the governance system and a shift to a new organizational model as of 1 June 2017.

Many other significant decisions were made in the course of the year with far-reaching impacts on the city's development and future. The decision with the biggest impact is likely to be the one on the new City Plan, that is, a strategic long-term plan for land use, approved by the City Council in October. Significant decisions affecting the development of public transport included the approvals of project plans for the Raide-Jokeri east-west rail line and the Crown Bridges (Kruunusillat) project.

Year 2016 turned out more positive than expected in the City economy. The City's operating margin was better than projected in the City budget, tax income grew faster than expected, and income from the sales of property was higher than expected. Cash flow from City operations and investments was positive by EUR 159 million, which enabled the City to reduce its loan stock. A ceiling on growth in operating expenses defined in the City strategy has proven to be a successful means to control expenditure growth. This ceiling has helped to contain growth in expenses during the current strategy period and thus helped to balance the City economy.

City continued to grow

Helsinki's population grew by 7,400 and was 635,181 at year-end, according to preliminary

information published by Urban Facts. Foreign-born residents represent 14.6 per cent of the total Helsinki population. Swedish-speakers represent close to 5 per cent of the total.

The number of jobs in Helsinki was 421,500. The number of employed persons increased by nearly 3 per cent from the previous year, but the number of unemployed persons also increased throughout the year. The unemployment rate was 12.4 per cent.

One city

The objective of Helsinki's marketing and communication activities has been to help the city to recognize its strengths as an original city enriched by contrasts. The activities help Helsinki to develop its strengths and to find a uniform manner of talking about the city and its services. The City of Helsinki's digital channels of communication have been developed into more unified services that reach customers better than before. The City has markedly strengthened its presence on social media.

The interest of Helsinki residents in the affairs of their city was reflected by the feedback submitted into the City of Helsinki's new feedback system, comprising more than 56,000 messages. The utilization of the feedback material in City operations was developed and studied with various experiments.

The number of convention guests welcomed by Helsinki, more than 60,000, broke an all-time record. Helsinki continues to be one of the world's most popular convention cities. Helsinki received a great deal of favourable attention in the international media as a tourism destination, and the city ranked high in several international surveys measuring the quality of life in cities, wellbeing, competitiveness and entrepreneurial conditions. One of the positive surprises of the year was an international



recognition conferred to the Helsinki website: a survey conducted by Rutgers University of the United States placed Hel.fi in second place among the websites of metropolises worldwide and in first place in Europe.

Busy construction

Helsinki's historic construction boom continued. The number of homes completed was 4,395, and more than 5,000 homes went under construction. Significant construction projects about to be completed or under construction were the Helsinki Central Library, Maunula House and a new campus for the Metropolia University of Applied Sciences.

New organizational structure

The governance system reform has a major impact on the City of Helsinki's administrative structure. The reform in the organization of elected officials and officeholders is the main organizational restructuring in the City in recent decades. As of the beginning of June, Helsinki is led by a Mayor and four Deputy Mayors elected by the City Council from among its members.

The year saw several decisions with far-reaching impacts on the future.

The reform of the governance system proceeds side by side with preparations for a new participation model appropriate for Helsinki. The opportunities of young people to participate and influence decision-making were expanded in 2016, as initiatives made by them were for the first time presented to the City Council in the same manner as initiatives made by other city residents.

Land use, housing and transport

The MAL agreement on land use, housing and transport policies for 2016–2019 signed by the municipalities of the Helsinki region and the Finnish Government states that integrated planning in the region will be conducted on the basis of previous plans. The objective of the regional MAL 2016 planning round is to concretize the plans. The MAL programme was approved in November by the Helsinki Region Cooperation Assembly.

A growth agreement for 2016–2019 was approved by the Finnish Government and the cities of the Helsinki metropolitan area and Lahti. The objective of this agreement is to develop the cities covered by the agreement into a pioneering region for smart and clean solutions. A new metropolitan foundation, Smart & Clean Foundation, was established for the implementation and promotion of this objective by the parties to the agreement.

A separate solution to growth services

The Helsinki metropolitan area is an urban concentration that differs from the rest of the country in terms of its conditions and needs. The cities of the metropolitan area proposed a solution to the reform of social services, health care and regional administration differing from the solution for the rest of the country, but the Government did not perceive grounds for a separate solution in terms of social services and health care. Nevertheless, the Government announced its willingness to negotiate with the cities on a separate solution to the organization of the metropolitan area's employment, economic development and immigration services, that is, the so-called growth services. The cities launched joint preparations concerning growth services in late 2016. Preliminary work on the reform of social services, health care and regional administration went underway in the Uusimaa Region under the management of the Helsinki-Uusimaa Regional Council.



Deputy Mayor Pekka Sauri

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

Key figures of public works and environmental affairs

Operating income, EUR million.....	319.7
Operating expenses, EUR million.....	599.5
Operating expenses per resident, EUR.....	943.8
Personnel (incl. municipal enterprises).....	5,422
Share of total personnel, %.....	14.2

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

Helsinki City Transport (HKL) (1,156).....	160.4
Palmia (1,463).....	96.5

Departments*

Environment Centre (157)
Helsinki Wholesale Food Market (35)
Procurement Centre (51)
Public Works Department (462)
Rescue Department (681)
Stara construction services (1,417)

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

Public works and environmental affairs

A plan for the Raide-Jokeri rail project was approved in 2016. The cost estimate of the project is EUR 275 million. Raide-Jokeri is a regional east-west light rail line from Helsinki's Itäkeskus to Espoo's Keilaniemi to replace the regional bus line 550. The rail project will be managed by Helsinki City Transport and carried out jointly by Helsinki, Espoo and Helsinki Region Transport. A project plan for 29 new two-way light rail cars for Raide-Jokeri was approved.

A project plan for a tram line from the Helsinki city centre to Laajasalo was also approved. The cost estimate of this Crown Bridges (Kruunusillat) project is EUR 269 million. Tram service on the line is scheduled to begin in 2026.

The procurement of new M300-series metro trains and Artic tram cars proceeded. By year-end 2016, 19 metro trains and 17 tram cars had been delivered and the majority of them were in service.

The West Metro company Länsimetro Oy announced a delay in the commissioning of the West Metro extension of the current Metro system. The total estimated cost of the project was raised to EUR 1,088 million in the spring and to EUR 1,186 million in the autumn. Despite the delay, the Metro shifted in mid-August to shorter trains running at 2.5-minute intervals during peak hours, which increased the Metro's capacity by 7 per cent.

Bike-share programme was a success

The first phase of Helsinki's bike-share programme was commissioned in May, comprising 500 bikes and 50 docking stations. The new service was highly popular. It earned three awards - for making the city a more fun place,

for promoting healthy habits and for advancing smart city solutions.

The Public Works Department began to lease Parklets. A parklet is a sidewalk extension on a street parking space, which is temporarily put to some other use than parking, such as an outdoor café. Parking charge zones were expanded, resulting in a more logical zone division. The new zones facilitate parking enforcement and the implementation of mobile services.

Work on cycling routes progressed. A new cycling path was completed in the eastern section of Helsinginkatu. Cycling path winter maintenance was piloted on three routes in the winter season 2016-2017: brushing and de-icing were tested on the routes Lauttasaari-Kuusisaari and Ruoholahti-Oulunkylä, and intensified maintenance was tested in Pakila.

New construction proceeded in project areas, especially in Pasila and Kalasatama. A new pedestrian crossing was completed on Mannerheimintie at the Three Smiths square, improving walking conditions in the city centre. The new arrangement is part of the development of the downtown pedestrian zone.

The inaugurations of the Töölö Bay park, Helsinginkatu cycling paths and Isoisänsilta bridge were celebrated ceremoniously in honour of the national "green year".

The Public Works Department's tweets remained popular. The department has nearly 17,500 followers on Twitter. The tweets were favourably noted in the media and among social media professionals.

Events and innovations

Helsinki Wholesale Food Market's Baltic Herring Festival was celebrated with dancing, swimming and fishing. The festival attracted

TEURASTAMO HELSINKI HELSINGFORS

KELLOHALLI



more than 50,000 visitors. Helsinki's most popular tourist destination, Old Market Hall, recorded close to 1.5 million visitors. Wholesale Food Market hosted the Sideways festival for the second consecutive year, and events at Teurastamo (the Abattoir) had 100,000 visitors.

The City of Helsinki Service Centre was reorganized with two new units: a food and combined services unit and a customer relations unit.

Safety telephone services for the elderly and technical support services for home living such as virtual care were developed with Service Centre and the home care unit of the Department of Social Services and Health Care. Customer numbers have grown steadily, and there are 20,000 virtual visits in a month.

The Helsinki bike-share programme City Bikes was awarded for making the city a more fun place.

The collaboration of Service Centre and the Department of Early Education and Care to promote responsibly produced food won the organic food 2016 prize, which was the second such prize awarded to the activity.

Procurement Centre issued 141 public bids for a total value of EUR 600 million. Logistics Centre delivered centrally procured products to City units worth EUR 14 million. Procurement Centre commissioned a contract management system shared by all City units. The use and development of an electronic competitive bidding system was continued. Procurements showed respect for sustainable development: half of the public bids for central procurement issued by Procurement Centre included environmental criteria.

The construction and maintenance services provider Stara achieved its targeted operating margin, and a decline in turnover was halted. Occupational wellbeing continued to develop favourably at Stara.

The Rescue Department's medical emergency assignments grew by 11 per cent and rescue assignments by 5 per cent from the previous year. The department's year was marked by preparations for a regional reorganization of health care services and a reform of rescue operations.

Current environmental affairs

Some of the central themes of the year were reductions in the environmental and noise hazards of traffic and transport and improvements in air quality. The Environment Committee approved a new City of Helsinki air protection programme for 2017–2024.

Helsinki's Baltic Sea programme (2013–2018) is underway. The City and the John Nurminen Foundation launched a project to diminish the City's carbon footprint. The Baltic Sea Challenge's network of partners obtained 20 new international partners.

A nature protection programme was approved as part of a new long-term land use plan. A proposal was prepared on the City's climate goals for the strategy programme of the 2017–2021 Council term.

Consumer safety oversight was reorganized on a national basis, and the authority in consumer safety affairs was transferred to the Finnish Safety and Chemicals Agency (Tukes) as of 1 May 2016. The resources freed from consumer safety were transferred to health protection oversight.

Environment Centre issued new in-house control instructions for restaurants and grocery stores, and the food safety advisory operations tested a chat service. The norovirus caused exceptionally large epidemics, which were investigated by Environment Centre in cooperation with the epidemiological operations of the Department of Social Services and Health Care and the National Institute of Health and Welfare (THL).



Deputy Mayor Ritva Viljanen

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

Key figures of education and cultural affairs

Operating income, EUR million.....	65.3
Operating expenses, EUR million.....	938.2
Operating expenses per resident, EUR ..	1,477.0
Personnel	8,872
(incl. Oiva Akatemia, turnover EUR 4.7 million)	
Share of total personnel, %.....	23.3

Departments*

Cultural Office	(121)
Education Department	(6,421)
Finnish Adult Education Centre	(198)
Helsinki Art Museum	(78)
Helsinki City Library	(541)
Helsinki City Museum	(74)
Helsinki Philharmonic Orchestra	(127)
Helsinki Zoo	(84)
Occupational Health Helsinki	(155)
Sports Department	(534)
Swedish Adult Education Centre	(40)
Urban Facts	(90)
Youth Department	(383)

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

Education and cultural affairs

Helsinki schools reported good learning results, and according to the latest PISA survey, the skills and knowledge of students in the Helsinki metropolitan area are higher than those in the rest of the country. Every student completing comprehensive school was offered a place in further studies or some other support. An additional 1,460 admissions to vocational education were available for the years 2013–2016. Vocational studies are closely integrated with working life. Helsinki Vocational College offered students a double degree that included the Matriculation Examination. The future Myllypuro campus of the Metropolia University of Applied Sciences went under construction.

Schools implemented a programme to digitalize teaching and learning, and 60 schools tested and developed phenomenon-based learning, school with no traditional desks, learning without schoolbooks, learning with the ePortfolio and learning outside the schoolhouse. Digitalization of learning was supported with an extra appropriation of EUR 37 million for the next four years.

The new Skills Center offers language and other training to immigrants, helping them to enter job training and working life.

A new low-threshold service centre for young people (Ohjaamo) combined all services for them in one place. The centre immediately became highly popular.

Leisure sports

City Library focused on services for children. The online learning environment Gadget Island was in busy use, Pulmaario science clubs gathered together elementary school children, and every child starting school was presented with a book. Loans increased, and library visits

numbered close to 15 million, 8.5 of which were online visits.

Maunula House, a joint centre for City Library, the Finnish Adult Education Centre and the Youth Department, opened doors. The cornerstone of the Helsinki Central Library was laid in May, and the name of the library was announced: Oodi. Construction of the library building proceeded according to plan.

The Finnish Adult Education Centre offered nearly five thousand courses. The close cooperation of the Swedish Adult Education Centre with day care centres and schools resulted in a collection of poems, produced with children at the Huopalahti Comprehensive School and entitled *Avtryck – dikter*.

The Sports Department's sites and facilities served more than 10 million guests. The numbers of physically active children, young people and seniors increased. All schools joined the Finnish Schools on the Move project.

More than 3,000 elementary school children joined EasySport groups. The FunAction sports activities for young people expanded from Itä-Keskus to Kannelmäki and Malminkartano. The NYT (now) sports activities for 18–29 year olds recorded a higher number of visits than before.

The Sports Department was successful in customer surveys. According to the Quality of Life in European Cities survey, the citizens of Helsinki and Luxembourg are the most satisfied in their sports services among the citizens of European capitals.

The Olympic Stadium renovation proceeds with extra funding allocated to the project.

Cultural enjoyment

The new Helsinki City Museum at the Senate Square opened doors in May. The museum,



developed together with citizens, attracted a record number of visitors. The Hakasalmi Villa's exhibition *Music! Echoes from the Past of a City and the Villa's more than 100 concerts* were also popular. City Museum recorded more than 400,000 visitors, which exceeded the target by 227 per cent.

Helsinki Art Museum HAM broke an all-time record in visitor numbers. In *Infinity* by Japanese artist Yayoi Kusama was the most popular of the HAM exhibitions, and *@Helsinki by Ai Weiwei* was also highly popular. The exhibition activity expanded from the museum to the city. The Esplanade park displayed Kusama's *Ascension of Polka Dots on the Trees*, and the Winter Garden displayed her *Narcissus Garden*. Villu Jaanison's public artwork *Kuukkeli* was built in Kalasatama and Antti Laitinen's *Armour* in the Töölö Bay park.

HAM's and City Museum's shared collection centre opened in the autumn of 2016.

Susanna Mälkki started her term as chief conductor of the Helsinki Philharmonic Orchestra. The orchestra's and the chief conductor's bold and creative programme planning was awarded by the Finnish Society for Aesthetics with their Aesthetic Act of the Year award.

Helsinki City Museum, developed together with citizens, attracted a record number of visitors.

The Cultural Office's subsidies reform enables multi-year subsidies and makes the process of granting these subsidies more interactive. The Helsinki model introduced two years ago has increased cooperation between cultural institutions and suburbs.

Helsinki Zoo's highlights of the year included the births of Amur (or Siberian) tiger and Pallas's cat cubs as well as the arrival of muskoxen and markhor. New services for visitors included a dark house and a goat yard, and the restaurant and the gift shop reopened after renovations.

Collaborative planning

The new curricula of comprehensive schools and general upper secondary schools increased the participation of students in the development of school activities and in the preparation of personal study plans. Learning is communal, and the learning environment is the whole city.

Participatory budgeting allowed more than 12,000 young Helsinki residents to impact the types of activities offered in different parts of the city and how youth work resources are allocated. Young people planned courses, excursions and youth cafés through the Ruuti-Budjetti participatory budgeting work.

Also with the help of participatory budgeting, citizens planned services for libraries and for the Education Department. The role of citizens was exceptionally large in the plans for Maunula House.

Open data leader

The Oiva Akatemia personnel education centre's activities focused on support for change. The impact of work was evaluated in the Kunta10 municipal research project, which showed results from the inputs into the development of leadership and supervisory work. A virtual tool developed at Oiva focusing on people's own work will be made available to all City employees.

Urban Facts' Helsinki Region Infoshare (HRI) retained its position as Finland's leading open data service. HRI recorded 222,000 visits during the year. City Archives prepared for digital archiving.

As the first Finnish occupational health care service, Occupational Health Helsinki adopted references for assigning sick leaves. Excellence Finland recognized Occupational Health Helsinki with a four-star EFQM Recognised for Excellence award, the second highest number of stars awarded in this internationally well-known evaluation. Occupational Health Helsinki is the only occupational health care service that has earned four stars.



Deputy Mayor Anni Sinnemäki

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

Key figures of city planning and real estate

Operating income, EUR million.....	775.3
Operating expenses, EUR million.....	326.1
Operating expenses per resident, EUR.....	513.3
Personnel	945
Share of total personnel, %.....	2.5

Departments*

Building Control Department	(122)
Housing Production Department	(70)
City Planning Department	(286)
Real Estate Department	(467)

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

City planning and real estate

An important decision in terms of Helsinki's long-term development was reached on 26 October 2016, when the City Council approved a new City Plan, that is, a long-term land use plan. This plan is based on an estimated growth of the city to 860,000 residents and 560,000 jobs by 2050. The plan is a general description of the intended future land use, and it defines the outlines and basis for detailed planning. The solutions of the long-term land use plan are based on a vision of Helsinki as a city that is served by a comprehensive rail network for public transport and has a large, dynamic inner city. About one-third of new construction will be infill construction largely focused at rail transport hubs. Another one-third will take place in new areas for development such as the Malmi airport, and the remaining one-third will take place on "city boulevards", which are motorway-like areas turned into new inner-city sections.

Good year for city planning

Each year Helsinki seeks to produce detailed plans for housing construction enabling the construction of 600,000 square metres of floor area. The goal is to produce 6,000 new homes every year. Residential plans for 730,000 square metres of floor area were presented to the City Planning Committee, and the City Council approved plans for 447,600 square metres of construction.

Rail transport and cycling

Two important decisions were made in Helsinki related to public transport development. The first of these was on Raide-Jokeri, which will be a regional east-west light-rail line from Helsinki's Itäkeskus to Espoo's Keilaniemi replacing

the regional bus line 550. The shift from buses to rail will enable service for growing numbers of passengers on the route. Raide-Jokeri will improve the reliability and service on east-west routes.

The other important decision was on the Crown Bridges (Kruunusillat) project, which will provide a rail link between the growing Laajasalo area and the inner city. Furthermore, Hämeentie will be developed into an increasingly pleasant street area that above all serves pedestrians, cyclists and public transport. The planning of the network of main cycling routes has proceeded well, and planning proceeds to expand the pedestrian zone in the city centre.

Residential construction exceeded targets

Construction activity was dynamic, and a large number of new residential projects were started. Despite weak economic conditions, demand for rental and owner-occupied units was good and residential construction was robust. The City of Helsinki allocated plots for residential construction to meet the need for 4,000 units. Residential building rights were allocated for a record volume of construction, a total of 378,000 square metres of floor area. Of the total floor area, 48 per cent was leased and 52 per cent sold. The City has committed itself to allocating 325,000 square metres of residential building rights annually, so that target was exceeded in 2016.

Sales and rental income

Income from land sales was EUR 238 million, which markedly exceeded the target of EUR 100 million defined in the City budget. The main sales item was the residential towers of



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HELLINKYLÖKÄ

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the Kalasatama centre, which produced EUR 94 million in sales income. The sale of the first stage of Central Pasila (Tripla) produced EUR 46 million of income to the City. In addition, the City sold a large number of smaller plots for a total of EUR 100 million.

Income from land leases was EUR 241 million, up from EUR 223 million in 2015. External leases represented EUR 207 million of the total, which exceeded the binding target of EUR 200 million. The fulfilment of land use agreements produced more than EUR 22 million in income to the City as well as general areas worth EUR 1.3 million obtained free of charge.

Active land acquisition

Helsinki spent close to EUR 18 million on land and property acquisitions, a total of 91 hectares of land. Areas in Östersundom represented EUR 7.3 million of the total sum. Since 2008, Helsinki's ownership in Östersundom has risen from 31 to 60 per cent of the land area and is now more than 1,500 hectares.

The Plots Division spent EUR 19.6 million on preparing plots for construction (EUR 8.6 million in 2015). The main soil decontamination sites were in the Kalasatama and Jätkäsaari project areas.

A crucial decision for Helsinki's long-term development was made on 26 October 2016: the City Council approved a new City Plan, that is, a strategic long-term plan for land use.

Rental housing production was slow

The production of new state-subsidized rental housing was slow, and only 130 apartments were completed. The offering is expected to improve in 2017, as new construction is markedly higher. The availability of job-related housing was at previous years' level totalling about 640 units. The City brokered more than 300 free-market rental apartments.

The number of applicants for City rental apartments has stabilized at about 13,500 annually. The Housing Committee approved interest subsidies for the construction or renovation of 2,662 homes.

A boost in construction activity

The Helsinki Housing Production Department ATT is committed to producing 1,500 homes annually. The 2016 production programme to meet this goal comprised 1,737 homes. The 2016 production goal was 50 per cent higher than in 2015. ATT commenced construction of 1,522 homes. The new construction comprised 607 rental units, 563 right-of-occupancy units and 352 Hitas units.

Renovations were completed in 196 units and decisions on new renovations were made for 555 units. Wooden apartment buildings on Eskolantie in Pukinmäki completed in June 2015 won first prize in a Nordic building competition held by NBO in September 2016. The apartment buildings were one of twenty candidates for the prize.

Online building permits

Construction and permitting activities were robust. Building permits were granted for nearly 5,600 homes including building alterations. All permitting services became electronic at the beginning of October. Electronic applications are now used systematically, and the permitting authority has been spread out, which allows straightforward projects to stand out more easily and to be resolved swiftly without special arrangements.

In 2016, the Building Control Department served as an expert advisor on the Helsinki Energy Efficiency Advisory Board, the Helsinki storm water and runoff group, the Helsinki climate goals 2030 working group and a working group for Helsinki's preparedness for climate change. The Building Control Department also participated in the work of a steering group of a project that provides energy advice to consumers in the Helsinki metropolitan area.



Acting deputy Mayor Pia Panhelainen

from 21 June 2016 (Laura Rätty until 20 June 2016)

- Social services and health care
- Early education

Key figures of social affairs and public health

Operating income, EUR million.....	328.8
Operating expenses, EUR million.....	2,581.3
Operating expenses per resident, EUR ..	4,063.8
Personnel	21,792
Share of total personnel, %.....	57.3

Departments*

Social Services and Health Care (15,736)
Early Education and Care (6,056)

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

Social affairs and public health

Increased attention was paid to children's physical activity and wellbeing, and children were encouraged to be physically active in diverse ways. All day-care and public playground units produced physical activity plans with children and their parents. In the spring, nearly 5,000 children in early education attended a sports event at the Töölö Sports Hall organized jointly by the Department of Early Education and Care, the Sports Department and several sports associations.

New pre-school curriculum

Helsinki adopted a new pre-school curriculum in August. The curriculum was prepared on the basis of a national regulation for pre-school curricula, the values of Helsinki pre-school education and the special features of the city and its operating environment, working methods and objectives. The curriculum was prepared together with the personnel and with attention to the views of parents and children. The curriculum is complemented with annual action plans prepared locally at pre-school operations. Furthermore, every child receives a personal pre-school learning plan.

Ideas from pre-school education

A new pre-school project "ideas from pre-school education" developed the pre-school operating culture in accordance with the new curriculum. It also developed pedagogy and learning environments utilizing information and communication technology. The project was used to strengthen the media education skills of early educators. Development work was carried out with more than 300 pre-

school groups and at more than 200 day care centres throughout Helsinki. In addition, open training and workshops were organized for all educators. New trends in early education and media education were presented to parents at local resident forums. The pre-school project was closed at the end of the year, but the work continues in a new early education project "ideas for early education".

Digitalization programme for early education

An early education digitalization programme for 2017–2020 was completed, and digitalization will be utilized to make services more customer-oriented. Digitalization is promoted in four areas: pedagogy, customer service, human resources and management.

The goals in pedagogy are to promote children's participation, multiliteracies, knowledge and communication skills. The development work started with the "ideas from pre-school education" project and will expand in 2017. The goals in customer service are functional electronic services and interactive, easy-to-use methods to communicate with families by strengthening participation. The goal of digitalization in human resources is to produce operating methods and tools that provide new opportunities to interact with children. The goal in management is to produce new operating methods in such ways that electronic tools and working methods support participatory management.

New types of services for citizens

Helsinki did not stand still to wait for the national reform of social services and health



care, but the City developed services systematically through experimentation. Since the beginning of December 2016, the Töölö and Vallila health stations have been offering their customers an opportunity to contact the health stations with an electronic form to report their health care needs. Thousands of customers have already taken advantage of this opportunity. At the same time, the Vuosaari health station and maternity and child health clinic extended their service hours. Vuosaari customers are now served from 7 a.m. to 8 p.m. on weekdays.

Helsinki did not wait for national-level decisions on the upcoming reform of social services and health care but developed services systematically through experimentation.

New type of support to families with small children

As part of the reform of social and health care services, Helsinki day care centres launched health checks for 3-year-olds at maternity and child health clinics. Families have expressed high satisfaction in the services provided for children in their everyday environments. Families were also supported with more online information and advice available on the Family Support pages (hel.fi/perheentuki). A chat room was added to Family Support.

Electronic services

Customers are now offered more and more electronic services, which free the use of services from time and place. The shift to electronic services was supported with a social and health care services digitalization plan for the next few years.

About 7 per cent of home care visits were virtual visits. Remote rehabilitation was developed and remote doctor's services were tested at the Kustaankartano service centre. As much as 23 per cent of applications for basic social assistance were made electronically.

The parents of first-graders could book a health check appointment and deal with the school nurse electronically. E-services were expanded to students of secondary education institutions.

Oral health care introduced an electronic health questionnaire form. Oral health care customers used the self-registration option 200,000 times to register for appointments, up by 20 per cent from the previous year.

More non-institutional services and support at home

Helsinki continued to non-institutionalize service provision in a controlled manner in disability services, child welfare, substance abuse and mental health care, and elderly care. An important goal was to support non-institutional care, family care and placement in the family network in child welfare, and elderly people's continued living at home.

Home care was strengthened with 20 new care workers. A new telephone information service, Seniori-info, was launched for elderly customers, who could thus obtain advice and help easily from one number. Social instructors were on hand at health stations to strengthen the supervision of elderly care.

The percentage of Helsinki residents older than 75 living at home continued to grow and, correspondingly, the percentage of them in 24-hour care continued to decrease.



...tätningen i avsnittet utan kommentar
... av fjärrsyn som kännetecknad och förklarande för en rikare sammanhang
... 2018

13 Vårkonferensprogrammet i Realiser

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



Decision-making

City Council

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

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

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

City Board

The main tasks of the City Board are to

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

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

The City Board has three divisions:

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

Mayor and Deputy Mayors

The Mayor and four Deputy Mayors are full-time, salaried elected officials. They are elected to office by the City Council as political party representatives.

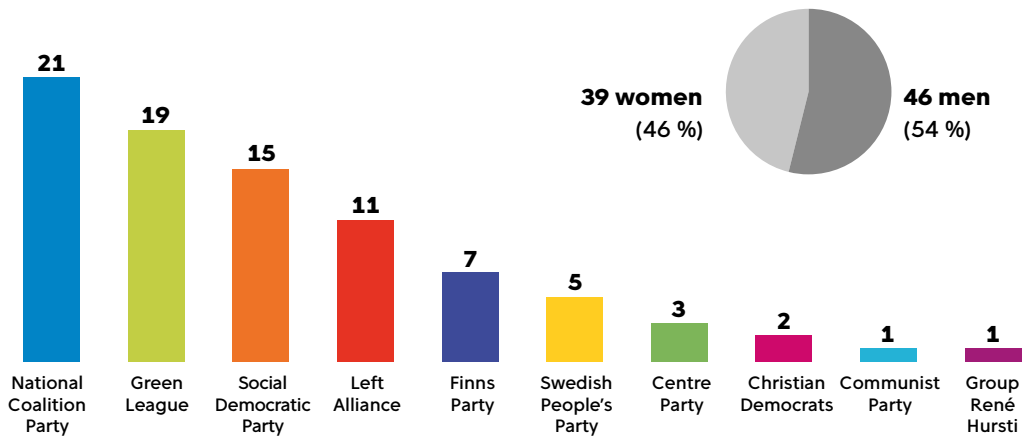
According to the new governance system, the Mayor and Deputy Mayors are elected to office for the Council term, that is, for four years. The mayoral candidate of the winning party of the municipal elections in Helsinki becomes Mayor. The Mayor chairs the City Board.

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



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

Political party representation



Video recordings of City Council meetings are available on demand at www.helsinkikanava.fi.

City Board and divisions



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

City Board

15 members representing the following political parties:

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

City Group Division

9 members representing the following political parties:

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

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

Information Technology Division

9 members representing the following political parties:

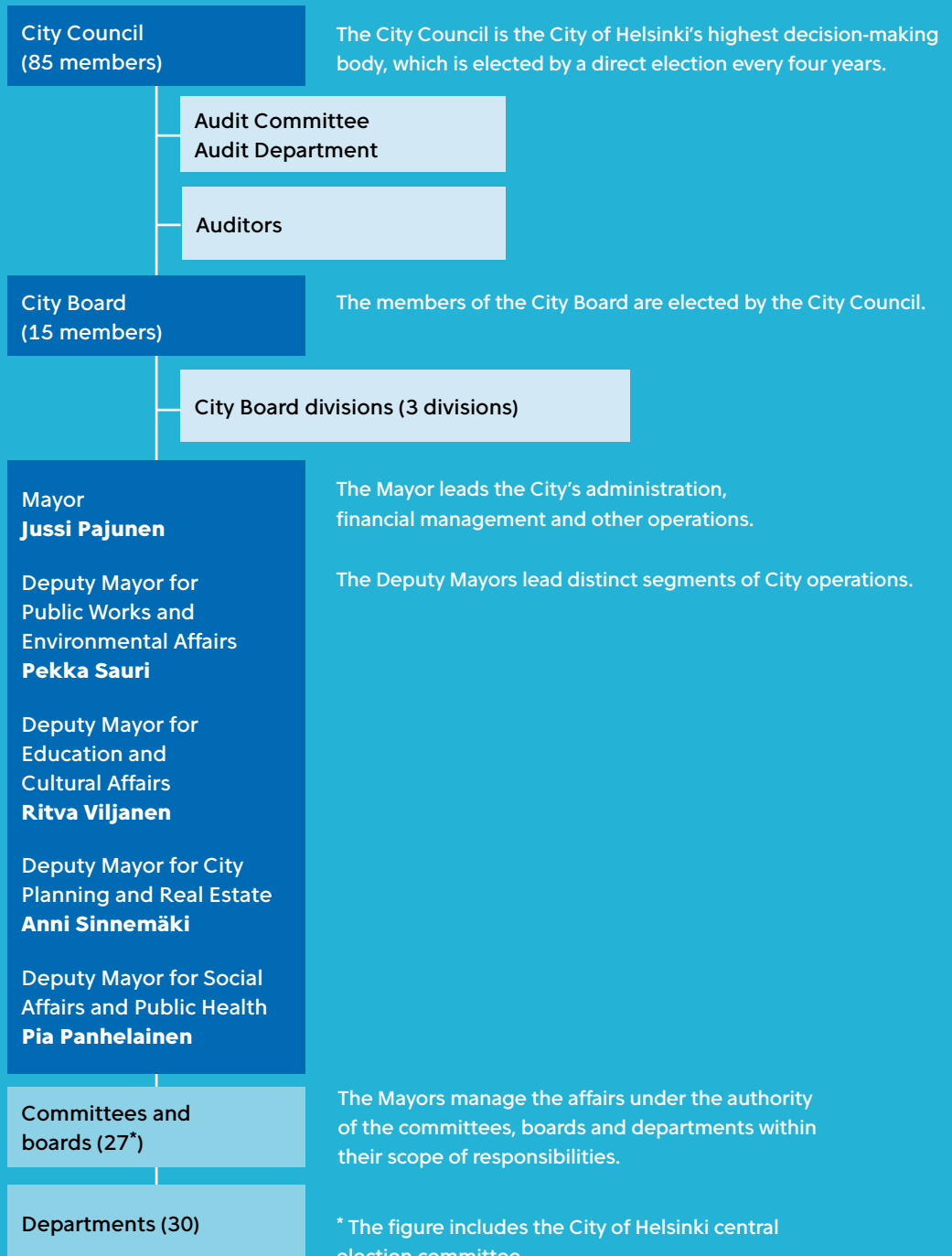
- National Coalition Party (centre-right)
- Green League
- Social Democratic Party
- Left Alliance
- Swedish People's Party

Governance Division

9 members representing the following political parties:

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

City of Helsinki organization



Facts about Helsinki

Helsinki

Founded in 1550
The Finnish Capital since 1812

Area and environment

Total area	719 km ²
Land	217 km ²
Population density inhabitants per km ²	2,934
Shoreline	123 km
Islands	315

Mean temperature 2016

Whole year	6.6°C
Warmest month, July	17.8°C
Coldest month, January	-8.8°C

Population

Total population 2016/2017	635,181
Age groups %	
• 0-6	7.2
• 7-15	7.7
• 16-64	68.4
• 65-74	9.6
• 75+	7.1
Life expectancy 2011-2015	80.7
• men	77.5
• women	83.3
Finnish nationality, %	90.6
Other nationals, %	9.4
Finnish-speaking, %	79.6
Swedish-speaking, %	5.7
Other languages, %	14.7

Housing

Dwellings total	350,314
Owner-occupied dwellings, %	42.3
Housing density m ² /person	34.0
Rental dwellings owned by the City	49,564

Labour market

Jobs	421,470
• primary production (SIC A-B), %	0.1
• processing (SIC C-F), %	10.5
• services total (SIC G-S), %	88.7
Market services (SIC G-N, R-S), %	61.5
Public administration, welfare services (SIC O-Q), %	27.2
Other or unknown (SIC T-X), %	0.7
Number of companies	45,203
Labour force (15-74 year olds)	
• employed	324,500
• unemployed	27,800
Participation rate, %	71.3
Degree of unemployment, %	7.9

Transport and communications

Registered cars per 1,000 inhabitants	410
Public transport within the city, total journeys	205 M
Mobile phones per 100 inhabitants (in Finland)	173
Internet users (aged 16-89), percentage of population, %	95.4

Energy and water supply	
Sales of electricity	7,035 GWh
Sales of district heating	5,876 GWh
Sales of water (Helsinki Metropolitan Area)	71.8 M m ³
Water consumption per capita per day (Helsinki Metropolitan Area)	225 l
Treated wastewater	101.5 M m ³

Health care	
City sub-district health centres	25
City hospitals ¹	5

Primary health care	
Primary health care visits total	6.0 M
• visits to health centres, etc	5.5 M
• dental care visits	0.5 M
• total per inhabitant	9.5
Average number of patients in institutional care every day	783
• in city hospitals	722
• in contract hospitals	62
• visits per 1,000 inhabitants	1.2

Specialized medical care	
Out-patient visits total	1.2 M
• in city units ²	0.4 M
• in contract outpatient clinics	0.8 M
• total per inhabitant	1.8
Average number of patients in institutional care every day	1,018
• in city units	411
• in contract hospitals	607
• visits per 1,000 inhabitants	1.6

Social welfare	
Children in daycare ³ per 100 1–6-year-olds	66.0
Places in assisted-living housing for the elderly	2,602
• per 100 persons aged 75+	5.8
• Places in institutional care ⁴	1,533
• per 100 persons aged 75+	3.4

Education	
Educational structure	
% of 15-year-olds and older with	
• school certificate only	27
• secondary education	33
• tertiary education	41

Number of educational institutions in Helsinki	
• Universities	3
• Polytechnics	5
• Vocational training institutions	20
• Comprehensive schools and upper secondary schools	149

Culture and leisure	
City library	
• book loans, million	9.3
• loans per inhabitant	14.6
Museums	57
Recreational trails and jogging tracks, km	216
Swimming pools	13
Sport halls and gyms	32

Tourism	
Passengers (million)	
• via Helsinki Airport	17
• via the Port of Helsinki	12
• via Helsinki railway station	53
Hotel guests (million)	2.1
• overnight stays, total	3.6
• of which foreigners	1.9
Hotels	55
• rooms	8,840
• beds	16,855
International conferences and events	286
• participants	60,790

¹ Herttoniemi, Laakso, Malmi, Suursuo, Haartman, Aurora.

² Including the psychiatric daytime hospital. *Figures include visits to the city's own or to outsourced services, as well as phone calls or other consultations that replace visits.*

³ Includes municipal daycare centres, family centres and contract daycare centres

⁴ Includes institutional care and long-term care for the elderly.



Financial statements: A more positive financial year than forecast

The City of Helsinki economy was better in 2016 than forecast. The City's operating margin was better than projected in the City budget, and tax income grew more than expected. As a result, operating margin was EUR 300 million higher than the budget sum.

Owing to exceptionally high income from land sales, the City's income financing was sufficient to cover investments. Cash flow from operations and investments was positive by about EUR 160 million, which enabled the City to reduce its loan stock

Preparations for the future: the new City Plan – a strategic long-term plan for land use – enables Helsinki's continued growth.

Expenses contained

The City's total expenditure remained below the budgeted amount, and comparable growth in expenditure remained at the low level of close to 0.5 per cent.

The ceiling on growth in operating expenses defined in the City strategy has proven to be a successful means to control expenditure growth. It has played a vital role in balancing the City economy. Expenditure remained somewhat below the previous year's sum.

Growth in social services and health care expenditure remained at the relatively low level of 0.9 per cent. Growth in expenditure

related to City-produced education and training services was also low at 1.6 per cent.

Preparations for the future

The year was marked by preparations for a new City governance system and for a sector-based organizational structure as well as by provisions for upcoming national reforms of social services, health care and regional administration. The City Council approved the proposed changes to the governance system in June 2016 and decided at the same time to shift to the sector-based organizational structure as of 1 June 2017.

The new City Plan, that is, a strategic long-term plan for land use, approved by the City Council in October enables Helsinki's continued growth.

A new enterprise named Startup Maria Oy went into operation in August. The objective of the enterprise is to create preconditions for entrepreneurship and startups as well as to support the growth and internationalization of startups.

Busy residential construction

As in 2015, residential construction activity in the city was robust. Homes under construction remained close to 7,000. Housing starts exceeded the number of completed units.

The City's investments excluding municipal enterprises were EUR 486 million. Investments made by municipal enterprises were

EUR 177 million, bringing total investments to EUR 663 million.

The largest infrastructure construction sites were in Kalasatama (totalling EUR 14 million), in Länsisatama (West Harbour, EUR 22 million) and in Pasila (EUR 9 million).

Profit for the financial year was EUR 470 million. The previous year's comparable profit was EUR 18.6 million. The 2014 comparable profit was EUR 188.5 million. Year 2014 was the last year when the energy enterprise Helsingin Energia was included in the consolidation before it was incorporated.

Annual contribution margin was EUR 569 million euros. Annual contribution margin indicates income financing available for investments and loan instalments. The general view is that a municipality's income financing is adequate if annual contribution margin covers depreciation. The City's annual contribution margin was 169 per cent of depreciation. Annual contribution margin was EUR 300 million higher than forecast in the budget.

Tax income was EUR 3,206 million, which exceeded the budget by EUR 142 million and the previous year's tax income by 4.5 per cent. Municipal tax revenue was EUR 2,586 million (up by 4.2 per cent), with

the tax rate at 18.5 per cent. Corporate tax revenue was EUR 397 million, up by 6.7 per cent. Real estate tax revenue was EUR 222 million, up by EUR 7.6 million, that is, by 3.5 per cent.

State subsidies to Helsinki were EUR 316 million.

Loans amounted to EUR 2,157 per capita; the 2015 sum was EUR 2,518 per capita. Total loans were EUR 1,371 million at year-end 2016. The City's liquidity was 79 days at year-end. Contrary to prior years, the City's liquidity includes the funds of City Group companies placed in the City Group account. The City's total loans (from financial institutions and insurance companies) were reduced by EUR 210 million.

The City's equity ratio was 77 per cent. The equity ratio has stayed above 75 per cent during recent years; the average goal in municipal economy is 70 per cent.

The balance sheet total was EUR 14,249 million, up by EUR 648 million from the previous year.

The Helsinki City Group's annual contribution margin was EUR 1,032 million, up by EUR 194 million from 2015. The City Group's liquidity was 59 days at year-end.

Calculation formulas for financial indicators

Operating income / operating expenses

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

Equity ratio %

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

Annual contribution margin / depreciation, %

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

Financial assets, EUR per resident

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

Relative indebtedness, %

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

Loan stock 31 December (EUR million)

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

Debt servicing margin

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

Internal financing for investments, %

= 100 x annual contribution margin / internal investment acquisition cost

Loan receivables 31 December

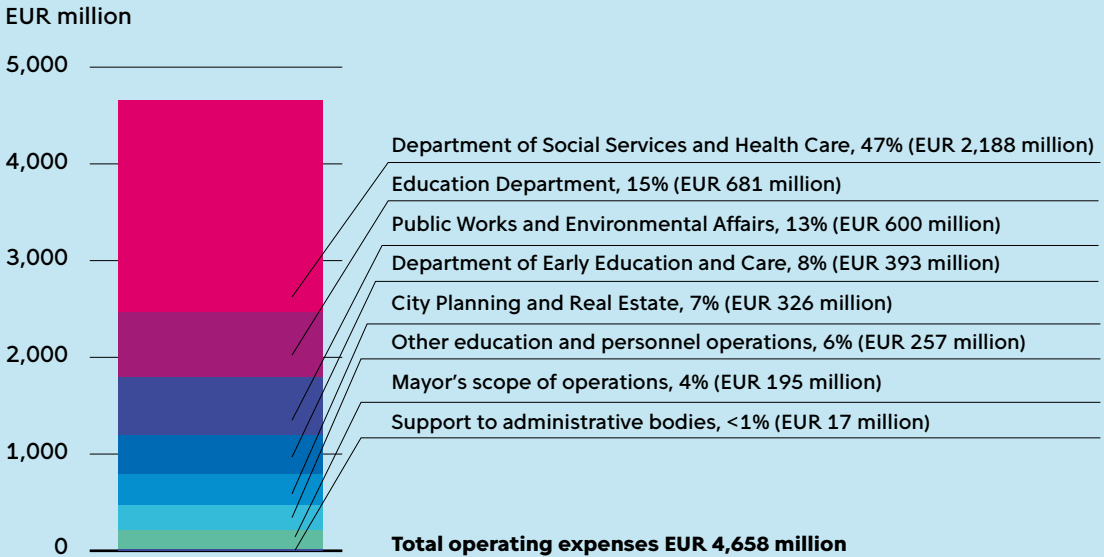
= debenture bonds receivable listed in investments and other loan receivables

Indicators of 2016 financial statements

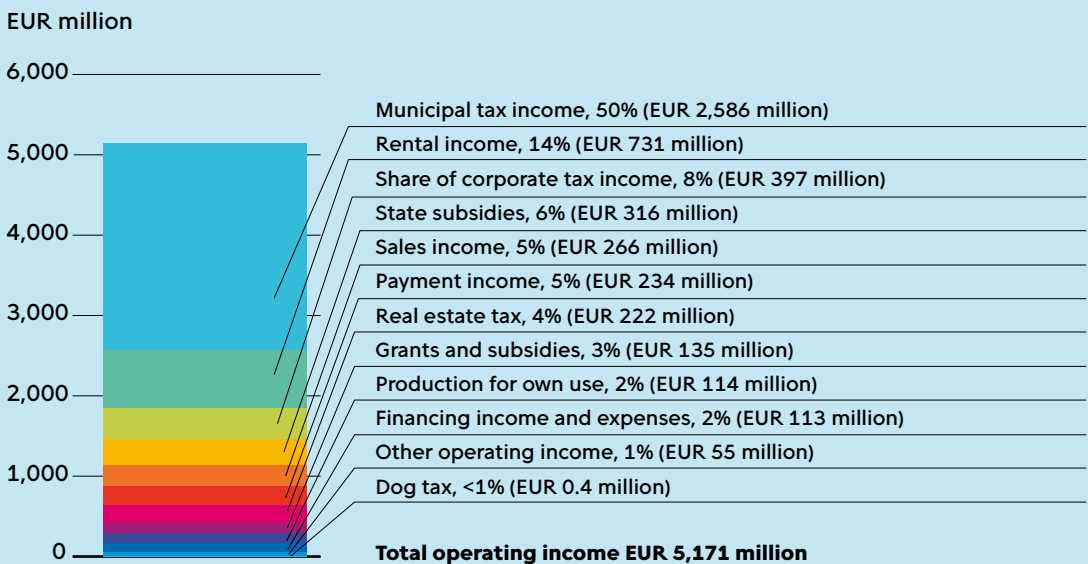
	Group		City	
	2016	2015	2016	2015
Financial indicators of profit and loss account				
Operating income of operating expenses, %	56.3	56.0	26.1	24.9
Annual contribution margin, EUR million	1,032	838	569	265
Annual contribution margin, % of depreciation	152.6	127.0	168.9	68.7
Annual contribution margin, EUR per resident	1,624	1,334	896	422
Financial indicators of funds statement				
Cash flow accumulation from operations and investments over five years, EUR million	-637.5	-639.6	221.9	-16.9
Cash flow accumulation from operations and investments over five years, EUR million, excluding the effect of the 2014 incorporation of municipal enterprises on accounts	-157.5	-396.0
Internal financing of investments, %	69.5	78.5	88.4	46.8
Debt coverage ratio	1.7	3.6	1.7	2.1
Cash sufficiency, days	59	79	79	70
Balance sheet indicators				
Equity ratio, %	60.3	58.8	77.6	77.9
Relative indebtedness, %	91.2	95.6	52.5	52.5
Loans 31 Dec. EUR million	4,940	5,011	1,371	1,582
Loans, EUR per resident	7,772	7,977	2,157	2,518
Loan receivables 31 Dec., EUR million	479	476	1,951	2,009
Group's loan receivables 31 Dec., EUR per resident	753	758
Population 31 Dec.	635,600	628,200	635,600	628,200

Operating expenses and income

**By sector 2016, excluding municipal enterprises and funds.
Internal items have not been eliminated.**

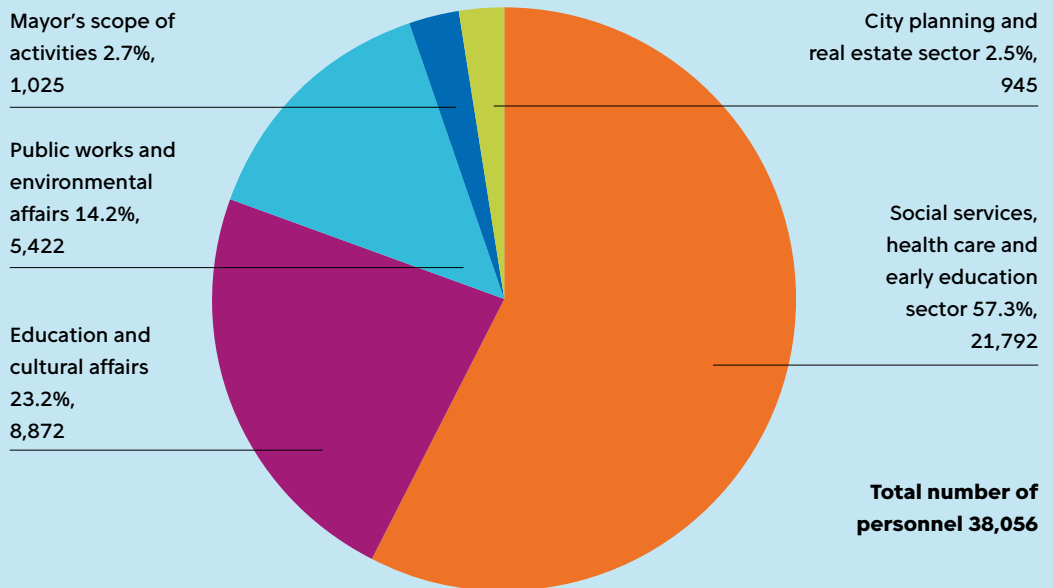


**Tax income and income from state subsidies, net financing income
by sector 2016 excluding municipal enterprises and funds.
Internal items have not been eliminated.**



Personnel

Number of personnel in different sectors (31 Dec. 2016)



Investments

Investment costs without municipal enterprises, million euros:

Fixed assets	89.9
Building construction	194.8
Roads, streets, other traffic lanes and rail tracks	112.6
Civil defence shelters	0.5
Park construction	9.9
Sports sites and facilities	8.5
Helsinki Zoo	1.4
Procurement of movable property	56.8
Joint municipal authorities	0
Securities	6.6
Other	5.0
Total	486

City of Helsinki profit and loss account

EUR million	1 January- 31 December 2016	1 January- 31 December 2015
Operating income		
Sales income	329.1	310.7
Payment income	227.6	213.4
Grants and subsidies	112.3	116.5
Rental income	359.2	345.7
Other operating income	53.2	55.3
	1,081.5	1,041.6
Production for own use	117.1	114.8
Operating expenses		
Personnel expenses		
Salaries and wages	-1,349.7	-1,374.3
Secondary personnel expenses		
Pensions	-360.8	-381.3
Other secondary personnel expenses	-85.4	-82.2
Procured services	-1,640.1	-1,658.5
Materials, supplies and goods	-193.1	-185.4
Subsidies	-443.7	-428.6
Rental costs	-186.1	-180.9
Other operating expenses	-7.1	-11.8
	-4,266.1	-4,302.8
Operating margin	-3,067.5	-3,146.5
Taxes and state subsidies		
Tax income	3,205.6	3,067.9
State subsidies	316.3	273.2
	3,521.9	3,341.1
Financing income and expenses		
Interest income	82.8	86.2
Other financing income	50.6	18.7
Interest expenses	-18.0	-22.2
Other financing expenses	-0.4	-12.2
	114.9	70.5
Annual contribution margin	569.4	265.1
Depreciation, amortisation and impairment		
Planned depreciation	-337.2	-329.6
Amortisation and impairment	0.0	-56.1
	-337.2	-385.7
Extraordinary items		
Extraordinary income	239.5	139.8
Extraordinary expenses	-1.5	-0.6
	238.0	139.2
Profit for the financial period	470.2	18.6
Increase (-) or decrease (+) in depreciation difference	-13.9	3.1
Increase (-) or decrease (+) in reserves	16.3	-2.1
Increase (-) or decrease (+) in funds	-7.5	9.3
	-5.1	10.2
Surplus / deficit (-) for financial period	465.0	28.8

City of Helsinki funds statement

EUR million	2016	2015
Cash flow from operations		
Annual contribution margin	569.4	265.1
Extraordinary items	238.0	139.2
Adjustments to internal financing	-251.5	-151.4
	555.9	252.9
Cash flow from investments		
Investment expenses	-663.0	-571.2
Financial contributions to investment expenses	18.8	5.3
Income from transfer of fixed assets	247.0	146.1
	-397.1	-419.8
Cash flow from operations and investments	158.8	-167.0
Cash flow from financing		
Changes in lending		
Increase in lending claims	-9.9	-23.3
Decrease in lending claims	67.3	10.5
	57.4	78.2
Changes in loan stock		
Increase in long-term loans	110.0	120.0
Decrease in long-term loans	-320.7	-116.6
	210.7	3.4
Changes in equity	0	0
Other changes in liquidity		
Changes in funds and capital for assignments	-5.9	-13.7
Changes in current assets	-2.2	-0.3
Changes in receivables	-113.0	-11.4
Changes in interest-free liabilities	315.1	43.3
	173.9	17.9
Cash flow from financing	20.6	99.5
Changes in liquid assets		
Liquid assets 31 December	1,119.9	940.4
Liquid assets 1 January	940.4	1,007.9
	179.4	-67.5

City of Helsinki balance sheet

ASSETS (EUR million)	31 December 2016	31 December 2015
Fixed assets		
Intangible assets		
Intangible rights	17.6	19.8
Other long-term expenses	82.2	84.0
Advance payments	2.7	1.1
	102.5	104.9
Tangible assets		
Land and water areas	3,216.0	3,142.5
Buildings	1,678.0	1,622.5
Fixed structures and equipment	1,347.9	1,313.8
Machinery and equipment	265.4	173.0
Other tangible assets	12.2	12.1
Advance payments and unfinished procurement	346.9	311.1
	6,866.4	6,575.0
Investments		
Shares and holdings	3,150.7	3,143.4
Other loan receivables	1,951.4	2,008.8
Other receivables	0.5	0.5
	5,102.7	5,152.8
Assignment reserves		
State assignments	132.1	139.7
Special margins for donation funds	4.4	4.3
Other assignment reserves	543.8	441.8
	680.3	585.8
Short-term assets		
Current assets		
Materials and supplies	10.3	9.5
Unfinished products	7.1	5.7
Other current assets	0.1	0.1
	17.5	15.2
Receivables		
Long-term receivables		
Sales receivables	0.0	0.1
Loan receivables	0.1	0.1
Other receivables	126.6	24.1
	126.6	24.2
Short-term receivables		
Sales receivables	53.3	58.0
Loan receivables	0.6	0.4
Other receivables	66.4	40.5
Accrued income	113.6	104.3
	233.9	203.2
Total receivables	360.5	227.5
Marketable securities		
Investments in financial instruments	0.0	554.0
Debenture receivables	20.0	20.0
	20.0	574.0
Cash and bank receivables*	1,099.9	366.4
TOTAL ASSETS	14,249.7	13,601.7

EQUITY AND LIABILITIES (EUR million)	31 December 2016	31 December 2015
Equity		
Initial capital	2,972.4	2,972.4
Revaluation reserve	1,806.4	1,808.4
Other internal funds	522.3	514.8
Other shareholders' equity	729.0	729.0
Surplus / deficit (-) from previous financial periods	4,479.3	4,450.4
Surplus / deficit (-) for the financial period	465.0	28.8
	10,974.4	10,503.8
Depreciation difference and voluntary provisions		
Depreciation difference	66.1	52.2
Voluntary provisions	1.8	18.1
	67.9	70.3
Mandatory provisions		
Provisions for pensions	124.9	138.1
	124.9	138.1
Equities for assignments		
State assignments	133.3	140.6
Equities for endowment funds	4.4	4.3
Equities for other assignments	515.0	419.2
	652.7	564.1
Liabilities		
Long-term		
Loans from financial institutions and insurance companies	1,248.5	1,253.8
Loans from other creditors	7.4	7.4
Advance payments received	0.3	13.1
Accounts payable	1.2	1.2
Connection fees and other debts	7.6	0.1
	1,265.0	1,275.6
Short-term		
Loans from financial institutions and insurance companies	115.3	320.7
Advance payments received	11.4	11.6
Accounts payable	141.1	135.1
Connection fees and other debts	512.4	169.7
Deferred debts	384.5	412.6
	1,164.7	1,049.7
Total liabilities	2,429.7	2,325.3
TOTAL EQUITY AND LIABILITIES	14,249.7	13,601.7

* The reference year data has been rectified due to a change in the accounting practice for assets in the personnel fund.



City Group operations and financial statements

The Helsinki City Group's annual contribution margin improved from 2015 by about EUR 194 million and totalled EUR 1,032 million. The City of Helsinki's annual contribution margin improved from 2015 by EUR 304 million. Thus the improvement in the City Group's annual contribution margin produced by subsidiaries did not reach the previous year's level.

The City of Helsinki's Group financial statements consolidate 83 City Group subsidiaries. Through the consolidated subsidiaries, the Group financial statements also consolidate 36 sub-group companies. The financial statements consolidate all 5 joint municipal authorities in which the City is a member, and all 11 foundations in which the City maintains control. The City Group financial statements also consolidate the City of Helsinki's one joint company and 39 associated companies.

The current operating model of City Group oversight has been applied since 2004, and it was complemented by establishing the City Group Division of the City Board at the beginning of 2009. The City Council approved in May 2016 the City of Helsinki's new City Group regulation for City Group oversight.

The Helsinki City Group is managed as one entity.

City Group oversight has been developed in accordance with the City Board's development policies and with the strategy programme approved by the City Council. According to the strategy programme 2013–2016, the City Group should be managed as one entity, City Group oversight should be improved and clarified, the City ownership steering should be clarified, and the City organization should be developed with the goal of improving resident services. As part of the development activities

in accordance with the strategy programme, a reform of the City Group regulation was approved and preparations were carried out to update the regulation for the central principles of governance and administration.

In order to implement City Group oversight and to promote operations that advance the overall interests of the City Group, City Group subsidiaries adhere to the basic policies of the approved strategy programme and the provisions of the City Group regulation. A detailed lists of the companies and foundations consolidated in the City Group financial statements can be found in the appendices to the City Group financial statements.

Centralized City Group operations can be found, for example, in financing and investment activities and in procurement. Subsidiaries are responsible for insuring their activities and property. In the fight against the shadow economy, subsidiaries use, for example, the Tilajaavastuu.fi online service and join the collaboration of the City and the Finnish Tax Administration. City Group Management has monitored the risks of City Group companies in connection with the monitoring of operations and economic conditions, for example, with the help of monitoring reports.

According to the City Group regulation in force, City Group subsidiaries and foundations are divided into two groups or portfolios: market-based subsidiaries and other subsidiaries. The City ownership steering can apply various operation principles and operation methods in connection with market-based subsidiaries and other subsidiaries, for example, by setting various responsibilities for internal auditing and risk management. The City Board decides how subsidiaries are placed in portfolios as part of subsidiary-based ownership strategies, which are under preparation in the City Executive Office.

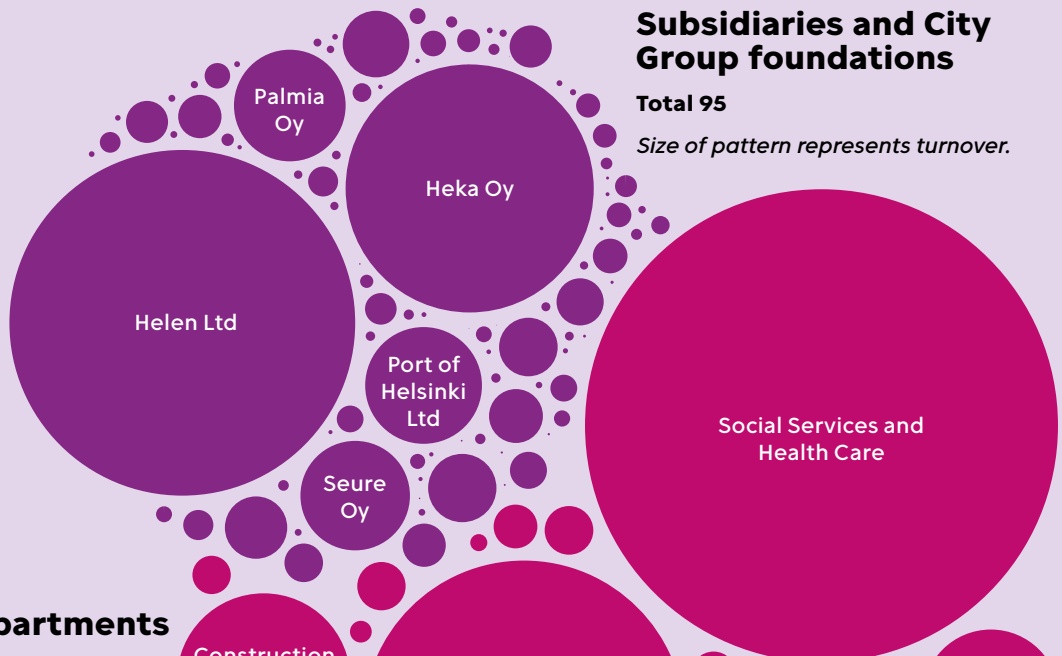


Helsinki City Group

Subsidiaries and City Group foundations

Total 95

Size of pattern represents turnover.



Departments

Total 27

Size of pattern represents operating expenses.



Municipal enterprises

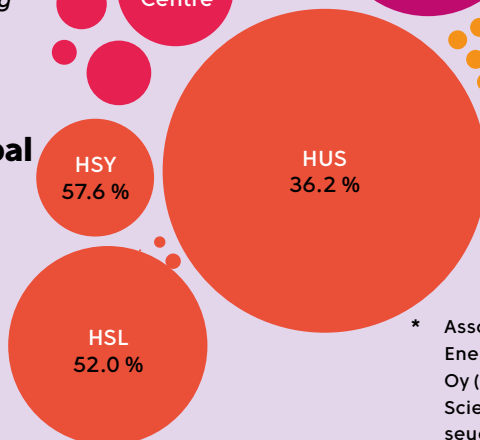
Total 5

Size of pattern represents operating expenses.

Joint municipal authorities

Total 6

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



Associated companies*

Total 56

Size of pattern does not represent volume of operations.



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

Group profit and loss account

EUR million

	1 January- 31 December 2016	1 January- 31 December 2015
Operating income	3,156.0	3,114.4
Operating expenses	-5,604.3	-5,559.5
Share of associated companies' profits / losses (-)	9.9	7.8
Operating margin	-2,438.4	-2,437.4
Tax income	3,205.6	3,067.9
State subsidies	316.3	273.2
Financing income and expenses		
Interest income	16.8	19.5
Other financing income	14.3	16.7
Interest expenses	-73.8	-90.1
Other financing expenses	-8.9	-12.0
	-51.6	-65.9
Annual contribution margin	1,032.0	837.8
Depreciation, amortisation and impairment		
Planned depreciation	-675.9	-658.7
Ownership elimination differences	-0.5	14.0
Amortisation and impairment	-0.3	-1.0
	-676.6	-645.7
Extraordinary items	272.8	115.6
Profit for the financial period	628.2	307.7
Appropriations	-12.5	-0.5
Taxes for the financial period	-10.9	-19.9
Taxes for the accounting period	-8.1	-6.3
Minority holdings	1.8	1.4
Surplus / deficit (-) for the financial period	598.4	282.4
Indicators of the group profit and loss account		
Operating income / Operating expenses, %	56.3	56.0
Annual contribution margin / depreciation, %	152.6	127.0
Annual contribution margin, EUR per resident	1,624.0	1,334.0
Population	635,600	628,200

Group funds statement

EUR million

	2016	2015
Cash flow from operations		
Annual contribution margin	1,032.0	837.8
Extraordinary items	272.8	115.6
Taxes for the financial period	-10.9	-19.9
Income financing adjustment items	-292.3	-120.0
	1,001.7	813.4
Cash flow from investments		
Investment expenditure	-1,505.3	-1,074.7
Financial contributions to investment expenditure	20.0	7.0
Income from transfer of fixed assets	446.4	197.6
	-1,039.0	-870.1
Cash flow from operations and investments	-37.3	-56.6
Financing cash flow		
Changes in lending		
Increase in lending	-8.5	-9.9
Decrease in lending	7.9	14.2
	-0.5	4.3
Changes in loan stock		
Increase in long-term loans	535.0	269.2
Decrease in long-term loans	-581.4	-168.8
Changes in short-term loans	-24.8	-30.3
	-71.2	70.0
Changes in equity	24.7	19.2
Other changes in liquidity		
Changes in assignment assets and capital	9.6	-17.7
Changes in current assets	-13.4	3.3
Changes in receivables	-115.8	25.2
Changes in non-interest-bearing debts	-36.4	78.2
	-155.9	89.1
Financing cash flow	-203.0	182.6
Changes in liquid assets		
Liquid assets 31 December	1 257.7	1,498.1
Liquid assets 1 January	1 498.1	1,372.1
	-240.4	126.0
Indicators of group funds statement		
Cash flow accumulation from operations and investments from five years, EUR thousand	-637,460	-639,593
Internal financing of investments, %	69.5	78.5
Debt coverage ratio	1.7	3.6
Cash sufficiency (days)	59	79

Group balance sheet

EUR million

ASSETS	31 December 2016	31 December 2015
Fixed assets		
Intangible assets		
Intangible rights	51.8	56.8
Other long-term expenses	233.3	240.7
Advance payments	13.0	8.2
	298.1	305.7
Tangible assets		
Land and water areas	3,286.8	3,213.1
Buildings	5,586.4	5,542.5
Fixed structures and equipment	2,400.4	2,352.1
Machinery and equipment	1,235.9	1,140.3
Other tangible assets	20.1	20.2
Advance payments and unfinished procurement	1,094.8	724.1
	13,624.4	12,992.2
Investments		
Holdings in associated companies	245.1	244.5
Other shares and holdings	451.4	445.3
Other loan receivables	478.7	475.9
Other receivables	2.1	2.1
	1,177.4	1,167.8
Assignment reserves	536.3	455.7
Short-term assets		
Current assets	112.1	98.8
Receivables		
Long-term receivables	166.7	63.6
Short-term receivables	391.0	376.4
	557.7	440.0
Marketable securities	25.3	496.4
Cash and bank receivables	1,232.4	1,001.6
TOTAL ASSETS	17,563.8	16,958.2

EUR million

LIABILITIES	31 December 2016	31 December 2015
Equity		
Initial capital	2,972.4	2,972.4
Initial capital of foundations	5.8	5.8
Revaluation reserve	1,811.3	1,813.2
Other internal funds	839.6	812.7
Other equity	734.1	734.1
Surplus / deficit (-) from prior financial periods	3,554.9	3,276.8
Surplus / deficit (-) for financial period	598.4	282.4
	10,516.5	9,897.5
Minority holdings	80.3	69.6
Mandatory provisions		
Provisions for pensions	126.0	140.1
Other mandatory provisions	39.8	39.4
	162.7	179.6
Equities for assignments	657.5	567.2
Liabilities		
Long-term		
Long-term interest-bearing liabilities	4,661.0	4,443.6
Long-term interest-free capital	99.7	97.9
	4,760.7	4,541.5
Short-term		
Short-term interest-bearing liabilities	279.0	567.7
Short-term interest-free capital	1,107.1	1,135.2
	1,386.1	1,702.9
Total liabilities	6,146.7	6,244.4
TOTAL EQUITY AND LIABILITIES	17,563.8	16,958.2
Indicators of group balance sheet		
Equity ratio, %	60.3	58.8
Relative indebtedness, %	91.2	95.6
Accrued surplus, EUR	4,153,306	3,559,243
Accrued surplus, EUR per resident	6,534	5,666
Group loan stock 31 December, EUR thousand	4,940,025	5,011,275
Group loan stock, EUR per resident	7,772	7,977
Group's loan receivables 31 December, EUR thousand	478,671	475,906
Group's loan receivables, EUR per resident	753	758



Bericht des Oberbürgermeisters

Sehr geehrte Damen und Herren,

Helsinki zählt zu den am schnellsten wachsenden Metropolen in Europa. Diese Entwicklung, die v.a. das Bevölkerungswachstum betrifft, soll sich auch in Zukunft fortsetzen. Die historisch großen Veränderungen in der Stadtstruktur Helsinkis ereignen sich in einer sowohl wirtschaftlich als auch weltpolitisch herausfordernden Zeit.

Die Konsolidierung der städtischen Finanzen wurde in diesem Wirtschaftsjahr gemäß der Vorgaben des Strategieprogrammes erreicht. Die Höhe der städtischen Ausgaben wurde basierend auf dem jährlichen Ziel des Produktivitätsanstieges um ein Prozent sowie den Änderungen im Kostenniveau und dem Bevölkerungswachstum definiert. Dank eines größeren Anteils der Investitionen aus dem Cashflow und von Immobilienveräußerungen war der Schuldenabbau möglich.

Die Einwohnerzahl der Hauptstadtregion wird im Jahr 2050 beinahe die Marke von zwei Millionen erreichen. Die durch dieses Wachstum erwarteten Herausforderungen wurden in dem im letzten Herbst genehmigten neuen Flächennutzungsplan berücksichtigt. Der neue maritime Fokus neuer Wohngebiete wird die Identität und den Reiz der Stadt verstärken. Mit der Fertigstellung von Stadtteilen in direkter Wasserlage werden mehr Einwohner die Ostsee genießen können. Die ehemaligen Festungsinseln Vallisaari und Kuninkaansaari wurden im Frühjahr für das Publikum geöffnet und fanden als Naherholungsgebiet großen Anklang. Gemeinsam mit seinen Partnern setzt sich Helsinki für den Schutz der Ostsee ein. Nach aktuellen Studien konnte die Nährstoffbelastung in der Ostsee verringert und so die Verschlechterung des ökologischen Meereszustandes aufgehalten werden.

Im Jahr 2016 hat Helsinki die Vorbereitungen für eine umfassende Umstrukturierung seiner Verwaltung getroffen, die Anfang Juni 2017 starten wird. Neben der Managementstruktur

wird auch die Organisation erneuert, indem eine Zentralverwaltung und vier Tätigkeitsbereiche entstehen. Mit dieser Veränderung werden die Ergebnisse der Kommunalwahlen durch eine transparentere Verwaltung sichtbar gemacht, die Mitwirkung und demokratische Beschlussfassung sowie die Bürgerorientierung gestärkt und die Produktivität erhöht.

Als Teil der Reform wird ein neues Beteiligungs- und Interaktionsmodell für die Stadt konzipiert. Dies beinhaltet die Entwicklung eines Modells für lokale Beteiligung und Interaktion sowie partizipatorische Budgetierung, ein Modell für ehrenamtliche Tätigkeiten und die Öffnung unbenutzter städtischer Räume für engagierte Einwohner. Die wachsende Stadt soll als eine Versuchsplattform fungieren, auf der offene Daten und Dienstleistungen von allen genutzt werden können. Dadurch kann die Stadt Helsinki gemeinsam zu einer noch attraktiveren Lebens- und Arbeitsumgebung entwickelt werden.

Für Touristen stellt Helsinki ein erfrischendes Reiseziel dar, dessen Anziehungskraft insbesondere in einer Kombination aus Stadtkultur und Natur liegt. Im Jahr 2016 wurden in Helsinki 3,58 Millionen Übernachtungen registriert, d. h. eine Erhöhung um 3 % gegenüber dem Vorjahr. Der Flughafen Helsinki-Vantaa erreichte erstmals die Marke von 17 Millionen Fluggästen. Die Beliebtheit von Schiffsreisen steigt seit fast zehn Jahren stetig. Besonders zwischen Tallinn und Helsinki nimmt arbeitsbedingtes Pendeln zu und viele Touristen aus dem Fernen Osten haben Helsinki als Reiseziel entdeckt. Der Hafen Helsinki ist der verkehrsreichste Passagierhafen der Ostsee und Kontinentaleuropas.

Wir danken allen unseren Kooperationspartnern und städtischen Mitarbeitern für die gemeinsame Arbeit zum Wohle aller Einwohner und der Stadt Helsinki.

Jussi Pajunen
Oberbürgermeister

Compte-rendu du Maire

Chère lectrice, cher lecteur,

Helsinki figure parmi les métropoles européennes connaissant une croissance et un développement les plus rapides. La croissance démographique devrait également se poursuivre à l'avenir. La phase historique du secteur de la construction à Helsinki s'est produite dans une phase pleine de défis, aussi bien sur le plan économique que sur le plan de la politique mondiale.

L'objectif de balancement de l'économie est en train de se réaliser, conformément aux grandes lignes du programme stratégique de l'exercice comptable. Le niveau des dépenses de la période du Conseil a été défini par l'objectif de croissance de la productivité établi à 1 %, ainsi que par la modification du niveau des coûts et la croissance de la population. L'endettement a été freiné pendant la période stratégique au moyen d'un plafond d'investissement, aussi en finançant une part toujours grandissante des investissements avec une marge d'autofinancement et avec les revenus issus de la vente des biens immeubles.

La population de toute la région de la capitale devrait atteindre le chiffre de deux millions en 2050. Dans le cadre du nouveau plan d'aménagement approuvé, nous nous préparons cet automne à faire face aux nouveaux défis de la croissance. L'identité et l'attrait de la ville sont renforcés par la cadre maritime. De plus en plus de citoyens ont la possibilité de jouir de la mer avec la construction de nouveaux quartiers situés à proximité de la mer. Vallisaari et Kuninkaansaari, les vieilles îles de forteresses ont été ouvertes au public au printemps, et ont immédiatement connu un énorme succès. Les études récentes ont mis en évidence que la pollution de la mer Baltique par les nutriments et la détérioration de l'état écologique maritime ont été maîtrisés grâce à des efforts communs.

Au cours de l'année, nous nous sommes préparés en vue de la nouvelle organisation qui sera mise en place au début du mois juin 2017.

Outre le système de gestion, la structure de l'administration publique est réorganisée en administration centrale et en quatre domaines d'activités. Ce changement vise à mieux refléter les résultats des élections municipales sur la gestion de la ville, à renforcer la participation et la prise de décision démocratique, ainsi qu'améliorer l'orientation client et de la productivité.

En tant que partie intégrante du renouvellement organisationnel, un nouveau modèle de participation et d'interaction est mis en œuvre pour la ville. Ceci permet de développer la participation et l'interaction régionales, ainsi que le modèle de budget participatif, de créer un modèle davantage basé sur le volontariat et de mettre les locaux de la ville à la disposition des acteurs.

Notre ville en croissance sert de plate-forme d'expérimentation au sein de laquelle un maximum de personnes peut tirer profit des informations disponibles et de services fonctionnels, et venir prendre part à faire d'Helsinki un endroit toujours plus agréable à vivre et pour exercer des activités entrepreneuriales.

Helsinki offre un site touristique revigorant dont l'attrait est dû notamment à la combinaison de la culture urbaine et de la nature. En 2016, Helsinki a enregistré 3,58 nuitées, ce qui représente une hausse de 3 % par rapport à l'année précédente. L'aéroport d'Helsinki-Vantaa a franchi la barre des 17 millions de voyageurs. Le succès du trafic maritime progresse sans interruption depuis près de dix ans. En particulier, les déplacements professionnels continus ont lieu entre Tallinn et Helsinki, ainsi que les passages de plus en plus fréquents de touristes provenant d'Extrême-Orient. Le port d'Helsinki est le port de passagers le plus fréquenté de la Baltique et de l'Europe continentale.

Merci à tous nos partenaires et à notre personnel pour notre collaboration en faveur des habitants de Helsinki et de la ville.

Jussi Pajunen
Maire de la ville

Вступительное слово мэра города

Уважаемый читатель!

Хельсинки - это один из самых быстрорастущих и развивающихся европейских мегаполисов. По прогнозам, рост численности населения будет продолжаться и в будущем. Важная в историческом смысле переходная стадия, связанная со строительством в Хельсинки, пришлась на сложный период, когда наблюдаются трудности как в экономике, так и в геополитике.

В данный отчетный период цели по стабилизации экономики будут достигнуты, как это и было намечено курсом стратегической программы. В течение срока полномочий городского совета уровень расходов определялся целью поднятия производительности ежегодно на один процент, а также изменениями уровня расходов и приростом населения. Данный стратегический срок позволил замедлить увеличение задолженности путем введения инвестиционных ограничений и финансирования более крупной, чем ранее, доли инвестиций, из полученных доходов, а также из доходов от продажи недвижимого имущества.

По оценкам, к 2050 году численность населения в регионе достигнет почти двух миллионов человек. Осенью был принят общий план застройки, где были учтены трудности, связанные с ростом населения. Акцент делается на близости к морю, что в свою очередь, подчеркивает своеобразие и усиливает привлекательность города. Все больше горожан будут иметь возможность насладиться морем по мере того, как новые микрорайоны будут строиться в его непосредственной близости. Острова Валлисаари и Кунинкаансаари, на которых находятся старинные укрепления, были открыты для общего посещения весной и сразу же обрели большую популярность. Последние исследования показали, что биогенная нагрузка на Балтийское море уменьшилась, и совместными усилиями удалось остановить ухудшение экологии моря.

В течение года осуществлялась подготовка к введению новой городской организационной структуры, которая вступит в силу в начале июня 2017 года. Помимо обновления системы

управления, будет изменена структура ведомств путем образования центрального правления и распределения по четырем отраслям. Цель этих изменений – более четко отражать результаты муниципальных выборов в городском управлении, укреплять долю участия и принятия демократических решений, а также еще больше соответствовать пожеланиям жителей и работать эффективнее.

Организационная реформа дополняется разработкой новой модели участия и взаимодействия. Это включает в себя модели для местного участия, взаимодействия, бюджетирования на основе участия и добровольной работы. Кроме того, пространства, находящиеся в городской собственности, открыты для использования различными участниками.

Растущий город выступает в качестве экспериментальной площадки, где максимальное количество людей сможет воспользоваться открытыми данными и эффективными услугами, вместе оказывая еще большее влияние на улучшение жизни и развитие предпринимательства в Хельсинки.

Хельсинки является привлекательным туристическим объектом, в первую очередь, благодаря гармоничному сочетанию городской культуры и природы. В 2016 году в Хельсинки было зарегистрировано 3,58 миллионов ночевок: на три процента больше, чем в предыдущем году. Пассажиропоток в аэропорту Хельсинки превысил 17 миллионов человек. Популярность морских путешествий непрерывно растет уже на протяжении десяти лет. Особенно заметно растет количество деловых поездок между Таллинном и Хельсинки и увеличивается число туристов из Восточной Азии. Пассажирский порт Хельсинки является самым оживленным портом Балтийского моря и материковой Европы.

Выражаю благодарность всем нашим партнерам и персоналу за работу и сотрудничество на благо Хельсинки и его жителей.

Юсси Паюнен
мэр города

Helsinki in Europe



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

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

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

EU eurozone member states

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

EU non-eurozone member states

Bulgaria
Croatia
Czech Republic
Denmark
Hungary
Poland
Romania
Sweden
United Kingdom





● London

● Amsterdam

● Brussels

● Paris

● Luxembourg

● Berlin

● Prague

● Vienna

● Ljubljana

● Rome

● Stockholm

● Copenhagen

● Helsinki

● Tallinn

● Riga

● Vilnius

● Warsaw

● Budapest

● Bratislava

● Zagreb

● Sofia

● Bucharest

● Athens

● Valletta

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