

## **FINNISH GOVERNMENT'S PROGRAMME TO REDUCE LONG-TERM HOMELESSNESS 2008 - 2011**

### **Background**

A programme to reduce long-term homelessness is to be drawn up under Prime Minister Matti Vanhanen's second cabinet's Government Programme for the period 2008 – 2011.

### **Preparations**

On 21 May 2007 the Finnish Ministry of the Environment set up a group of wise men to make the necessary preparations for drafting an action programme to reduce long-term homelessness. Paavo Voutilainen was invited to be the group's chairman. Its other members were Bishop Eero Huovinen, Doctor Ilkka Taipale and Hannu Puttonen, Director of the Y Foundation and President of Feantsa. The group's report ('Name on the Door') proposed some basic principles and key ethical, legal and socio-economic reasons for reducing homelessness.

The group suggested that that the target should be for long-term homelessness to be halved by 2011 and eliminated entirely by 2015.

On 17 October 2007 the Ministry of the Environment appointed a work group to draft the programme itself. It was to run from 2008 to 2011. Paula Kokkonen, Mayor for Social and Public Health City of Helsinki, was appointed its chairman. The work group's members were key actors in the field.

Their mission was to determine quantitative and qualitative targets to reduce long-term homelessness, with reference to the proposals of the group of wise men. They drew up proposals for new housing and service departments and practices, and the necessary investment and financing, and measures to prevent homelessness, and made an estimate of the impact on the state economy of their proposals. The group submitted their unanimously agreed proposals for a programme to reduce long-term unemployment on 9 January 2008.

The Finnish Government approved the programme on 14 February 2008 (appendix).

### **The situation**

According to a housing market report by the Housing Fund of Finland, in November 2006 there were approximately 7,400 homeless individuals and around 300 homeless families in the country. Previous homelessness reduction programmes (2001-2005) had succeeded in cutting the number of individual homeless people from around 10,000 (in 2001) to some 7,500 (in 2006). However, it has not been possible to reduce the number of long-term homeless people. The latest information also suggests that the number of homeless individuals has grown in 2007 in some of the country's largest cities - Helsinki, Espoo, Jyväskylä, Oulu, Kuopio and Joensuu. There are also signs of an increase in long-term homelessness.

Homelessness is closely associated with the Helsinki Metropolitan Area and Helsinki in particular. In November 2007 there were some 4,000 homeless individuals in the Metropolitan Area, which is more than half the number in the country as a whole. There were also 190 homeless families in total in the same area. Statistics show that in Helsinki itself there were 3,110 homeless individuals and 140 homeless families. The number of long-term homeless people in the country is estimated at

around 2,500, of whom 2,000 (80 %) live in the Metropolitan Area and 1,500 (60%) in Helsinki itself.

Long-term homeless people constitute a group of homeless persons whose homelessness is classed as prolonged or chronic, or threatens to be that way because conventional housing solutions tend to fail with this group and there is an inadequate supply of solutions which meet individual needs. The risk of prolonged homelessness grows significantly if homelessness is associated with one or more of the following: uncontrolled substance abuse, active drug use, mental health problems, neurological damage, a tendency towards violence, crime, release from prison, and debt.

### **Main content of the programme**

The programme to reduce long-term homelessness targets just some homeless people. Assessed on the basis of social, health and financial circumstances, this is the hard core of homelessness. The programme to reduce long-term homelessness focuses on the 10 biggest urban growth centres, where also most of the homeless are to be found. The main priority, however, is the Helsinki Metropolitan Area, and especially Helsinki itself, where long-term homelessness is concentrated.

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 allows 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.

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. universal housing and social policy measures, 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.

### **Key measures**

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

If accommodation is to be organised for the long-term homeless there will need to be more precisely targeted, individually tailored solutions, far more dedicated support than before, rehabilitation, and monitoring and supervision. Aside from housing, in many cases there will be a need for long-term support for a programme of comprehensive reconstruction, i.e. a return to normality.

It has been estimated that most of the housing solutions for the long-term homeless would take the form of subsidised rented accommodation, with a smaller number of similar intensive home care units as referred to in the Finnish Social Welfare Act, in which there is a round-the-clock support/supervisory staff. The estimates for each city regarding the need for various housing solutions are to be made in conjunction with the local authority implementation plans. Then the

authorities will also look into the possibility of using the existing stock of housing and properties and substance abuser care accommodation units for housing the long-term homeless.

Because of the higher than average costs of such projects, it is crucially important to have state funding for the projects included in the programme. The intention is to channel special needs group investment grants into the projects within the framework of the powers for granting assistance in the period 2008–2011. By the start of 2009 a 50% allocation of investment aid will be allowed for projects for the long-term homeless under the Government Programme. The role of the cities will be to ensure that an adequate number of projects start up in accordance with the programme's goals.

Residential home accommodation originally deemed temporary has become a permanent solution for many homeless people. The homes therefore maintain the stigma associated with the homelessness subculture, which does little to promote the rehabilitation of the long-term homeless and help them adjust to independent living. The use of such residential homes will be abandoned gradually, systematically and in a controlled way, so that whenever a home ceases to function as such replacement accommodation will be found for all clients as a guarantee. It is being proposed in the programme that the organisations concerned should receive an investment grant from the Finnish Slot Machine Association (cf. lottery money in the UK) for basic renovations to residential homes.

A basic principle in housing solutions for the long-term homeless is that the local authorities' Social Services and Health Departments should be responsible for organising housing assistance. To ensure there are adequate arrangements for assistance, it is being proposed in the programme that state funding should be used to pay the salaries of support personnel. Long-term homelessness is concentrated in a few urban growth centres, which in practice are responsible for dealing with what is a nationwide problem by implementing new housing solutions for the long-term homeless. The proposed funding model will at the same time spread the costs associated with homelessness by allocating assistance to those cities with a large number of long-term homeless people and which are actively implementing corrective measures.

The Slot Machine Association has supported several organisations in their subsidised housing and subsidised accommodation development projects. If long-term homelessness is to be eliminated there have to be new more effective services, in the development of which there is an obvious need too for better cooperation and joint projects between organisations.

The Slot Machine Association is to include in its programme objectives the Housing Support Programme for recently released prisoners and clients of the probation service, which is intended to reduce homelessness among recently released prisoners and clients of the probation service without any permanent form of accommodation and who have a wide range of problems. The purpose is also to increase the number of necessary support services available for housing.

The systems of phased release for those with accommodation problems as part of the scheme to place people in accommodation while they are serving their sentence or placements for those on probationary release are still very undeveloped. With the necessary action, the number of homeless prisoners that can be placed directly with the housing services or in subsidised housing the moment they are released can be increased. That would also have a major impact on the prevention of recidivism in this homeless target group. The majority of prisoners and clients of the probation service of no fixed abode are located in the 10 biggest cities. It is important in terms of input/output to confine the development project and the resources set aside for it to those communities.

## B. Prevention of homelessness

Young people who have problems staying in education or work are clearly at risk of drifting into a cycle of exclusion and homelessness. Young people under the age of 25 are at present the largest potential group of long-term homeless people. Statistics show that there are 662 individual homeless young people in the Helsinki Metropolitan Area, of whom a largish proportion is in need of subsidised and serviced accommodation. Through cooperation between the various agencies it is intended to increase the number of projects devoted to subsidised housing for young people in the Metropolitan Area. New types of models of cooperation are being sought to implement projects, possibly involving various organisations, the Church and businesses.

Various localities have very similar experiences when it comes to the preventive and cost-saving significance of social management and housing advice. The work has proven preventive in nature as far as social welfare is concerned to the extent that its support nationwide is justified. National development and coordination are naturally suited to the job description of the Housing Finance and Development Centre of Finland. The intention is to allocate state funds to local authority housing advisory services in council estates by launching a programme for estates, provided that the local authority has agreed practices and methods in place to prevent eviction and to cooperate in eviction situations.

The investment and operational costs of accommodation units for the long-term homeless are higher than average because arrangements for housing and care depend on a large number of specific solutions. The aim of a competition for new types of accommodation units is to find solution-based concepts for housing, services and the environment in which housing, care and rehabilitation are better integrated and there is more effective planning and use of space based on flexibility. The aim is to establish housing service units where demanding and specific applications can be incorporated into universally suitable space solutions.

### **Main impact of the programme**

The programme to reduce long-term homelessness during the Government's term of office will increase the number of homes and places in care by around 1,000-1,200 and create a well-functioning body of social, health and rehabilitation services for the worse-off groups.

In addition to the objectives at national level, the programme will acknowledge the commitments Finland has made in several international treaties to prevent, reduce and eliminate homelessness.

The programme will help achieve considerable savings in the direct and indirect costs of homelessness. The costs of substance abuse problems, mental illness and the cycle of institutional care connected with long-term homelessness can be significantly reduced by opting for more intensive, tailor-made, rehabilitative and non-institutional housing and service solutions.

There will be direct cost benefits for the housing advisory services owing to fewer cases of eviction and rent arrears. Direct savings will be made in subsistence allowances and housing benefits resulting from homelessness.

The proposals under the programme will cause the state to incur the following increases in expenditure:

1. The competent authority for deciding investment grants to improve the living conditions of special needs groups to commit to projects under the programme during the period 2008-2011 to the tune of a maximum of €80 million
2. The Ministry of Social Affairs and Health to allocate state funding for personnel expenditure for the programme period 2008–2011 to the tune of €10.3 million.
3. The council estate programme to support the local authority housing advisory services in the period 2009-2011.

## **Appendix**

### **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 persons 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 persons, 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 housing units 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 150 homes, subsidised housing units 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 housing units. 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 2007 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.