

# Long-term homelessness reduction programme 2008 - 2011

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## 1. General background

### 1.1. The structure of Finland's housing markets

According to statistics, there are about 2.8 million dwellings in Finland of which about 60% are owner-occupied, 30% rented properties and 1% right-to-occupancy housing. About half of rented properties are social housing funded through the ARAVA system. Since 1990, a total of about 600,000 new homes have been built in Finland, i.e. an average of 30,000 homes a year, which is however less than in the 1980s when the housing stock grew at an average of 37,000 homes annually. Finnish housing markets are strongly cyclical: changes in economic growth are often seen in even greater changes in the price of housing and price levels have been fairly volatile.

The strong trend over the past decades in Western Europe towards owner occupancy and on the other hand the uncertainty as to whether this trend will continue has been seen in Finland as well: owner occupancy became more common up until the depression of the 1990s, when demand fell dramatically and the popularity of rented housing began to grow. In addition to the depression, the change has been influenced by young people moving away from home early for example, and the lengthening of the time young people live alone. Construction of homes collapsed in the depression, but in the second half of the decade construction increased again reaching a new peak (35,000 homes/year) at the change of the millennium. During the 1990s, new forms of housing management were developed in the no-mans-land between owner occupancy and rented housing. The most significant of these were right-to-occupancy housing which accounted for a total build of about 33,000 homes. In the new system, a household pays 15% of the price of the home and in return receives security of accommodation and protection against market increases in rents.

At the start of the 2000s, the popularity of owner occupancy increased again because of long-term loans and cheap interest rates, which resulted in the number of rented properties beginning to decrease by 2005. Fewer homes have been built in the 2000s than for example in the early years of the 1980s, which is partly because of poor availability of sites, particularly in the Helsinki region and in growth centre municipalities and this has resulted in a rapid rise in the prices of homes. In addition, the proportion of supported production of the homes being built has declined. The differentiation between the housing markets in different parts of the country, which began in the 1990s after the depression, has continued in the new millennium. The differences between growth centre municipalities and those in decline with regard to availability of homes and their prices are increasing, and the need for construction of housing is concentrated in the growth centres that are attracting inward migration. The influence of social differences in the form of housing on the other hand has reduced: people with low incomes may live in owner-occupied housing and wealthy ones in rented housing.

In European comparisons Finland was still a leader in the spread of owner occupancy at the end of the 1980s. Now we are located in the middle of the owner-occupied – rented housing axis. The former Eastern Bloc countries are at the extremes of owner occupancy as a consequence of the privatisation of the 1990s, while Germany and the Netherlands are at the extremes of rented housing.

## 1.2. Rented property markets, not-for-profit sector developers and the role of municipalities in housing markets

In Finland there are about 800,000 rented properties, of which about half are financed through the ARA system or through loans with subsidised interest rates. The remainder are rented properties that are financed on the open market. The rented property stock has grown by about 250,000 dwellings since 1970 (or since 1990, when Finland had the same number of rented properties as in 1970). The proportion of rented properties of all housing has fluctuated and fallen a little between the 1970s and today (1970: 37%; 1990: 25%; 2006: 30%).

The ARA housing stock, which is built with State aid, includes rented, right-to-occupancy housing and part-owned housing funded by ARA and loans with subsidised interest rates. The use and conveyance of these properties is restricted by legislation because the housing includes social elements. The regulations include for example how residents are selected, the amount of rent or consideration (the cost-effective principle, where rents are determined according to costs and income), the method of conveying rented properties and residents' democracy. Residents are selected on social bases such as income, wealth and urgency. Homelessness is naturally evaluated as an urgent need and social housing is the most important solution for homelessness, especially for people and families who can manage their housing with normal economic and social support. However, since the 1960s, Finnish housing policy has always considered it important to prevent the concentration of social housing, and social mixing in the planning, construction and upkeep of housing areas (leasing sites, funding, architecture of buildings, allocation of housing) has been taken as a concept in the planning of housing policy. An effective way of avoiding concentration has been the possibility to use public grants in acquisition of rented accommodation from owner-occupied housing stock (from housing companies). It is estimated that there are about 40,000 supported flats of this kind in Finland.

ARA housing and rented housing funded through interest rate subsidies are mainly produced and owned by municipalities and not-for-profit associations. Municipalities, and companies or housing companies owned by them, own almost 60% of rented properties provided through the ARA system. The largest nationally appointed not-for-profit sector and their not-for-profit group members, Sato, VVO, YH and TA-yhtymä, own about 15%. Organisations that maintain housing for the elderly, students, homeless and other special groups, as well as youth organisations also own 15%, and in addition companies from various sectors, insurance institutions and banks own 5%, but their share has continually decreased.

There are about 450 not-for-profit sector housing corporations and they own about 100,000 rented dwellings under the ARA system. In addition to municipalities, and companies or housing companies owned by municipalities, only these designated housing corporations can receive loans for rented housing under the ARA system. Designation has to be applied for, and ARA designates not-for-profit sector housing corporations which are bound by the legal requirements

of the not-for-profit sector. During the application process investigations are carried out to make sure that, among other things, ownership of the company and control are divided among a sufficient number of people, that the corporation's main area of activity is maintaining rented and right-to-occupancy housing and making them available for accommodation and that the application has sufficient resources to repay the ARA loan.

The largest group of owners of rented properties financed on the open market are private individuals. Other owners include companies, housing companies, not-for-profit sector associations, foundations, parishes and municipalities. Since rent control was abandoned in Finland between 1992 and 1995, and there is no general system of control of rents in the country, rents of housing financed on the open market are mainly determined through agreement between the parties and market rates.

Both housing financed on the open market and through the ARA system are covered by the Act on Residential Leases which includes the regulation of rental agreements, of the amount of rent and giving notice and terminating rental agreements. In addition, those living in rented properties can receive housing allowance, which in Finland is granted via three systems that run parallel with one another. The systems are targeted at different population groups according to their phase of life. All Finns are covered by a housing allowance system and at present some 20% of them receive housing allowance.

### 1.3. The roles of different agents

**Ministry of the Environment** is responsible for planning and monitoring the work against homelessness/housing exclusion in matters concerning overall housing conditions, strategies, special programmes, housing advice and other preventive measures.

**Ministry of Social and Health Affairs** is responsible for social and health services delivered both to the whole population and to vulnerable groups. This concerns also social and health services related to housing (e.g. home care, subsistence income, housing allowances).

**Ministry of Justice** (the Prison Service) is responsible for the release plans of prisoners, which also includes organizing accommodation.

**Municipalities** alone or municipalities in regional co-operation are the implementing authorities of the above mentioned tasks on the local level. They have the implementing responsibility while regional State authorities act as supervising bodies.

**The Private sector** owns about 50% of Finland's rented property stock, maintains accommodation for the homeless (until 2013) and implements support services.

**The Third sector** owns rented properties, maintains service and supported housing and shelters (until 2013) and implements support services.

See the details in Appendix 1: Service system and sector agents for the homeless in Finland

#### 1.4. Legislation and the relationship between municipalities and the State

According to section 19 of the Constitution of Finland (731/1999), the public authorities shall promote the right of everyone to housing and the opportunity to arrange their own housing. The role of the State in developing housing is to guarantee the implementation of human and basic rights by taking care of the strategic outline for housing development, passing laws and granting, for example, housing allowance as well as loans, interest rate subsidies and grants for the construction, repair and acquisition of housing. The municipalities implement government policies at the local level. The municipalities have to create the general conditions in their areas for the development of housing, and in this task policy relating to building land has a major role.

The Act on the Development of Housing Conditions (919/1985) intends to guarantee all people residing permanently in Finland an opportunity to reasonable housing. The objective is that every household should have a dwelling corresponding to the size of the household and the personal needs of its members, that the dwellings should be appropriate, healthy and well-functioning and that the residential buildings should fit in with the environment. Another objective is that the housing expenses should be reasonable in proportion to the size of the household and its disposable income and other necessary consumption expenditure. The municipalities have to ensure that implementation of housing development is directed particularly towards developing housing for the homeless and those that are in poor standard housing, and has to organise reasonable accommodation for those members of the community that have become homeless and would not, without considerable difficulty, be able to arrange housing for themselves.

Nationals have no subjective right to obtain a dwelling by turning to public authorities. Severe disability and child welfare interests constitute exceptions to this rule. The right of children to housing and severely disabled people to service housing are provided by section 13 of the Child Welfare Act (683/1983) and the Act on Services and Assistance for the Disabled (380/1987). The Act on Special Care of Mentally Handicapped People is applicable in situations where a mentally handicapped person does not obtain the services that he/she needs on the basis of other legislation. Special care is intended to ensure that a person who cannot live in his/her own home but does not need institutional care is provided with housing arranged in another manner. Special services also contain housing arrangements (sections 1, 2, and 35 of the Act on Special Care of Mentally Handicapped People 519/1977).

On the basis of social welfare legislation social welfare shall primarily be implemented through measures that promote independent living and coping (section 39 of the Social Welfare Act 710/1982). Social welfare legislation also obligates social welfare authorities to improve housing and living conditions in municipalities and to cooperate with other authorities.

The need for services of an applicant for housing services is assessed individually, and a care and service plan is prepared for the applicant with his/her consent or the consent of the applicant and his/her close person or representative. Services are supplied to people who, for a particular reason, need assistance or support. A person's independent living or moving to live independently is supported by social work and other social services (sections 17, 22, 23 and 27 of the Social Welfare Act; section 10 of the Social Welfare Decree; section 7 of the Act on the Status and Rights of Patients). Housing provided by social welfare authorities is mostly arranged in normal residential buildings and flats, most of which have been constructed by State funds and under quality control.

Income support is last-resort financial assistance under social welfare. It is meant to ensure at least the minimum income needed for a life of human dignity (section 1 of the Act on Social Assistance, 1412/1997). A person in need of assistance is granted income support for the necessary housing expenses, consisting of a rent or a maintenance charge for a freehold flat, other housing expenses and expenses for acquiring a rental dwelling (section 7). The necessary housing expenses are assessed for the purpose of ensuring housing for the applicant.

The State finances its activities through the collection of taxes. The Constitution of Finland also guarantees wide ranging self government in Finland to the municipalities, who have the right to tax and the right to decide on the use of their funds. The municipalities decide the tax rate for local taxes independently as well as the rate for property tax within the range stipulated by parliament. In addition, the municipalities receive a proportion of the receipts from general taxation as decided by parliament. Economic differences between the municipalities are evened out through the State's proportioning system.

## 2. Background to the reduction programme

### 2.1. General homelessness in Finland and its development

#### Homelessness in Finland

In Finland, the Homeless include the following categories:

- People staying outdoors, staircases, night shelters etc.
- People living in other shelters or hostels or boarding houses for homeless people (c. 1,000 people)
- People living in care homes or other dwellings of social welfare authorities, rehabilitation homes or hospitals due to lack of housing (almost 1,500 people)
- Prisoners soon to be released who have no housing
- People living temporarily with relatives and acquaintances due to lack of housing (the majority of the homeless, almost 5,000 people)
- Families and couples who have split up or are living in temporary housing due to lack of housing

Most of the homeless in Finland are still ordinary men, some of whom are working, but after the 1980s the group has become more diversified and the proportion of women, young people and immigrants among the homeless has increased. The proportion of people with multiple problems has also increased which brings its own problems in finding accommodation for the homeless. Geographically homelessness is concentrated in the growth centre areas where most of the immigration is targeted and who have the largest population growth: in 2007, about half of the country's population lived in the Helsinki, Turku, Tampere, Jyväskylä, Kuopio and Oulu regions, but as much as 80 % of the country's homeless were also found there. Homelessness is a

particular problem in the Helsinki region which accounts for about half of all the homeless in the country.

*Development of homelessness*

The Housing Finance and Development Centre of Finland (ARA) has the responsibility to produce a yearly report on homelessness and its profile based on a statistical market survey. The survey is done by the municipalities. Statistics have been collected since 1987. At that time the statistics showed that there were almost 20,000 homeless in Finland. By 2008, their numbers had fallen to about 8,000 people. The number of homeless halved between 1987 and 1996 partly because of the general development in the housing markets and partly because of various measures that were taken to reduce homelessness. After the mid-1990s the reduction in homelessness was slow, and at the turn of the millennium and again in 2008 the number of homeless even increased.

In spite of the measures taken then, homelessness has not disappeared. By 2008, the homeless who were easier to house had been housed, but that still left the long-term homeless who had difficult social and health problems and as well as housing needed a significant amount of services, support and/or monitoring.

It is worth remembering that the picture given by the statistics of the phenomena of homelessness only indicates the trend. It is difficult to estimate the exact number of homeless, because a person is defined as homeless only when they apply for services within the public sector such as applying for a home or for services for people with intoxicant use problems. In addition, the bases for the definitions vary by municipality, and the level of accuracy of the information can vary annually even within municipalities.

See the details in Appendix 2: Homelessness in Finland 1987–2009

## 2.2. The service system for the homeless before the new reduction programme

There has been considerable development and change in the provision of services to homeless people over the last thirty years. However, the data suggest that the system that was in place before the current programme was not successful in meeting the needs of homeless people with multiple problems, particularly in helping them out of homelessness. There remained a prevalent view amongst key players in the homelessness sector that the rehabilitation of a service user should be envisaged as a series of stages (*the staircase model*), where a permanent home was something of a 'reward', earned *via* positive behavioural changes (such as abstinence) on the part of the homeless person. The services, furthermore, were becoming more difficult to obtain without an appointment or if an individual was intoxicated. Life's other basic needs could therefore only come into play when the substance abuse spiral was broken either by institutional care or the person's own determination.

*The staircase model and the previous system of housing services contributed to the problems of the long-term homeless people in that although these people had reduced functional ability and they would have been entitled to tailored housing services, problematic substance abuse was often a barrier to getting these services. On the other hand, housing services relating to*

*substance abuse care could address the need for care of problematic substance abuse, but there were major shortcomings in these services when it came to working with service users with cognitively and physically reduced functional ability.*

A 'staircase' approach to homelessness services can work well with those who have opted for substance abuse rehabilitation and can cope with shared housing. However, a housing model that insists on the service user being intoxicant-free and able to take control of their life has proven to contain insuperable barriers for many homeless people with multiple problems. They face immense difficulties finding the motivation to receive care or change their lifestyles, and need considerable support with everyday life.

### 2.3. Homelessness reduction programmes 2001–2005

In accordance with the programme of the second Lipponen administration, measures to reduce homelessness were intensified at the change of the millennium. At that time there were about 10,000 homeless in Finland. The Ministry of the Environment established a multidisciplinary working group on the 19.9.2000 which drew up a homelessness reduction programme for 2001 – 2003 to cover the ten municipalities with the largest numbers of homeless. It was later decided to extend the programme to 2005. In addition, for 2002 – 2005 a separate programme of action to reduce homelessness in the Helsinki area. The following were presented in the national programme.

**Objective:** The objective of the programme was to interrupt the growth of homelessness which required the construction/acquisition of about 1,000 new dwellings annually.

**Measures:** Measures proposed included improvements in the preconditions for construction of low cost rented property stock, increasing the new production of small dwellings and a change in the bases for awarding housing allowance. Changes in the conditions for State loans and grants for the construction and acquisition of homes were proposed: the level of grants to be increased and the conditions for grants and loans to be relaxed. However, receiving loans and grants would still require that housing was being constructed, acquired or repaired for the homeless. There was a desire to strengthen the role of RAY (The Slot Machine Association) in supporting the production of housing targeted at the homeless.

Although increasing the housing stock was confirmed as a central measure in reducing homelessness, there was to be more concentration than previously on improving housing allowances. The quality objectives that were presented were to increase and improve the services targeted towards the homeless, particularly those that were difficult to house, as well as to draw up quality standards for dormitory accommodation for the homeless, and on the other hand to take measures aimed at preventing homelessness such as social housing management and increasing and improving housing advice. The working group also proposed clarification in the division of responsibility between social and health care and housing services as well as increasing local cooperation.

**Responsible parties:** The contracting partners in implementing the programme are the municipalities, service producers the third sector agents as well as from the government's side,

several different Ministries, ARA and RAY who participate in financing projects that are part of the programme through loan guarantees and grants.

#### **2.4. Evaluation of the reduction programmes**

The implementation of the programmes and the results were regarded as fairly successful, particularly when the results are compared against the objectives that were set. The growth in the number of homeless was arrested and the number of homeless even reduced during the period of the programme in spite of the fact that it was not possible to increase the number of small rented properties in line with objectives. The growth targets for the stock of small dwellings and social housing stock should not however be abandoned so that it will be possible to reduce homelessness in the future as well.

The national programme was considered successful precisely because it strengthened the work being done at local level and activated a lot of different local projects and new activities. The significance of the actual work of the programme was greater in the Helsinki region than in other municipalities.

The objective of the programme to develop closer cooperation between different parties was achieved well within municipalities. Local cooperative structures were implemented best in the Helsinki region. There was room for improvement in cooperation internally within municipalities and locally, as well as between both different administrative sectors, and between these sectors and not-for-profit sector housing producers.

The most important recommendation for the future from the evaluation of the reduction programme was to implement a new homelessness reduction programme which targets the elimination of long-term homelessness among those who most need support services. The programmes from 2001 – 2005 already recognised the importance of housing support services. More attention than previously was paid to the homeless who are difficult to house, and the importance of improving basic services and the services intended for the homeless was emphasised, in addition to just providing housing. The concept was not however realised in the best possible manner, rather there was too much concentration on the amount of housing produced at the expense of quality targets. This was seen in such things as forgetting to resource services and failures in measurement and monitoring of quality targets.

#### **2.5. Group of the Wise report and the programme working group report**

In May of 2007, the Ministry of the Environment set up a working group known as the Group of the Wise to prepare to draw up a new programme for eliminating long-term homelessness (2008-2015). Once the Group of the Wise's report was ready a programme working group was established which, on the basis of the Group of the Wise report, drew up a new programme for eliminating long-term homelessness for the period 2008-2015. The tasks of the programme working group was to make concrete the proposals contained in the Group of the Wise report and evaluate what would be required to implement them.

The chairman of the Group of the Wise was the Director of the City of Helsinki's Social Services and the other members were the Managing Director of the Y-Foundation, a Member of Parliament

and the Bishop of Helsinki. The task of the group was to carry out a preparatory study: among other things, they were to consider the nature of homelessness in Finland and evaluate existing services from the perspective of the homeless. In addition they were to present preliminary proposals for new types of measures to reduce long-term homelessness. The Group of the Wise saw three problem areas in the previous homelessness reduction measures:

- 1) Matching: Support measures directed to the homeless often did not even meet the needs of the long-term homeless, or simply did not reach them. In addition, new people were becoming homeless all the time which indicates gaps in the support system.
- 2) Implementation: Implementation of the preferential treatment intended for the long-term homeless was slow, and there were many reasons for that. The lack of appropriate building sites has caused the most problems.
- 3) Support: Insufficient support has been provided. The problem has been a lack of finance, coordination and appropriate support.

The group presented the ethical, legal and economic bases for eliminating homelessness and on these bases, put forward proposals for reducing long-term homelessness. An extremely important starting point was the "Housing First" principle, which is used as the philosophical starting point for the programme and a practical guiding concept that permeates the whole programme. In the report it was stated that because of changes in the nature of homelessness, new kinds of housing policy, and social and health policy, solutions were needed. The resources targeted at helping the individual homeless person had to be greater than previously, because the remaining homeless, who are difficult to house, need more intensive support than the groups of homeless that have already been housed. However, the working group stated that the costs resulting from the measures to be taken under the project would be smaller than the costs to society of not dealing with homelessness.

The Group of the Wise proposed a target of halving long-term homelessness by 2011 and eliminating it entirely by 2015. In practice the quantitative target was presented as a total of 2,500 new dwellings or care places directed towards the homeless. Of these, 1,600 would be in Helsinki, 400 elsewhere in the Helsinki region and 500 in other growth centres that are suffering from homelessness. The target set by the group was included, with some small changes in both the programme working group's report and the Government's decision in principle.

The report of the Group of the Wise presented a new kind of operating model: Dormitory type solutions would be almost totally abandoned and, even for those difficult to house, the primary solution would be ordinary rentals in accordance with the Act on Residential Leases, and these would be supported by, for example, a mobile support team. Alongside this model, serviced housing in accordance with Social Welfare Act was proposed for those who needed more intensive support. The change in the programme regarding dormitory accommodation is based directly on both the "Housing First" principle and the section in the Constitution of Finland to a person's right to peace at home and privacy, which was emphasised by the working group, and it is included unchanged in the programme working group's report (financing was altered later). Other proposals that were included in the programme working group's report included altering the State's housing funding to build cheap housing for the homeless, keeping RAY's investment aid, supporting the salaries of support personnel, developing housing advice, concept competition and the establishment of a development unit for services for the homeless. On the other hand,

proposals for revising the conditions for the old ARAVA loans system, and using existing property in public services as service dwellings for the homeless did not receive support.

There were no proposals for special systems or properties for women or immigrants, but the Group of the Wise proposed special measures to be targeted at preventing and averting homelessness among two groups; young people and newly released prisoners. Preventing homelessness among young people plays a central role in preventing homelessness, and this was emphasised in both the programme working group's report and in the final programme. The proposal from the Group of the Wise for the role of the church and business sector in development work for supported housing was not implemented in its original form. Housing for young people was however built, and in the decision in principle it was decided to implement a project of supported housing for young people which the church participated in.

Many proposals for measures to develop housing services for newly released prisoners and clients of the probation service were put forward in both the Group of the Wise's and the programme working group's reports, but the only ones to be included in the final programme were a development project to be implemented under the direction of the Crime Sanctions Agency, and the acquisition of housing for newly released prisoners with grants from RAY and the development of housing services for them.

## 2.6. Government's decision in principle

The long-term homelessness reduction programme for 2008-2011 is part of the second Vanhanen administration's housing policy programme which defines the central measures of housing policy for the period of the government. The Government took a decision in principle to implement a long-term homelessness reduction programme on 14.2.2008. The decision in principle presented the background to the programme, its objectives and measures which closely follow the proposals of the programme working group.

### Objectives

The objectives of the programme are:

- 1) To halve long-term homelessness by 2011
- 2) To intensify measures to prevent homelessness

The requirement to create about **1250 new dwellings**, supported housing or care places directed towards the long-term homeless by 2011, was set as a quantitative target. Of these 750 would be in Helsinki, 125 in Vantaa, 125 in Espoo and a total of 250 in Tampere, Turku, Lahti, Kuopio, Joensuu, Oulu and Jyväskylä.

### Measures

- a) Measures directed to reducing long-term homelessness

**Action plans and letters of intent:** In accordance with the proposal of the programme working group, the participating cities had to draw up action plans which identified the need for housing solutions and support, preventive measures, projects to be implemented and other measures. The plans were to be ready by 31.3.2008, after which, by 30.5.2008, the State and cities together would have drawn up letters of intent which defined the State's participation in the funding of the measures.

**Funding:** In accordance with the decision in principle, the projects would be financed by the Housing Fund of Finland (ARA), the Ministry of Social Affairs and Health (MSAH) and Finland's Slot Machine Association (RAY). ARA will provide a maximum of EUR 20 million a year of investment grants to approved projects in the programme, in accordance with the programme, MSAH will support the production of the support services for new housing service units by providing State subsidy for 50% of the salary costs and RAY will participate by funding the programme for converting dormitory accommodation into supported dwellings (EUR 18 million), and by supporting the organising and development of supported housing for newly released prisoners and clients of the Probation Service from 2009 – 2011 (EUR 2.5 million).

**Development project for housing homeless prisoners:** Together with the organisations that provide housing services in the cities participating in the programme, the Crime Sanctions Agency will implement a development project concentrated on providing supported housing for homeless prisoners. The Ministry of Justice and the Ministry of the Environment will be responsible for the implementation of the project, the municipalities for organising housing and support services and the Crime Sanctions Agency will coordinate the project and provide its specialist expertise of the criminal sector.

b) Prevention of homelessness

**Young people's supported housing project:** In order to prevent homelessness, it was decided in the decision in principle to implement a joint project including the State, cities, the church, companies and organisations to provide supported housing for young people.

**Housing advice:** It was decided to include the national direction of housing advice within the tasks of ARA, and it was decided to give State funding to housing advice in the municipalities for the years 2009-2011.

**Concept competition:** The Ministry of the Environment, Housing Finance and Development Centre of Finland, the National Research and Development Centre for Welfare and Health (STAKES), and the cities of Helsinki, Espoo, Vantaa and Tampere were to arrange a national concept competition in 2008 to establish dwellings and services for the long-term homeless. The cities reserved sites and properties for the competition and the State and municipalities were jointly responsible for the funding. The Ministry of the Environment had overall responsibility for the implementation of the project.

See the details in Appendix 3. Government's decision in principle

### 3. Long-term homelessness reduction programme and its implementation

#### 3.1. Central principles of the programme

##### Definition of long-term homelessness

In the long-term homelessness reduction programme, long-term homelessness is defined as: *a person whose homelessness has become prolonged and chronic, or is threatening to become chronic, because normal housing approaches have not worked, and because there have been insufficient housing solutions tailored to individual needs.* Long-term homelessness is not therefore defined according to some agreed duration of homelessness. The risk of prolonging homelessness increases significantly if homelessness is linked to one or several of the following factors: uncontrolled use of intoxicants, active use of drugs, mental health problems, neurological injuries, a tendency to violence, criminality, release from prison, indebtedness.

Before the programme started it was estimated that about one third of all homelessness was long-term homelessness, i.e. about 2,500 people of whom about 2,000 were in the Helsinki region. Homelessness, and particularly long-term homelessness, is thus concentrated in the Helsinki region.

Within the programme the long-term homeless are divided primarily according to their need for support. The target groups are men and women with mental health and intoxication problems, behavioural disturbances from multiple illnesses, young people with drug problems as well as newly released prisoners and other clients of the Probation Service. The groups are not precisely defined in all respects and there is some overlap between them. The proportion with multiple problems is small in number, but successfully housing them will require the most resources.

##### "Housing First" principle

The "Housing First" principle has been applied in the long-term homelessness reduction programme of 2008-2011. While work with homelessness until now has generally followed the principle that the homeless person has to demonstrate their ability to be rehabilitated before they receive housing (the staircase approach), the provision based on the "Housing First" principle has the starting point that appropriate accommodation is a prerequisite for solving other social and health problems. The Finnish Government's statement accompanying the new Programme asserts that:

*The Programme is structured around the "Housing First" principle. Solutions to social and health problems cannot be a condition for organising accommodation: on the contrary, accommodation is a requirement which also enables other problems of people who have been homeless to be solved. Having somewhere to live makes it possible to strengthen life management skills and is conducive to purposeful activity.*

The basic idea behind the "Housing First" concept as developed in Finland is a housing package where accommodation and services can be organised according to the resident's needs and abilities and social welfare and health requirements. A person is allocated independent

accommodation - a 'home' - and services that differ in their intensity are established around this. Services are implemented via partnership working between the accommodation provider and public social and health services. Important aspects of this concept include community living and civic participation. The main elements of the Finnish approach are:

- secure permanent accommodation with a tenancy agreement;
- reducing the use of conventional shelters and changing them into supported, rented accommodation units;
- the prevention of eviction by means of housing advice services and financial support;
- drafting plans for individual rehabilitation and services;
- guidance in the use of normal social welfare and health services, and
- civil action: greater initiative, peer support and community building.

### 3.2. Approach to implementation

The programme is being implemented with reference to the letters of intent concluded by the State authorities and the 10 largest Finnish cities with a problem of homelessness. The starting point for the letter of intent is the decision in principle of the Vanhanen government and that covers all the projects and defines the government's participation in their financing. The agreements are valid from 1.9.2008 to 31.12.2011 and they can be reviewed annually. The agreements will be renewed during 2011.

The letters of intent contain a section that is common to all the agreements and a separately tailored section for each city which details the projects for that city. The common sections define the starting points of the programme, the objectives and responsible parties, the target group for the programme as well as the start of the validity of the agreement and its monitoring. The city specific section agrees the funding, timetable, staffing levels and target group in detail for the projects. The agreements are made flexibly so that projects in Appendix 2 can be included in Appendix 1 projects in the event that Appendix 1 projects are late or are not implemented.

According to the letters of intent, the Ministry of the Environment will promote and coordinate the implementation of the agreements. For the State the letters of intent were signed by the Minister of Housing (Ministry of the Environment), the Minister of Health and Social Services (MSAH) and the Minister of Justice (Ministry of Justice) as well as the directors of ARA, RAY and the Crime Sanctions Agency. For the cities, the signatories were senior officials (Mayor or Director of Social Affairs/Housing/Administration).

The letters of intent agree that monitoring of the programme will be implemented through an operating report to be drawn up annually. The report contains a summary of the project and the project's progress, costs and financing that are committed as well as a plan for the following year's ongoing and start-up projects. The issues to be followed up are the progress of the intended measures in the letter of intent as well as their influence on the development of homelessness (responsible parties in brackets):

- Development of homelessness and long-term homelessness (ARA, municipalities)
- Progress of projects (ARA, MSAH, RAY, municipalities)
- Recruitment of support staff (municipalities and MSAH)
- Costs and funding provided (municipalities, ARA, MSAH, RAY)
- Number of long-term homeless people housed and the target group (municipalities)

According to the agreements, the Ministry of the Environment will establish a national monitoring and guidance group under the direction of ARA for implementation of the programme and this group will meet at least once a year. There will be representative of the parties to the agreements in the group, and its task will be to evaluate the implementation of the programme as well as to make proposals, as necessary, for supplements to the programme. An interim evaluation of the implementation of measures, any possible new measures as well as the funding requirement for the end of the programme period 2012-2015 will be made in 2011.

In addition a small steering group has been established, with representatives of the cities of Helsinki, Espoo, Vantaa and Tampere as well as the Ministry of the Environment, the Ministry of Social Affairs and Health, ARA, service producers (Finnish Youth Housing Association, The Probation Foundation and the Community of Espoo's Associations) as well as the NGO, No Fixed Abode. This small steering group meets once a month.

See the details in Appendix 4: Tampere's letter of intent

### 3.3. Programme funding

Responsibility for financing the Programme is shared between the State and the local authorities. The State has set aside EUR 80 Million in structural investment for the Programme and EUR 10.3 Million for the hire of support personnel. Furthermore, the Finnish Slot Machine Association (RAY) has set aside EUR 18 Million as financial assistance.

#### Objective for the whole period of the programme

##### ARA's investment grant and subsidised interest rate loans

ARA will support construction, acquisition and basic improvement projects approved under the programme through EUR 80 million of investment grants in the period 2008-2011 (EUR 20 million/year). The investment grant is a maximum of 50% of the approved costs of the projects and the grant is always linked to subsidised interest rate loans guaranteed by the State which will cover the other half of the funding of a project.

The State/ARA	<b>EUR 80 million</b>	(investment grant)
The State/ARA	EUR 80 million	(subsidised interest rate loan)
Total	EUR 160 million	

##### Seed funding of staffing costs:

The Ministry of Social Affairs and Health will direct EUR 10.3 million of State funding to the additional staff required to produce the support services which will be used to implement

development projects approved under the programme. For development projects implemented by the Cities' own or bought-in services, State funding will cover a maximum of 50% salary costs of the *additional* staff who have direct customer contact with the long-term homeless. The funding will be paid through the Government approved national social and health care development programme i.e. the "Kaste" programme 2008-2011.

The State/MSAH	<b>EUR 10.3 million</b>	(Kaste grant)
Municipalities	EUR 10.3 million	(own funding)
Total	EUR 20.6 million	

RAY's grants:

RAY will participate in implementing the programme through grants of **EUR 20.5 million** in 2008-2011. Of this sum, EUR 2.5 million is reserved for the acquisition of supported housing for newly released prisoners.

Total funding for the programme

ARA	EUR 160.0 million
Kaste	EUR 10.3 million
RAY	EUR 20.5 million
Municipalities	EUR 10.3 million
<b>Total</b>	<b>EUR 201.1 million</b> of which the State share is EUR 190.8 million

The municipalities' share of the funding is based on an estimate. In practice the municipalities do not have to invest their own money at all in projects that have been given a decision regarding ARA grants, because the remaining part of the costs are covered by subsidised interest rate loans guaranteed by the State. In addition, because Kaste grants are only intended for paying salaries of additional staff needed for client work, and the grants cannot cover for example salaries of managers or kitchen staff or operating costs, in practice the municipalities have remained responsible for over 50% of the operational costs of new residential units.

### 3.4. Quantitative targets for the programme and meeting them

#### Quantitative target

Target:

The original quantitative target for the programme was to provide housing, supported housing or care places for the long-term homeless by 2011 in the municipalities as follows:

Helsinki	750
Espoo	125
Vantaa	125
Tampere, Turku, Lahti, Kuopio, Joensuu, Oulu and Jyväskylä together	250
<b>Total</b>	<b>1250</b>

Implementation:

Table: Quantitative targets for the programme and implementation (housing places) (does not include individual flats and Finnish Youth Housing Association housing for young people)

	Target (original/ revised)	2008–2009 (completed)	2010 (completed)	2011–2012 (planned/being built /estimated completion)	Total
Helsinki	750/932	181	212	539	932
Espoo	125/276		51	225	276
Vantaa	125/135		47	88	135
Others in total	250/307	88	97	122	307
Tampere	110/106	48		58	106
Turku	50	15	25	10	50
Joensuu	20	5	15		20
Jyväskylä	30	12*	11	7	30
Kuopio	20		20		20
Lahti	50/60		13	47	60
Oulu**	21	8	13		21
<b>All in total</b>	<b>1250/1650</b>	<b>269</b>	<b>407</b>	<b>974</b>	<b>1650</b>

\*It was not certain whether the Jyväskylä Street Mission's housing at Koulutie 12 will be completed in 2009 or 2010

\*\* Oulu's figures are from 2009

Quantitative target of the programme has been surpassed (1250>1650) because some of the original projects have delayed and substitute projects have increased the total number of flats and housing places.

Most of the locations that are planned have received a decision from ARA regarding funding. In addition to the amounts presented in the table, RAY has awarded the Y-Foundation and various associations funding for the acquisition of 600 (230+270) individual flats from housing market in 2009 and 2010. By June 2010, a total of 331 (160+171) flats had been acquired. The acquisitions have been delayed because of increases in the price of housing. In addition to this, several cities have reserved housing for the homeless which is outside the scope of the homelessness reduction programme and these have not been taken into account in the programme monitoring reports. It is estimated that this amounts to several tens of dwellings.

At the end of 2009, 22% of the original programme target of 1250 dwellings has been achieved and at the end of 2010 the figure will be 54%. The programme's quantitative target is being met through the planned projects.

## ARA's investment grant and subsidised interest rate loans

### Authority:

ARA will support construction, acquisition and basic improvement projects approved under the programme through EUR 80 million of investment grants in the period 2008-2011 (EUR 20 million/year). An investment grant is a maximum of 50% of the approved costs of a project.

### Implementation:

By 16.6.2010, ARA had committed to a total of **EUR 59.8 million** in investment grants and **EUR 104.6 million** in loan guarantees for 40 different projects (projects for which at least a decision to reserve funding had been made). Of these 25 were new construction projects and 15 were acquisition or basic renovation projects. A total of EUR 56.4 million worth of grant decisions had been made and EUR 41.7 million worth of loan decisions (see table). Although the subject of the projects are seen as being under the programme, the majority of the projects have not received a 50 per cent grant, rather the average proportion of the total cost of the project covered by the grant has been 33%. The percentage of grant together with the loan has been regarded as sufficient both for the need for support and the starting rent. ARA's investment grants will be sufficient to achieve the quantitative targets of the programme.

Table: ARA's grant and loan reservations and decisions regarding the programme projects (situation at 16.6.2010)\*

	Conditional grant reservations	Conditional loan reservations	Grant decisions	Loan decisions	Grant payment
2008	EUR 4.5 million	EUR 20.1 million	EUR 5.1 million	EUR 19.2 million	EUR 4.0 million
2009	EUR 34.2 million	EUR 49.0 million	EUR 30.2 million	EUR 22.5 million	EUR 4.8 million
2010	EUR 21.1 million	EUR 35.5 million	EUR 21.1 million	EUR 0	EUR 0
<b>Total</b>	<b>EUR 59.8 million</b>	<b>EUR 104.6 million</b>	<b>EUR 56.4 million</b>	<b>EUR 41.7 million</b>	<b>EUR 8.8 million</b>

\*ARA's decisions include construction projects where only part of the new dwellings are intended for groups within the programme (e.g. the long-term homeless or young people needing special help). Because of this, loan reservations, loan decisions and payments are estimates. The sums are calculated according to the proportion of grant so that the proportion of loan and payment received by the programme groups is the same as the proportion of the grant reserved for the programme groups. In addition, the programme groups' proportion of the funding of the common areas is calculated according to the proportion of the housing that is reserved for them.

## Support staff salaries

### Authority:

The Ministry of Social Affairs and Health will direct 50% of State funding to the additional staff required to produce the support services which will be used to implement development projects approved under the programme. The funding is paid through the Government approved, 2008-2011 national social and health care development programme, i.e. the Kaste programme. A separate sum of money amounting to EUR 10.3 million, has been reserved within the "Kaste" programme for homelessness projects, and this is divided so that EUR 300,000 has been reserved for 2008, EUR 2 million for 2009 and EUR 4 million for 2010 and 2011. It is estimated that the sum will enable the employment of about 200 new staff.

Implementation:

A total of EUR 4.55 million in "Kaste" grants have been awarded in the period 2008-2010 which is below the authorised sum (EUR 6.3 million). In 2008 EUR 300,000 in "Kaste" grants were awarded as planned, in 2009 EUR 1.56 million and in 2010 EUR 2.69 million. The estimated number of additional staff at the end of 2009 was 130.

Because of delays in some projects, there were fewer applications for grants than expected in the first half of the programme. The use of grants will however be weighted to the second half of the programme period, and the value of "Kaste" grants in 2011 will be EUR 5.85 million. The authority for grants will therefore be used in its entirety, and on the basis of projects underway it can be assumed that the number of additional people employed will increase to the original target of 200 new staff.

2008	EUR 0.3 million	
2009	EUR 1.56 million	
2010	EUR 2.69 million	
<b>Total to date</b>	<b>EUR 4.55 million</b>	
2011	EUR 5.85 million	(estimate, it is probable that most will be used)
All in total	EUR 10.40 million	(estimate, it is probable that most will be used)

### Conversion programme for dormitory accommodation

Target:

In the decision in principle, the funding of the conversion programme for dormitory accommodation was indicated RAY's responsibility. In practice however, funding the conversion of the dormitory accommodation has been the responsibility of ARA through investment grants and subsidised interest rate loans. The change is because ARA's grant and loan conditions are more advantageous.

Implementation:

ARA has awarded conditional grant and loan guarantees to all four of the associations/foundations that maintain dormitory accommodation that applied. The grant reservation totals EUR 10.3 million and the loan reservation EUR 11.8 million. Of the projects that have received grant and loan reservations, the renovation of the Rukkila dormitory accommodation of the Y-Foundation/Suoja-Pirtti (an organisation that helps those with alcohol problems) has begun and will be completed at the end of 2010. The conversion of the dormitory accommodation on Kalevankatu run by Kovaosaisten ystävät (a Christian group to help men fallen on hard times) into residential units for the long-term homeless is estimated to begin in January-March 2011 and be completed January-March 2012. The new construction project of the Väinölä home (run by the Lutheran church for those trying to give up alcohol) has reached the stage where a demolition permit has been granted and the commitment to cooperation from the City will probably be received in August, after which demolition will start and a building permit applied for. A preliminary plan for temporary placement of residents of the Salvation Army's dormitory accommodation on Alppikatu during its renovation has been made as well as the project and action plan.

### Development of housing services for homeless newly released prisoners

Target:

During the period 2009-2011, RAY will channel operative and project grants to associations who develop and organise supported housing for clients of the Probation Service. In addition, in the indicative grant plan where funds have been targeted at acquisition of housing for special groups, EUR 2.5 million has been allocated for the period 2009-2011 for the acquisition of supported housing for newly released prisoners.

Together with the organisations that provide housing services in the cities participating in the programme, the Crime Sanctions Agency will implement a development project concentrated on providing supported housing for homeless prisoners ("Own home" project). The Ministry of Justice and the Ministry of the Environment will be responsible for the implementation of the project, the municipalities for organising housing and support services and the Crime Sanctions Agency will coordinate the project and provide its specialist expertise of the criminal sector.

Implementation:

RAY has awarded support totalling **EUR 2 million** for supported housing for newly released prisoners for the period 2009-2010. A total of **EUR 1.1 million** in grants was awarded for 2009, of which EUR 0.25 million was for projects developing supported housing (The Probation Foundation) and EUR 0.85 million for the acquisition of supported housing. By the end of 2009, 9 dwellings had been acquired (The Probation Foundation 4, Jyväskylä Street Mission 5). A total of EUR 0.9 million in grants was awarded for 2010, of which EUR 0.25 million was for projects developing housing support (The Probation Foundation) and EUR 0.65 million for the acquisition of housing. The Probation Foundation intends to use the 2010 acquisition grant to acquire a total of 15 dwellings (6 had been acquired in June) and the Jyväskylä Street Mission will acquire 5 dwellings. In addition to these, during the period of the programme, The Probation Foundation has established four new residential units in its own property in which there are a total of 16 single apartments.

The Crime Sanctions Agency's "Own Home" project has been launched. The management group has met ten times and local groups made up of representatives of local prisons, investment units, cities and associations have begun their operations by drawing up local and city specific plans for pathways for prisoners from prison into society. The activities and cooperation in planning have gone extremely well in East and Northern Finland and in Lahti. In Tampere the project has developed on the base of early similar activity (Cooperation for a Crime Free Life – project). On the other hand, in Turku work of the local group is just beginning and the Helsinki area group has not yet found its role. There are thus regional differences in the work of the groups and, in part, the organisational changes in the Probation Service have been visible in the actions of projects. The special projects that are part of the programme have been launched.

## RAY

Target:

RAY will participate in implementing the programme through grants of about EUR 20.5 million in 2008-2011. Of this sum about EUR 2.5 million will be directed to the acquisition of supported housing for newly released prisoners and the remainder to the programme for conversion of dormitory accommodation.

Implementation:

Up until now, RAY has awarded grants totalling EUR 23.7 million for homelessness projects, which is slightly above the original plan. RAY's grants however, have not been directed to the dormitory accommodation conversion programme because the organisations maintaining the accommodation have applied for ARA investment grants because the support conditions are more favourable. Of this sum, EUR 5.1 million is operative and project grants and EUR 18.6 million is investment grants for the acquisition of individual flats for homeless persons. In addition investment grants (EUR 9 million) have been directed towards the construction of housing for young people in vulnerable situation. This sum has not been included as a part of the programme because it is not directly channelled to homeless persons.

Table: RAY's grants for the homelessness programme's projects 2009-2010

	2009	2010
Operative and project grants (EUR)	EUR 2.3 million	EUR 2.8 million
Investment grants for acquisition of housing (dwellings / EUR)	230 units* / EUR 8.7 million	270 units* / EUR 9,9 million

\* The target for 2009 was 230 dwellings, but 160 were achieved. The number of dwellings for 2010 is also a target. By June, 171 units had been acquired. The acquisition of housing has proceeded more slowly than expected which is because RAY set a price cap and the general effect of rising housing prices; the prices of housing easily exceeded the price cap.

### 3.5. The programme's other central qualitative objectives and their implementation

#### Prevention of homelessness among young people

Target:

In order to prevent homelessness among young people, a joint project including the state, cities, the church, companies and organisations to provide supported housing for young people is being launched in the Helsinki region.

Implementation:

The Finnish Youth Housing Association has launched a national project for supported housing for young people which will include local initiatives in Helsinki, Espoo, Vantaa, Tampere, Joensuu, Oulu, Jyväskylä and Lahti. The objective of the initiatives is to prevent homelessness among young people as well as to create new cooperative practices and working models, and they have been implemented without any problems. The National Workshop Association's "Start a better life" project (2009-2011), is being implemented as a sub-project of the national project for supported housing for young people. The project teams have started well with the Housing ABC material covering experience of good practice and the use of the Digital portfolio as well as modelled paths for young people from homelessness to independent living with the help of joint actions from many sectors and team work. Both projects are supported by RAY.

By June 2010, 245 new dwellings had been built within the project for young people needed special help (another 436 dwellings will be built during the period 2010-2012). In addition, in all of

the cities in the programme, with the exception of Turku, a cooperation agreement has been/is being signed between the city and the local producer of housing for young people, to agree to increase the number of reasonably priced dwellings for young people as well as the adoption of new ways of early intervention. The new form of preventive service chain has arisen through a combination of outreach work with young people, the activities of workshops and supported housing for young people.

## Housing advice

### Target:

National steering and development of the activities of housing advisors was included as one of ARA's tasks during 2008. In addition, the municipalities have the possibility to receive a grant of 20% of the salary of housing advisors for the period 2009-2011 through the Neighbourhood programme administered by ARA. In order to receive the grant, the municipality's social services and housing services have to draw up joint approaches to prevent evictions and to cooperate in cases of eviction.

### Implementation:

14 new housing advisors have been employed in the cities in the programme, and ARA has awarded neighbourhood grants for their salary costs. All of the cities that have applied for grants have drawn up instructions to prevent evictions and to organise cooperation when there are evictions. The plan to establish Helsinki's Housing Advice Centre has been finalised. In 2009, a total of EUR 171,273 was awarded to these projects. In addition, the housing advice forum under ARA's management began its activities in March 2009 and met a total of 3 times.

## Concept competition

### Target:

The Ministry of the Environment, Housing Finance and Development Centre of Finland, the National Research and Development Centre for Welfare and Health (STAKES), and the cities of Helsinki, Espoo, Vantaa and Tampere will arrange a national concept competition in 2008 to establish new types of accommodation unit and services for the long-term homeless. The cities will reserve sites and/or properties for the competition.

### Implementation:

Of the cities with letters of intent signed, Helsinki, Espoo and Tampere took part in the competition, but there was not a single proposal from Espoo for the competition. The aim of the competition was to look for new kinds of service model and project entities as well as to create the conditions for their development over the long-term. The use of a planning competition in acquiring this kind of service is also a new application within the Act on Public Contracts. The Finnish Funding Agency for Technology and Innovation, Tekes, has supported the project.

In both Helsinki and Tampere, the competition received four suggestions which were of high quality. In Helsinki the proposal from the Helsinki Deaconess Institute (HDI) won the competition. The location will have 50 dwellings and construction will start at the end of 2010. The awarding

committee based their selection on the fact that the winner's proposal made it possible to evaluate the clients' social interaction skills and readiness for it in a new manner. The Tampere competition was won by the proposal from AvaCap Oy. The location will have 30 terraced houses and service areas. The project was given a conditional grant and interest subsidy by ARA on 11.3.2010. Construction will start in the summer of 2010 and operations will start at the beginning of 2011. The winning proposal from Tampere was distinguished by its flexible service concept; the proposal makes it possible to change housing support according to the needs of the client.

### **Financial efficiency**

The first evaluation of the financial effects of the programme has been prepared. For the evaluation, 15 people were observed for 5 months before they moved into supported housing and for 5 months after the move. The subject of the survey was a residential unit with intensified support where there were 22 residents and 5 staff. The residents are people who are hard to house as they suffer from intoxicant and/or mental health problems, and have a background of long-term homelessness. In practice, the residents had come to the unit from institutions or from the street.

It was seen that intensified support meant annual savings of about EUR 211,000 of the overall costs. The average saving per resident was EUR 14,000 which is over 50% of the total cost during homelessness. The greatest saving came from reducing the number of hospital visits and use of intoxicant rehabilitation services. The subject of the survey was a unit with intensive support, which can also be seen in the staffing level. In practice therefore the savings generated from the reduced use of services covers the salaries of the intensive support staff.

Given that this is an average saving, it can be estimated that by the end of 2009, the annual saving from the housing and supported housing that have been completed will be about EUR 3.4 million total savings for the costs caused by homelessness. When the programme's quantitative target (1250) has been achieved the total saving is estimated at EUR 17.5 million a year. With the municipalities' present plans (1650 housing places), the savings are estimated at EUR 23.1 million per year.

These cost calculations have not taken into account the positive changes that happen at the unit level such as possibly reintegrating people into working life and thus generating higher tax income.

### **Development activities – Tekes' service innovation project**

The programme's development network was established in the Ministry of the Environment in April 2009. The work of the development network, which is run by the Helsinki region's Centre of Expertise on Social Welfare (SOCCA), happens in sub-groups in which people and organisations who work in the field of homelessness are represented. About 200 people took part in the homelessness day organised by the network on the 16.10.2009. Next homelessness day will be organised on the 15.10.2010.

The development work has been intensified by the 2 year service innovation project for the homeless which is funded by Tekes and starts in the autumn of 2010. The total cost estimate of the project is about EUR 2.7 million of which Tekes' funding covers about half. The project is

coordinated by SOCCA and, in addition to the cities of Helsinki, Espoo, Vantaa and Tampere, the Helsinki Deaconess Institute, the NGO No Fixed Abode and the training association, Silta (Bridge) are participating. The main objective of this research-based development project is to develop services which operate on the "Housing First" principle within the service systems of the participating partners, and which will be focussed on both reducing homelessness and preventing it. The main joint development method of the project is a systematic networked approach between the municipalities and project partners, in which the client perspective and the experience-based expertise of the users of services have a significant role. As well as developing services, the results of the development work will be to produce web pages at [www.asunto-ensin.fi](http://www.asunto-ensin.fi) which will support the services working on the "Housing First" principle. The project's international partner is a London King's College project which is developing new; multidisciplinary working practices among the homeless with multiple problems.

### Monitoring and evaluating the programme

The Ministry of the Environment has established two monitoring and steering groups under the direction of ARA, including representatives of the parties to the letters of intent. The full steering group had met 3 times by June 2010 and the smaller steering group 15 times.

In the meetings of the full steering group the implementation of the whole programme on a national level is monitored, and the parties agree between themselves on changes made to the project lists during the year. The smaller steering group deals with the programme by theme and by client group (housing advice, special questions regarding newly released prisoners, supported housing for young people, families suffering homelessness, tendering for services for the homeless, research and development actions, housing and income support, questions of programme funding, preparing a new programme).

### International evaluation

Evaluation of the whole programme will be carried out in December 2010 as an international Peer Review and the costs will be shared between national authority and the EU Commission. The evaluation meeting will be held in Helsinki from 2.-3.12.2010.

## 4. Implementation of the reduction programme by city

### 4.1. Helsinki

#### Quantitative and qualitative targets for the programme and meeting them

At the end of 2010, of the 750 housing places in the target, 327 had been achieved, i.e. about 44%. The programme implementation is a little back-end weighted, but all the most important projects are progressing. All in all, by the end of 2011 and the early months of 2012, there will be 932 housing places under construction in Helsinki. All of the locations in Helsinki in the programme to convert and renovate dormitory accommodation have started. Of the various projects Suoja-Pirtti's Rukkila housing association and the Finnish Blue Ribbon Foundation's Pessi II will be completed by the beginning of 2011.

Projects to develop supported housing for newly released prisoners and clients of the Probation Service have been launched. In addition, the Probation Foundation has established four, four-place residential units in its own property and the intention is to acquire a further 5-7 dwellings in Helsinki in 2010 with grants from RAY for the use of newly released prisoners.

In accordance with the letter of intent, the City has allocated building sites for housing for young people and it is hope that there will be more sites in the future. In addition, in order to avert and prevent homelessness among young people, an outreach programme run by Helsinki Diakonissa Institute has been launched for young people in the risk group, and a project, implemented by NAL-services in cooperation with the family centre of the city's social services, to support independent living by 16-18 year olds. The experience has been positive both for the young people themselves and financially for society: supported housing costs the community about EUR 8,000 a year whereas the costs of child protection are a minimum of EUR 72,000 a year. In accordance with the letter of intent, Helsinki has employed seven new housing advisers and drawn up a common written recommendation for working practices in eviction situations.

*Development of homelessness*

According to the statistics short-term homelessness in Helsinki has increased by over 300 people during the programme. However, at the same time the number of long-term homeless has reduced both in absolute terms and in relation to the total number of homeless, which it can be assumed is partly due to the measures taken in the city in accordance with the programme.

As much as half of Finland's homeless are in Helsinki which is why the capital is extremely important if the problem is to be successfully tackled. Reducing homelessness is made more difficult by the general situation regarding housing policy as well as structural factors: there are more and more people coming to live in Helsinki all the time, but very few new housing stock has been built. The increase in homelessness can be seen statistically in that although, for example, a total of 887 homeless individuals were housed in 2009, the number of homeless increased by 300 at the same time. The tightening of the general housing markets affects the situation: In 2009, according to the social services' statistics, 12,000 individuals applied for the city's rented properties. It is estimated that in 2011, 347 new city-owned rented properties will be completed.

#### 4.2. Espoo

*Quantitative and qualitative targets for the programme and meeting them*

The quantitative target for Espoo is 125 housing places. By the end of 2010 143 housing places will be completed, so the city's quantitative target will already be exceeded in 2010, even though some projects are late. All in all, during the programme period 2008-2011, 276 housing places will be built in Espoo.

The support services development project for newly released prisoners, and cooperation with the Probation Foundation have been started without any problems. The proposal for common practices to prevent evictions was approved by the social affairs and health committee in December 2009, but after the city's financial situation became worse, the plan to employ two new housing advisors in accordance with the letter of intent was abandoned and instead work was started in developing working practices in cooperation between housing advisors and adult social services. Both within the city's social services and between social services and housing services,

new forms of cooperation have been developed within the programme and according to the city's officials, the programme has improved the position of the long-term homeless.

Development of homelessness

Homelessness has been growing in Espoo throughout the duration of the programme. The number of individual homeless people increased in the years 2008-2009 from 486 to 540 people. However, the number of long-term homeless grew during the same period by only three people to 388. The large proportion of long-term homeless is partly explained by Espoo's using a wide knowledge base in its statistics, which covers the application statistics for the city's ordinary housing services as well as for social housing services. Vantaa, for example, uses only the application statistics for its ordinary housing service where there are fewer applicants that meet the criteria for being regarded as long-term homeless. On the other hand, the reason for the general increase in homelessness can be seen in the poor situation regarding availability of housing: in 2009, there were fewer dwellings on offer than in any of the previous 10 years. There have been comparatively few new dwellings completed in the city, partly due to delays in the homelessness programme projects, but once complete, the new dwellings will ease the situation.

### 4.3. Vantaa

Quantitative and qualitative targets for the programme and meeting them

Vantaa's quantitative target is 125 housing places of which 57 i.e. 46% had been completed by the end of 2010. The implementation of Vantaa's programme is thus also back-end weighted. All in all, by the end of 2011 and the early months of 2012, there will be 135 housing places completed in Vantaa.

The challenge in housing newly released prisoners is still creating contacts with the prisons, but averting evictions has succeeded well in Vantaa: of about one hundred cases of eviction directed to the social services, in the case of 50 it was possible to prevent the eviction. The city has entered into contracts with not-for-profit sector housing producers the Y-Foundation and VAV Asunnot Oy as well as with the Probation Foundation aimed at averting evictions. There has generally been satisfaction with the model. During 2011 the City of Vantaa and VAV Asunnot Oy will employ a new housing advisor. Common recommendations for eviction situations have been adopted.

Development of homelessness

The number of homeless in Vantaa has remained near 600 throughout the duration of the programme. However, the number of long-term homeless increased in the years 2008-2009 from 140 people to 161 people, which is probably due to the slow implementation of projects: by the end of 2009 only 24 new dwellings for homeless people had been completed. However, in relation to the number of long-term homeless, Vantaa has more housing places than in any other of the cities in the programme (94 housing places/100 long-term homeless).

#### 4.4. Tampere

Quantitative and qualitative targets for the programme and meeting them

Tampere's quantitative target is 110 housing places. All of Tampere's projects have been launched and are progressing. By May 2010 a total of 48 new dwellings had been built or acquired, which is 44% of the total target. However, the original target will not quite be met, as it is estimated that there will be a total of 106 dwellings completed in Tampere during this programme period.

A total of 11 dwellings have been built/acquired under the "Own front door" project to house homeless newly released prisoners and clients of the Probation Service. The work has been challenging and the objectives and selection criteria for residents will possibly be re-evaluated in the future. In accordance with the letter of intent, the City of Tampere has allocated new dwellings to young people in danger of being marginalised and employed two new housing advisors. Since the housing advisors started their work, housing utilisation rates have improved, rent arrears reduced and the number of disturbances and eviction applications has fallen. A common recommendation regarding eviction practice, as required by the letter of intent, has been drawn up.

Development of homelessness

Although the number of individual homeless people in Tampere rose a little during the period of the programme (608 ⇒ 614), there was a clear fall in the number of long-term homeless (214 ⇒ 155).

#### 4.5. Turku

Quantitative and qualitative targets for the programme and meeting them

The objective of the programme in Turku was to allocate 50 new supported dwellings from the existing housing stock for the long-term homeless. By the end of 2010, 40 dwellings have been allocated i.e. 80% of the target. The remaining 10 dwellings will be acquired during 2011.

The "own home" project is just starting in Turku so there are no concrete results yet. There are no plans in Turku to acquire housing for newly released prisoners. The City, along with the property company it owns, TVT Asunnot Oy, has employed a new housing advisor who started work in August 2009. Cooperation between the housing advisor, social workers and the property company has been close. Common working practices for families with children facing eviction have been agreed between TVT Asunnot Oy and the city's social affairs and health service.

Development of homelessness

In spite of the fact that Turku's projects started later than those of other cities and the city's modest investment in the homelessness programme, both the number of homeless individuals and the number of long-term homeless had fallen from 2008 as 2009 started (homeless individuals: 347 ⇒ 332, long-term homeless: 245 ⇒ 219). In spite of this, of all the cities in the programme Turku has the least number of housing places in relation to the number of long-term homeless: only 14 housing places per 100 homeless. The proportion of long-term homeless of the total homeless is also fairly high, although the proportion has fallen a little.

#### 4.6. Lahti

##### Quantitative and qualitative targets for the programme and meeting them

The programme's quantitative target in Lahti, 50 dwellings, will be completed within the timetable. By the end of 2010 the Nikkula project will be complete and it comprises new dwellings intended for 13 people with intoxicant and mental health problems as well as newly released prisoners. The remainder of the projects will be completed in the spring of 2011. All in all, by the end of 2011 and the early months of 2012, 60 new housing places for the long-term homeless will be built in Lahti.

The "own home" project has been launched. Meetings have been multi-sector and multi-disciplinary and improving communication and cooperation was the working model selected as well as the creation of a network of contact people to help prisoners. At the moment there are no problems in housing newly released prisoners, but there have been problems with resources and staff numbers which is why help from the long-term homeless reduction programme has been felt necessary. Housing young people is not a special problem in Lahti, and there is enough housing intended for this group. Transferring part of the housing for other uses could be considered. There have been no plans made in the City to employ a housing advisor.

##### Development of homelessness

During the course of the programme the number of homeless has fallen from 208 to 153. On the other hand, the number of long-term homeless has risen over the same period from 108 to 125 people. At the same time their proportion of all homeless individuals has risen to 82%. Only in Joensuu is the figure higher. The reasons for the increase in long-term homelessness are thought to be the weakening of the situation for rented properties and on the other hand a change in the basis of how the statistics are calculated.

#### 4.7. Kuopio

##### Quantitative and qualitative targets for the programme and meeting them

The quantitative target set for Kuopio, 20 dwellings, was achieved in the spring of 2010, when the 20 new dwellings in the Patakukkula activity centre were completed.

A client discussion model has been implemented in Kuopio for homeless prisoners as part of the "own home" initiative. Discussions are held about once a month. The people taking part are the landlord, someone who works with alcoholics, representatives of the social services and Probation Service as well as the prisoner him/herself, which has been significant for the success of the model. Success has also been affected by the fact that the officials present have the authority to make decisions during the meeting, and that all the relevant people are at the meeting which makes coordination between the different parties easier. Kuopio's operating model is spreading to other cities.

The ATTE (Aid for housing to promote employment) initiative, which aims to prevent evictions and marginalisation from the labour market, was launched at the end of 2009. From 2008 to 2009, evictions were reduced from 91 to 48 even though the initiative was only launched in November. The intention has been to increase cooperation between different parties. The operating models

have been client led and involve mapping out housing, employment/training opportunities as well as the planning of a path to employment in cooperation with the client.

Development of homelessness

In Kuopio, both the number of homeless individuals and the number of long-term homeless have grown significantly during 2008 and 2009 (the number of long-term homeless by as much as from 33 to 84 people). However, the 20 dwellings that are part of the programme projects were not completed until the spring of 2010, so they have not had time to affect the statistics. The reasons put forward for the growth in homelessness are the weakening of the situation for rented properties as well as different interpretations of the definition of long-term homelessness. Even within the city it has been noticed that different parties have produced statistics that differ entirely from one another.

#### 4.8. Joensuu

Quantitative and qualitative targets for the programme and meeting them

In the letter of intent, Joensuu's target was set at 20 dwellings/supported housing places and, in addition, 27 supported dwellings for young people. All of the housing for young people was completed in 2009 as well as 5 other dwellings. The remaining 15 dwellings will be completed by the end of 2010. In accordance with the letter of intent, the housing advice directed to young people has been launched, and rapid intervention has enabled evictions to be prevented.

Development of homelessness

In Joensuu, both the total number of homeless individuals and the number of long-term homeless have increased (homeless individuals: 103 ⇒ 118, long-term homeless: 85 ⇒ 112). According to the statistics, almost all the city's homeless are long-term homeless (112/118). However, this may again be due to differences in definition of long-term homelessness.

#### 4.9. Oulu

Quantitative and qualitative targets for the programme and meeting them

Development of homelessness

The number of homeless in Oulu has risen during the period of the programme from 112 to 146, but the number of long-term homeless has slightly decreased (50 ⇒ 46) during the same period.

#### 4.10. Jyväskylä

Quantitative and qualitative targets for the programme and meeting them

Jyväskylä's target is 30 additional housing places for the long-term homeless during the period of the programme 2008-2011. The target will be achieved in the spring of 2011, even though there have been delays in implementing projects. By the end of 2010 a total of 23 housing places will be complete which is 77% of the target.

The "own home" project has started well and a housing working group has been set up in the city with the task of organising supported housing for newly released prisoners and clients of the Criminal Sanctions Agency. The working group is made up of representatives of the Probation Service, prison, the City, services for those with problems with intoxicants, social services, companies renting out properties and representatives of the third sector, in addition, the client is always present when his/her case is being considered. In addition, the Criminal Sanctions Agency's "poverty money" initiative has been launched in the city in cooperation with various associations. The initiative aims to increase the support for housing for newly released prisoners and clients of the Probation Service.

In accordance with the letter of intent, the City of Jyväskylä, together with the rented housing companies, has employed a housing advisor for the period 2009-2011 and salary support has been used to employ two people to assist the advisor. The city's social services and the rental housing companies have jointly agreed procedures to avert evictions and to cooperate in eviction situations. In addition, the city has launched its own initiative with the objective of averting homelessness and supporting people who are moving to live independently in residential units during the moving phase.

Development of homelessness

Both the total number of homeless individuals as well as the number of long-term homeless in Jyväskylä have increased in spite of the city's reasonable investment in the programme (homeless individuals: 154 ⇒ 174, long-term homeless: 55 ⇒ 74).

## 5. Summary: general evaluation of the implementation of the programme and the major needs for change during the extension period 2012-2015

1. The overall funding of the programme is sufficient and the funding model is effective

The total funding of the programme is about EUR 201 million of which the state contributes EUR 191 million. Decisions to reserve and commit a total of EUR 56.4 million of ARA's investment grants have been made to date. EUR 10.3 million of MSAH's "Kaste" funding has been reserved for employing support staff, which covers 50% of the salary costs of new additional staff. In practice the municipalities remain responsible for over 50 % of the operating costs of the new units. Most of the funding of conversion costs of dormitory accommodation has been directed to ARA, but RAY has supported both the acquisition of supported housing and development projects related to the programme to the cost of EUR 11 million in 2009 and EUR 12.7 million in 2010. The actual total funding of the programme will thus rise over the intended EUR 200 million.

2. Quantitative targets met and exceeded

The most important quantitative target for the programme: 1250 new dwellings, supported housing or serviced housing for the long-term homeless will be exceeded. At the moment, over 600 new dwellings or housing places have been completed and by the end of 2011/beginning of 2012, it is estimated that a total of 1650 new dwellings/supported dwellings will be in use. Projects under the programme have been implemented and are running in all

of the cities that are part of the programme. However, the target to halve long-term homelessness will probably not be achieved.

3. Defining long-term homelessness

Compared to the programme's initial situation, the municipalities' estimates of the number of long-term homeless have changed, which is partly due to changes in the definition of long-term homelessness: whereas according to the original definition "long-term homeless refers to a person whose homelessness has lasted or threatens to last for *over a year* due to social or health reasons or whose homelessness has been repeated *during the past three years*". The municipalities have interpreted the definitions in different ways, with the result is that in Joensuu, for example, of all the homeless (118), 95% are long-term homeless according to the statistics, while in Tampere the proportion of long-term homeless is 25%. However, the average in all the cities in the programme is that 42% of all homeless are long-term homeless. The definition of long-term homeless will be reviewed in the autumn in a joint working group of ARA and the municipalities. The largest disproportion between the number of long-term homeless reported and the number of housing places completed is in Turku and Jyväskylä. However, in these cities most of the projects in the letter of intent have already been completed.

During the period of the programme's extension period there is good reason to focus on the groups of homeless, who because of their social and health problems needs special support with housing. In practice, the largest part of those who belong to this group were also defined as long-term homeless under the previous definition. The most uncertain of the statistics reported by the municipalities is the number of people living temporarily with relatives or friends which was 4,133 in the cities who signed the letter of intent, of these, according to the report of the municipalities, the number of long-term homeless is 1,293. Up until now, of the long-term homeless that the programme has put into new accommodation, only a small proportion has been part of this group. Housing this group should primarily be resolved through general housing policy via the municipalities' general rented properties.

4. The reduction programme will change the structure of services for the homeless

It can already be seen that the projects under the reduction programme have a direct effect on the overall services the municipalities provide for the homeless. New units have increased alternatives and made it possible to construct pathways to housing and reduced inappropriate investments such as in accommodation in institutions because of a lack of housing.

5. The "Housing First" principle has been shown to work

The starting point for the programme was the consistent application of the "Housing First" principle based on housing through rental agreements. Experience to date indicates that the principle works as expected, i.e. arranging housing and improving one's life also awakens the motivation for rehabilitation which has been seen for example in an appreciable reduction in alcohol consumption. It has been rare that living in one of the new units has not been successful and without exception has been based on the client's violence which has meant that it was not possible for them to continue living in the unit.

6. The concreteness of the letter of intent has increased the credibility of the programme

The letters of intent between the State and cities have been very concrete i.e. the actions plans associated with them have defined the projects to be implemented and their funding for the whole of the programme period. The letter of intent approach has committed the parties,

and none of the cities that are party to the agreement have pleaded financial difficulties and reduced their own investment in implementing the programme.

7. "Kaste" funding has ensured sufficient support

The employment of support staff with "Kaste" funding from MSAH, which has covered 50% of the salary of additional staff, has been of decisive significance for the success of housing.

8. The effect of the programme shows in the streetscape

In several of the cities involved in the programme it has been possible to see that the streetscape has improved after the new units that are part of the programme have been commissioned. For example in Tampere it is said that the police went to visit some of their previous regular clients in the Härmälä unit, since they didn't get to see them in their "regular" haunts.

9. Investment made in environmental work

The central principle of the programme has been open communication. Even though it was not possible to avoid the use of complaints entirely, the programme communications with the neighbours of the new units has reduced misunderstandings. A lot of investment was put into work in the environment in order to minimise any possible harm, particularly in Helsinki where there was also the most opposition.

10. Development of housing social work has started

Staff from all of the cities taking part in the programme have participated in working groups in the reduction programme's developer network. Over 200 members of staff have been in the working groups in total. The development work creates new kinds of multi-disciplinary, specialist support approaches to working which support the "Housing First" principle which can be used to help people with intoxicant and mental health problems that are so severe they endanger the success of housing them. The development work has been further enhanced through a 2 year Tekes project which will start in the autumn of 2010.

11. Implementation of the conversion programme for dormitory accommodation is confirmed

Since the Salvation Army decided to start the conversion work on the Alppikatu dormitory accommodation the implementation of the dormitory conversion programme has been ensured. The conversion programme is focussed mainly on Helsinki where the keepers of the dormitories and the city have cooperated to draw up a timed plan for implementation of the conversion work and temporary places during the renovations. The preliminary funding decisions for the sites are with ARA. The conversion programme will mean that living in dormitory accommodation in Helsinki (and Espoo) will be a thing of the past. A similar conversion programme is also needed in those cities within the programme where there is still dormitory and emergency type, poor quality accommodation units.

12. Investment in prevention

12.1. Housing advice service has been expanded and made more effective

Using ARA grants, 14 new housing advisors have been employed in the programme cities, and in Helsinki a plan has been drawn up to establish a Housing Advice Centre. The housing advice forum, under the leadership of ARA, has supported the development of housing advice. A housing advice network handbook has also been produced to support field workers.



*12.2. Eviction prevention instructions have been drawn up in all cities*

Instructions for cooperation between officials to prevent evictions and in eviction situations have been drawn up in all of the programme cities. For the moment, there has been little interest in cooperation to prevent evictions on the part of not-for-profit sector landlords.

*12.3. A new type of service chain has been produced to prevent homelessness among young people*

The national project for supported housing for young people, implemented by the Finnish Youth Housing Association, has generated a new kind of outreach work with young people; a multi-disciplinary service chain of workshop activity and housing for young people. In all of the cities (except for Turku) cooperation agreements have been signed between the city and local producers of housing for young people.

Within the project, alongside the reduction programme, by June 2010, 245 new dwellings for young people needing special support had been constructed.

*13. The path to housing for newly released prisoners has been made more effective*

The local prison working groups under the "own home" project run by the Criminal Sanctions Agency began their work. There have been regional differences in the work of the groups and, in part, the organisational changes in the Probation Service have been visible in the actions of projects. The working group operating according to the Kuopio model, which prepares housing arrangements and other necessary support in readiness for release, is becoming a more general working model.

Housing support for newly released prisoners has been developed in two projects funded by RAY and RAY has in addition awarded grants to two associations for the acquisition of supported housing intended for newly released prisoners.

*14. The programme has trialled public tendering approaches for new types of services*

Implementation of the reduction programme's projects is based on partnership between agents and long-term ethical and professional commitment on the part of service providers. Normal tendering in accordance with the Act on Public Contracts is not well suited to these kinds of activity that require special skills. A proposal to the application of SGEI (Services of General Economic Interest) method launched by the EU Commission to the acquisition of services has been drawn up under the programme. The intention is to use this approach in Helsinki and Espoo during autumn 2010.

The results of the reduction programme to date indicate that the continuation of the programme until 2015 would be well grounded both from societal and economic perspective. A clearly targeted collection of actions, similar to the reduction programme, is an effective way to combat poverty and severe marginalisation. In the memoranda and reports that were produced while preparing the programme, the objective set was to eliminate long-term homeless by 2015. In spite of being ambitious, a significant reduction in long-term homelessness and its ultimate elimination remain the consistent objective for the second phase of the programme. On the basis of experience to date, it will however be necessary to clarify some points and to focus better on some central issues.

## Abbreviations

**ARA** The Housing Finance and Development Centre of Finland (The Housing Fund of Finland before 2008). ARA is the central body responsible for implementing the government's housing policy. ARA is administered by the Ministry of the Environment and under its financial direction. The Centre allots grants and subsidies for housing and construction.

**HDI** Helsinki Deaconess Institute. Not-for-profit sector foundation established 140 years ago on a Christian basis, which provides social and health care services (particularly to special groups) as well as training related to these areas.

**The Probation Foundation** Probation Service support foundation. The Probation Foundation is a national organisation that provides expertise and services to help newly released prisoners cope with life after prison. It acts as a research, development and training unit, influences criminal policy as well as driving the interests of its target group, promoting voluntary work and ensuring services.

**Finnish Youth Housing Association (NAL)** Finnish Youth Housing Association NAL is a national organisation that concentrates on developing housing and living conditions for young people. It develops and rents housing for young people, develops and provides support services for successful independent living, acts as a guardian of young people's interests in issues related to housing, and produces and distributes information related to housing for young people.

**MoJ** Ministry of Justice

**RAY** Finland's Slot Machine Association, generally referred to as RAY. Public sector association which was established in 1938 to raise funds through gaming operations to support Finnish health and welfare organizations. RAY has an exclusive right in Finland to operate slot machines and casino table games, and to run a casino.

**Development Centre for Social Work in the Helsinki Region (SOCCA)** A development centre for social work in the Helsinki region. Carries out multi-disciplinary research across sectors to support the practical needs of the social services sector, collects and disseminates research and development work and builds up regional cooperative networks. Receives its basic funding from the Ministry of Social Affairs and Health and in addition receives project funding from the municipalities in the Helsinki region, Ministry of Social Affairs and Health and the Ministry of the Interior.

**MSAH** Ministry of Social Affairs and Health

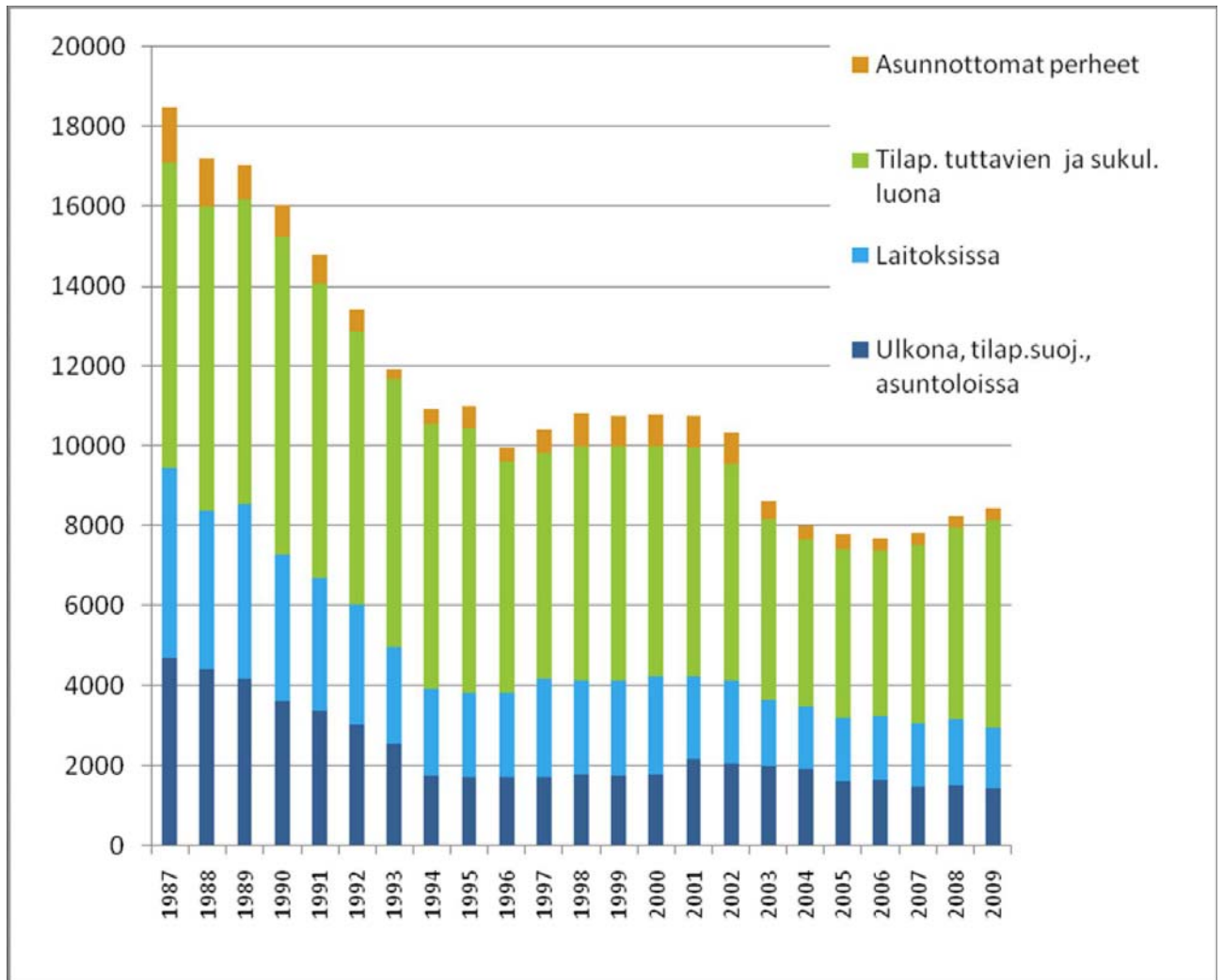
**Finnish Funding Agency for Technology and Innovation (Tekes)** Development centre for technology and innovation. An agency of the Finnish state which helps companies, among others, commercialise ideas with development potential by providing funding and expert services to companies' universities' technical universities' and research institutes' challenging and innovative research and development projects.

**MoE** Ministry of the Environment

## Appendix 1: Homelessness Network in Finland: Actors, Measures, Resources

Measures Actors	GENERAL	SPECIFIC Dwelling	SPECIFIC Services
<b>STATE</b>	<ul style="list-style-type: none"> <li>• Human and basic rights in the constitution</li> <li>• Homelessness strategies</li> <li>• Support for construction, acquisition and renovation of rental housing</li> <li>• Housing allowances</li> <li>• Unemployment benefits</li> <li>• Subsistence income</li> <li>• Provisions of allocation of rental housing</li> <li>• General social and health services</li> </ul>	<ul style="list-style-type: none"> <li>• Political engagement</li> <li>• Legislation</li> <li>• Special programmes</li> <li>• Investment grants of Slots Machine Association (RAY)</li> <li>• State guaranteed loans and Investment grants (ARA)</li> </ul>	<ul style="list-style-type: none"> <li>• State subsidies of support services for intoxicant abusers, mentally vulnerable, old-aged people, child and youth welfare, people with disabilities, immigrants</li> <li>• General grants of Slots Machine Association for NGOs working with homeless and other vulnerable groups</li> </ul>
<b>LOCAL AUTHORITY</b>	<ul style="list-style-type: none"> <li>• Land policy</li> <li>• Land use planning</li> <li>• Leasing of sites</li> <li>• Social balance of the population on private and municipal land</li> </ul>	<ul style="list-style-type: none"> <li>• Housing programmes</li> <li>• Service and supported housing</li> <li>• Shelters (until 2013)</li> </ul>	<ul style="list-style-type: none"> <li>• Implementation of support services</li> <li>• Sites, loans, guarantees, subsidies for service providers of homeless people through public tendering or SGEI-procedure</li> </ul>
<b>PRIVATE</b>	<ul style="list-style-type: none"> <li>• Market financed rental housing stock</li> </ul>	<ul style="list-style-type: none"> <li>• Shelters (until 2013)</li> </ul>	<ul style="list-style-type: none"> <li>• Implementation of support services</li> </ul>
<b>THIRD SECTOR</b> (foundations, NGOs, Non&ltd profit org.)	<ul style="list-style-type: none"> <li>• Rental housing stock owned by non and limited profit organisations</li> </ul>	<ul style="list-style-type: none"> <li>• Service and supported housing</li> <li>• Shelters (until 2013)</li> </ul>	<ul style="list-style-type: none"> <li>• Implementation of support services</li> </ul>

## Appendix 2: Homelessness in Finland 1987–2009



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HOST COUNTRY REPORT

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Year	Outdoors/ Shelters	Institutions	Relatives/ Friends	Single	Families
	(DARK BLUE)	(LIGHT BLUE)	(GREEN)		(YELLOW)
1987	4 700	4 760	7 650	17 110	1 370
1988	4 400	4 000	7 600	16 000	1200
1989	4 170	4 400	7 620	16 190	870
1990	3 610	3 690	7 950	15 250	800
1991	3 370	3 340	7 390	14 100	700
1992	3 030	3 030	6 820	12 880	570
1993	2 560	2 410	6 700	11 670	250
1994	1 760	2170	6 630	10 560	380
1995	1 710	2 110	6 610	10 430	560
1996	1 720	2 110	5 780	9 610	360
1997	1 720	2 450	5 650	9 820	600
1998	1 770	2 350	5 870	9 990	820
1999	1 750	2 390	5 850	9 990	780
2000	1 790	2 420	5 790	10 000	780
2001	2 160	2 080	5 720	10 000	780
2002	2 060	2 080	5 420	9 560	770
2003	1 990	1 640	4 560	8 190	420
2004	1 910	1 550	4 190	7 650	360
2005	1 620	1 560	4 250	7 430	360
2006	1 650	1 570	4 180	7 400	300
2007	1 480	1 590	4 460	7 530	300
2008	1 520	1 640	4 800	7 960	300
2009	1 460	1 490	5 200	8 150	320

(Source: ARA, Local Authorities' housing markets surveys)

## Appendix 3. Government's decision in principle

### PROGRAMME TO REDUCE LONG-TERM HOMELESSNESS

On 14.2.2008 the Government took the following decision regarding a Government Programme to Reduce Long-term Homelessness in the period 2008 - 2011 and decided on the implementation of measures under the Programme.

#### Introduction

Key housing policies are to be decided in a housing policy action programme during the Government's term of office under Prime Minister Matti Vanhanen's second cabinet's Government Programme. A programme to reduce long-term homelessness is to be drawn up as part of this housing policy programme for the period 2008 – 2011.

#### Objectives of the programme

The objective of the Government's housing policy is to reconcile people's housing needs and wishes with the needs of society and sustainable development. The Government is proposing a solution to ensure that housing meets everyone's needs and requirements.

Long-term homeless people constitute a group of homeless people whose homelessness is classed as prolonged or chronic, or threatens to be that way because conventional housing solutions fail with this group and there is an inadequate supply of solutions which meet individual needs. It has been estimated that around a third of homeless people are long-term homeless people, i.e. approximately 2,500, of whom 2,000 or so live in the Helsinki Metropolitan Area.

Because of all the reasons there are for long-term homelessness, if it is to be cut there need to be simultaneous measures at different levels, i.e. the prevention of homelessness and targeted action to reduce long-term homelessness.

The programme's objectives are:

To halve long-term homelessness by 2011.

More effective measures to prevent homelessness.

### MEASURES

#### A. Targeted action to reduce long-term homelessness

1. To make it possible by 2011 to allocate around 1,000 homes, subsidised dwellings or places in care to the long-term homeless in the Helsinki Metropolitan Area, of which 750 for Helsinki, and 125 for both Espoo and Vantaa. The goal for Tampere, Turku, Lahti, Kuopio, Joensuu, Oulu and Jyväskylä is to allocate a total of 250 homes, subsidised dwellings or places in care by the same year.

2. The cities involved in implementing the programme to draw up plans of execution for reducing long-term homelessness. The plans to specify the need for housing solutions and support and preventive action and to identify and schedule projects and other measures. The plans should cover use of the stock of social rented accommodation to assist the homeless. The cities to produce their plans by 31 March 2008. After that letters of intent to be drawn up between the Government and the cities. The letter of intent to specify the contribution the State makes to funding. Letters of intent to be drawn up by 30 May 2008.
3. Housing Finance and Development Centre of Finland to allocate investment grants for groups with special needs in respect of projects approved under the programme. Grants to be allocated during the period 2008 - 2011 at a maximum of €20 million per annum.
4. Use of residential homes as referred to in the Finnish Act on Accommodation and Catering (2006/308) for long-term housing of the homeless gradually to be abandoned in favour of residential units which allow for independent, subsidised and supervised living.
5. The Finnish Slot Machine Association to be involved in implementing the programme by allocating investment grants to eligible associations, organisations or foundations responsible for residential homes, for basic renovation work and for converting them into subsidised dwellings. The Slot Machine Association to set aside approximately €18 million used with discretion in assistance for suitable projects under the programme in the period 2008–2011 with reference to an annual appropriation. The Association to determine on a case-by-case basis the maximum amounts approved for projects receiving grants and approve the targets for its funds as appropriate.
6. The Ministry of Social Affairs and Health to finance the production of support services for new serviced accommodation units under the programme. The money to go on increases in personnel needed to produce such services, enabling the implementation of approved programme projects. This to be done in such a way that projects undertaken as the cities' own or outsourced services receive State funds to the tune of 50% of these salary costs.
7. In the period 2009–2011 the Finnish Slot Machine Association to support, through a system of operational and development grants, organisations which develop and arrange subsidised accommodation for clients of the probation service. In addition, with reference to an annual appropriation and taking account of the funds available in a tentative assistance plan for procuring accommodation for special needs groups, €2.5 million of the whole amount for 2009–2011 may be spent specifically in the procurement of subsidised housing for recently released prisoners.
8. The Criminal Sanctions Agency, in collaboration with the cities involved in the programme and the organisations producing housing services, to undertake a development project to produce viable local and client-specific practices for the subsidised housing of homeless prisoners. The local authorities involved in this development project to be responsible for organising accommodation and support services, and the Criminal Sanctions Agency to contribute to the coordination of the project and offer expertise in the area of criminal sanctions. The Ministry of Justice and the Ministry of the Environment to be jointly responsible for implementing the project.

## B. Prevention of homelessness

9. A Young People's Subsidised Housing project run by the State, the cities, the Church, businesses and organisations to be started to prevent homelessness among the young.
10. National guidelines and development regarding the prevention of homelessness and advice on better housing conditions to be among the tasks of the Housing Finance and Development Centre of Finland in 2008.
11. State funds to be granted to local authority housing advisory services in council estates by launching a programme for estates in the period 2009-2011. The local authority must have practices jointly agreed by the social services and housing actors in place to prevent eviction and to help them cooperate in eviction situations.
12. The Ministry of the Environment, Housing Finance and Development Centre of Finland, the National Research and Development Centre for Welfare and Health (STAKES), the cities of Helsinki, Espoo, Vantaa and Tampere to hold a national concept competition in 2008 to establish new types of accommodation unit and services for the long-term homeless. The cities to reserve the necessary construction sites and/or properties for the competition. The Ministry of the Environment to have overall responsibility for the project. The competition to be co-financed by the State and the local authorities.

## Appendix 4: Tampere's letter of intent

### LETTER OF INTENT BETWEEN THE STATE AND THE CITY OF TAMPERE (2008 – 2011) TO REDUCE LONG-TERM HOMELESSNESS

The purpose of this letter of intent between the State and the City of Tampere is to reduce long-term homelessness through joint measures taken by the state and local authorities. Similar letters of intent have been agreed with the cities of Helsinki, Espoo, Vantaa, Turku, Lahti, Kuopio, Joensuu, Oulu and Jyväskylä.

The starting point for the letter of intent is the long-term homelessness reduction programme (2008 – 2011) approved by the second administration of Prime Minister Vanhanen on 14.2.2008. The objective of the programme is to halve long-term homelessness by 2011 and make measures to prevent homelessness more effective.

The letter of intent will establish the preconditions needed so that by 2011 about 1,250 dwellings or supported housing places will be allocated to the long-term homeless. The allocation of dwellings/supported housing places will be Helsinki 750, Espoo and Vantaa, 125 dwellings or supported housing places each, and total of 250 dwellings/supported housing places in Tampere, Turku, Lahti, Kuopio, Joensuu, Oulu and Jyväskylä by 2011. The purpose of the letter of intent is to define the participation by the state in funding the actions to be taken.

Long-term homeless people constitute a group of homeless persons whose homelessness is classed as prolonged or chronic, or threatens to be so that conventional housing solutions have not worked with this group.

The long-term homeless are divided primarily according to their need for support. The target groups are men and women with mental health and intoxication problems, behavioural disturbances from multiple illnesses, young people with drug problems as well as newly released prisoners and clients of the Probation Service. The groups are not precisely defined in all respects and there is some overlap between them.

The letter of intent will come into effect on 1.9.2008 in those cities that have approved it by that date. The Ministry of the Environment will promote and coordinate the implementation of the agreement. For the state, the agreement will be approved by decisions of the Ministry of the Environment (MoE), Ministry of Social Affairs and Health (MSAH), Crime Sanctions Agency and the Housing Finance and Development Centre of Finland (ARA). Finland's Slot Machine Association (RAY) will approve the agreement in similar manner. The agreement is valid until 31.12.2011. The agreement can be reviewed annually. The intention is to renew the agreement during 2011.

The starting point for implementing the projects contained in the letter of intent is rental or care-based housing in which the necessary individual support will be organised. The premises intended as housing must comply with construction and health legislation, be appropriate and pleasant and ensure residents have a healthy and safe living environment. The objective of social service for the homeless is to provide clients with individual life skills and a form of housing that corresponds to their need for support. Housing related services must comply with the Ministry of

Social Affairs and Health's quality recommendations for mental health and intoxicant abuse services. The use of shelters for housing the long-term homeless will be abandoned and the shelters will be renovated to become supported dwellings.

The Ministry of Social Affairs and Health will allocate State funding to the additional staff required to produce the support services which will be used to implement development projects approved under the programme. State funding of a maximum of 50 % of the above mentioned salary costs will be allocated to the development projects implemented by the cities either using their own or bought-in services. The funding will be paid through the Government approved national development programme for social and health care, i.e. the KASTE programme, during 2008 – 2011.

The provision of state funding requires Parliament to include the annual sums needed in the budget.

The provision of the City of Tampere's funding requires the Tampere City Council to include the annual sums needed in its budget.

Tampere's long-term homeless reduction consists of a single initiative and the grant decisions for the projects that are included under it will however be made on the basis of applications to ARA and MSAH annually. RAY will direct its grants to agreed initiatives within the framework of its annual appropriations.

### Measures directed to reducing long-term homelessness

1. Within its long-term homelessness development initiative, Tampere will implement a total of 110 dwellings/supported housing places for the long-term homeless from 2008 – 2011. The projects that are included in Tampere's development initiative and for which state funding will be applied for are listed in Appendix 5. Appendix 6 lists the projects which could be transferred to the Appendix 5 list, if the Appendix 5 list projects are delayed or not implemented. The grants within Appendix 5 can be transferred from one project to another at the application stage. The tables also present the target group for each project in accordance with the groupings described previously.

From 2009-2011, ARA will allocate a maximum of EUR 6.0 million in conditional grant reservations (investment grant) to the housing projects listed in Appendix 5 or 6 of Tampere's long-term homelessness reduction initiative, and commits to release them on condition that the projects meet the legal requirements applicable to the improvement of living conditions for special groups. The investment grants allocated to projects will be a maximum of 50 % of the approved costs.

2. MSAH will allocate a maximum of EUR 950,000 during 2008 – 2011 for the salary costs of additional staff for Tampere's development initiative. Tampere's development initiative projects requiring additional staff are presented in Appendices 5 and 6 (grants for salaries). Appendix 5 presents the projects for which state funding will primarily be applied for. Appendix 6 projects could be transferred to Appendix 5, if the Appendix 5 projects are

delayed or not implemented. MSAH's share is a maximum of 50 % of the above mentioned salary expenses.

3. The Crime Sanctions Agency, in cooperation with the cities participating in the programme and the organisations that produce housing services, will implement a development project which will produce local and client specific operating practices to place homeless recently released prisoners and clients of the Probation Service in supported housing.

### Prevention of homelessness

4. The City of Tampere will allocate 20 dwellings to young people in danger of marginalisation during the programme period 2008 - 2011. New models for cooperation will be developed within the projects and these will involve the organisations, the church and commercial companies among others. The detailed timetable and costs for the projects will be clarified as part of the application for investment grants.
5. The city's property companies will employ 2 new housing advisors during the years 2009 - 2011. ARA will allocate a maximum of EUR 42,000 in grants for this from the funds it will pay out through the neighbourhood programme. ARA's share will be a maximum of 20 % of the approved costs.

A condition for receiving the grants is that a written recommendation for dealing with eviction situations and the associated cooperative practice is drawn up and a decision made during 2008, and that after that it is adopted generally in the City of Tampere's own operations. The city will commence negotiations on operating practices in accordance with its proposals with the major not-for-profit sector landlords.

### Other initiatives

6. The City of Tampere will participate in the implementation of the concept competition and will allocate a building site in the Hervanta district of the city for the concept competition. The intention is to finalise the competition no later than in February, 2009.

### Monitoring

Monitoring of the letter of intent will be based on regular exchange of information between the city and the state and through negotiation to be held at least once a year. For monitoring purposes, a long-term homelessness reduction programme monitoring and working group will be established, under the leadership of ARA, in which the parties to the letters of intent will be represented.

Monitoring will be carried out through an operational report to be drawn up by the end of November each year. It will contain a summary of the initiative, the progress of its projects and commitments to costs and funding, as well as the plan for the following year for projects that are ongoing and due to be launched.

The issues to be followed up are the progress of the intended measures in the letter of intent as well as their influence on the development of homelessness (responsible parties in brackets):

- Quantitative development of homelessness and long-term homelessness (ARA, municipalities)
- Progress of projects (ARA, MSAH, RAY, Crime Sanctions Agency, municipalities)
- Recruitment of support staff (municipalities and MSAH)
- Costs incurred and funding (municipalities, ARA, MSAH, RAY)
- Number of long-term homeless people housed and the target group (municipalities)

Helsinki 18th August 2008

Jan Vapaavuori  
Housing Minister

Paula Risikko  
Minister of Health and Social Services

Tuija Brax  
Minister of Justice

Hannu Rossilahti  
Director General, ARA

Hannu Salokorpi  
Director, RAY

Esa Vesterbacka  
Managing Director  
Crime Sanctions Agency

Tampere .... August, 2008

Timo P. Nieminen

The Mayor of Tampere

Esa Kotilahti  
Director, City of Tampere

Appendix: The City of Tampere's action plan for eliminating long term homelessness, City of Tampere, Central Administration 28.03.2008. Appendices 5 and 6.

## APPENDIX 5 PRIMARY LIST. STATE FUNDING FOR INVESTMENT AND SALARY COSTS FOR PROJECTS UNDER TAMPERE'S LONG-TERM HOMELESS PROGRAMME 2008-2011 (27.5.2008)

Project	Target group	Number of dwellings	Additional staff	Timetable	Investment grant €	Total grants for salaries € 2008-2011
<b>Hervanta Ässä homes</b>	Young people and homeless needing special support	25	3	09/2009-12/2011	1 000 000	157 500
<b>Own Front Door</b>	Newly released prisoners and Probation Service clients	42	5	01/2009-12/2011	---	337 500
<b>Härmälä</b>	Difficult to house clients with intoxicant abuse and mental health problems	24	5	01/2009-12/2011	450 000	270 000
<b>Hervanta DIAS<sup>1)</sup></b>	Difficult to house clients with intoxicant abuse and mental health problems	18 <sup>1)</sup>	4	09/2010-12/2011	3 450 000	185 000
<b>Concept competition, Hervanta</b>	To be specified during the competition	40	8	2011	3 000 000	---
<b>TOTAL</b>		<b>149</b>	<b>25</b>		<b>7,900,000 €</b>	<b>950 000 €</b>

1) The 60 dwellings that will be constructed under the Hervanta DIAS building project include 42 dwellings that replace 42 shelter places. There will be 18 additional places.

**APPENDIX 6 SECONDARY LIST. STATE FUNDING FOR INVESTMENT AND SALARY COSTS FOR PROJECTS UNDER TAMPERE'S LONG-TERM HOMELESS PROGRAMME 2008-2011. (27.5.2008)**

Project	Target group	Number of dwellings	Additional staff	Timetable	Investment grant €	Total grants for salaries 2008-2011, €
Support point for prostitutes	Homeless prostitutes	12	1,5	01/2009-12/2011	---	105 000
Asuntosilta	Young people in danger of being marginalised	20	3	01/2009-12/2011	1 040 000	255 000
Toivontupa	Young people in danger of being marginalised	11	4	01/2009-12/2011	1 500 000	300 000
Hipposkylä housing model project	People with problems with intoxicants	12	4	01/2010-12/2011	253 000	200 000
Musta Lammas, DIAS	Prevention of homelessness, people with intoxicant abuse problems, marginalised people, people recovering from mental health problems	Day centre (300 clients a day)	12	01/2010-12/2011	1 500 000	300 000
<b>TOTAL</b>		<b>55</b>	<b>24,5</b>		<b>4,293,000 €</b>	<b>1,160,000 €</b>