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Inspire Policy Making with Territorial Evidence

CASE STUDY REPORT //

Territorial impacts of COVID-19 and policy answers in European regions and cities

Helsinki municipality and the wider Uusimaa region
(Finland)

Case Study Report // September 2022

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Disclaimer

This document is a final report.

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The final version of the report will be published as soon as approved.

Table of Contents

List of maps, figures, charts and tables	6
Introduction	7
Research Methods.....	7
1 Characteristics of the case study area	8
1.1 Economic characteristics	8
1.2 Social characteristics	9
1.3 Governance characteristics	10
2 Impacts of COVID-19 on the region.....	11
2.1 Economic impacts.....	11
2.2 Social impacts.....	11
3 Policy Response to COVID-19	14
4.1 Proactive Policy Overview	16
4 Policy impacts	22
4.1 Policy impact.....	22
4.2 Governance impacts	24
4.3 Financial impacts	26
5 Future policy directions	28
6 Regional recommendations	31
6.1 Policy Recommendations	31
6.2 Governance Recommendations.....	31
6.3 Territorial Recommendations.....	32
6.4 Financial Recommendations.....	32
7 References.....	33

List of maps, figures, charts and tables

List of maps

Map 1 Case study area of Helsinki, and the wider Uusimaa region	8
Map 2 Absolute and relative coronavirus incidence in Helsinki during the first wave of the pandemic.	12
Map 3 Socioeconomic sum index of Helsinki boroughs as of May 2020.....	13
Map 4 Tracking progress on nature reserve establishment as of late 2020.....	22

List of figures

Figure 1 Mental well-being figures for Helsinki, the Helsinki metropolitan area, and the national average.....	10
Figure 2 Unemployment figures for Helsinki, the Helsinki metropolitan area, and Finland up until late 2020.....	11
Figure 3 Number of hospitalisations in Helsinki at different stages of the pandemic.....	13
Figure 4 SDG alignment monitoring of Helsinki's pandemic recovery pillars (rows) and general strategy pillars 2017-2021 (columns).....	15
Figure 5 Long-term unemployment in Helsinki.....	23
Figure 6 Number of new and closing businesses in Helsinki.....	23

List of tables

Table 1 List of interviews conducted	7
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Introduction

This case study report examines the policy response to Covid-19 within Helsinki, Finland (and partly the broader Uusimaa region). The report explores which 'proactive' policies have been introduced in response to the pandemic and assesses whether the crisis presented a 'window of opportunity' for regional and local authorities to promote specific spatial planning and territorial targeted policy agendas. The case report is structured around the following core sections:

1. **Regional Characteristics:** Outlines the key socio-economic and governance characteristics of the region.
2. **Impact of Covid-19:** Highlights the socio-economic impacts of the pandemic on the region.
3. **Covid Policy Response:** Provides an overview of the regional policy response in relation to three core policy thematic areas - the just transition (social policies), green transition (climate policies) and smart transition (innovation policies).
4. **Covid Policy Impacts:** Assesses the main socio-economic, governance and financial impacts of the policy measures introduced.
5. **Future Policy Directions:** Examines the medium and long term direction of policy in the region and analyses whether the policies identified can be upscaled to other EU regions.
6. **Policy Recommendations:** Provides policymakers and practitioners with policy, governance, territorial and financial recommendations.

Research Methods

The present case study has been conducted following a two-step approach. In a first step, extensive desk research has been conducted with the aim of 1) documenting the main characteristics of the area, 2) assessing the impact of the pandemic on local society and economy according to various national and local statistical sources, and 3) documenting the policy responses as reflected in policy documents and online media outlets. In a second step, six semi-structured online and phone interviews have been conducted with representatives of the most important local institutions, representing a diversity of professional backgrounds and policy branches. The purpose of the interviews has been to further document the impact of the pandemic, the policy responses, the impact of the policy responses, as well as the future of local and regional policies.

Table 1 lists the stakeholders that have been interviewed as part of the current research. The list includes the most relevant public authorities from the city (LAU2) level. The City of Helsinki administration is a multi-branch organisation, and several of its divisions work in close contact and overlap with the Uusimaa regional level and with national authorities.

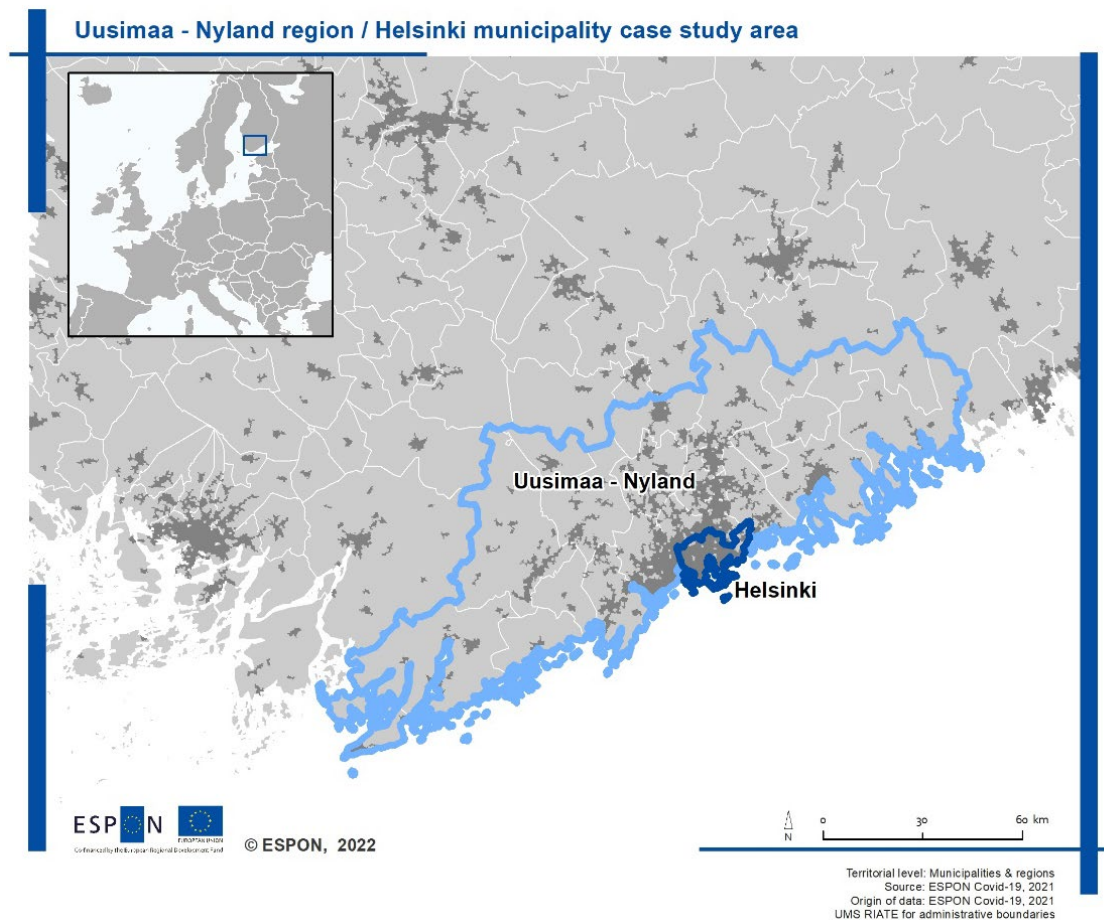
Table 1 List of interviews conducted

	Sector	Stakeholder	Date
1	Public Administration	City of Helsinki, central administration	Dec 2021
2	Public Administration	City of Helsinki, strategy implementation	Dec 2021
3	Public Administration	City of Helsinki, city planning	Dec 2021
4	Public Administration	City of Helsinki, strategy follow-up and reporting	Dec 2021
5	Public Administration	City of Helsinki, data management	Dec 2021
6	Public Administration	City of Helsinki, sustainable development	Dec 2021

1 Characteristics of the case study area

The Helsinki metropolitan area is formed of Helsinki along with neighbouring cities Espoo (the second most populous city in the region), Vantaa (the third most populous city in the region), and Kauniainen. The population of the metropolitan area is nearly 1.5 million, the bulk of the entire Uusimaa Region population of 1 671 000 (land area 9 098km²; population density: 183.7 people/km²). Renowned for its high quality of life, it is one of the fastest growing urban areas in Europe, the northernmost metropolitan area with over one million people, as well as the northernmost capital of an EU Member State (Espo, 2020). Helsinki-Uusimaa is classified by Eurostat as NUTS-2 and NUTS-3 region (F11B/F11B1) and considered as a metropolitan and coastal area in ESPON regional typologies.

Map 1 Case study area of Helsinki, and the wider Uusimaa region



1.1 Economic characteristics

In 2017, the gross domestic product per capita, index (EU28 = 100) was 146 in the Helsinki metropolitan area (110 in Finland overall) (City Executive Office, 2019). The regional GDP of Helsinki was the highest regional GDP in Finland in 2017 (MDI, no date).

In 2019, there were 4 489 741 overnight stays in registered accommodation establishments in Helsinki. More than half of the visitors were from abroad. In addition, Helsinki was the busiest passenger port in the world in 2018, in particular due to frequent ferry connections to cities like Tallinn and Stockholm (City Executive Office, 2019).

The region is the economic and transport hub for the rest of the country. It generates approximately one third of Finland's GDP. It is also the location of the headquarters of more than 80 of the 100 largest Finnish companies. The proportion of tertiary educated graduates in the labour force of Helsinki-Uusimaa region is

the highest in Finland. It is also the most important centre for politics, education, finance, culture and research in Finland, being the location for:

- The Finnish Parliament
- Five universities, including the University of Helsinki (the most highly ranked Finnish university), Aalto University, Hanken School of Economics, the University of the Arts Helsinki and National Defence University
- Helsinki Stock Exchange
- National Museum of Finland, Finnish National Gallery, Finnish National Theatre, Finnish National Opera, and a range of other cultural attractions
- A number of State research institutes (such as VTT Technical Research Centre of Finland and VATT Institute for Economic Research) and several other Finnish research institutes.

1.2 Social characteristics

Helsinki's employment rate in 2019 (15-64-year-olds) was 74.7 per cent, higher than the national figure of 72.6 per cent. In the same year, the unemployment rate (15-74-year-olds) in Helsinki was 6.6 while the national figure was 6.7 per cent. The percentage of long-term unemployment in 2018, as a proportion of the municipality population, was 5.9 in Helsinki and 7.5 in the whole country (City Executive Office, 2019).

There were 434,400 jobs in Helsinki in 2018, 88.3 per cent of which were in the service sector. Within the service sector, 61.1 percent of jobs were within market services, and 27.2 percent were in public administration. Secondary-production refining industry jobs employed 10.2 percent of the workforce in Helsinki, while primary production employed 0.1 per cent. The proportion of research and development jobs was 7.5 per cent. The proportion of employment in the service sector versus primary production and refining industries is higher in Helsinki than in the rest of Finland. The number of jobs increased between 2007 and 2018, especially within communications, administrative and support activities, professional and scientific activities, construction, tourism, and social services. In 2019, the City of Helsinki had a total of 37,459 employees, of which the majority worked in the education and training sector and social and health sector (City Executive Office, 2019). Approximately 95 percent of all jobs in the Uusimaa region are in Helsinki (MDI, no date).

39.7 per cent of the adults in the Helsinki area are highly educated, which is both higher than the national-level figure and high in a European comparison (MDI, no date). According to Eurostat (2018), 52 per cent of the population aged 25-64 in the Uusimaa region have a higher-education degree, which is higher than the average for other European NUTS 2 regions (31 per cent) (Kvartti, 2019).

In 2017, 11 per cent of the population of Finland lived in Helsinki, and 27.4 per cent lived in the Helsinki Metropolitan Region. The largest age group in Helsinki was 25-29-year-olds, and the average age of the inhabitants of Helsinki was lower than the average age of the whole country. Approximately 63,000 persons with a foreign nationality lived in Helsinki, and by 2019, the population of Helsinki grew by 0.9 per cent. Both natural population growth that is due to the young population structure, and migration to Helsinki from other municipalities or countries, have contributed to the population growth of Helsinki between 2007-2018. (City Executive Office, 2019). During that time interval, the population of Helsinki has grown by 13.8 per cent, nearly by 80,000 people. Education and job opportunities draw young and highly educated people into Helsinki (MDI, no date)

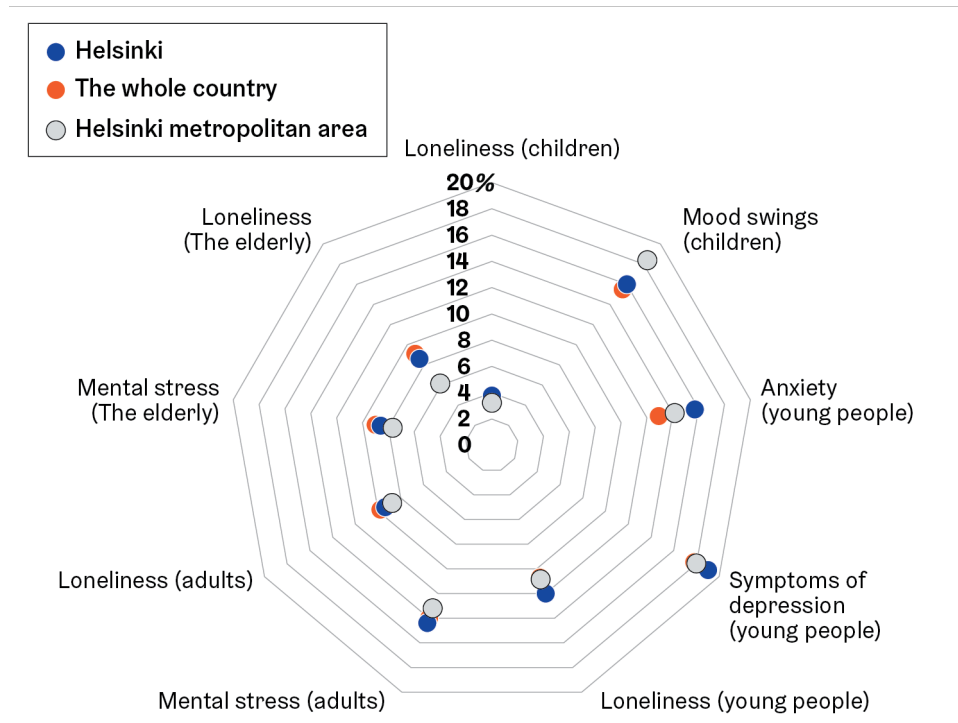
Helsinki is known in many European and worldwide rankings for its high quality of life. Helsinki ranks as the world's 9th most liveable city (Economist Intelligence Unit EIU, 2017), highest in life quality (Creative City Index 2014), as inhabitants with the highest satisfaction with the place where they live (European Commission, 2015) and the second most satisfied with cultural facilities among inhabitants of EU capital cities (Eurostat, Satisfaction with cultural facilities in EU capital cities 2015). Helsinki has also been ranked by the World Happiness Report as the happiest city in the world (Helliwell et al., 2020).

As an example of how local authorities engage with these social goals, the City of Helsinki (2019a) has a Welfare Plan (built in cooperation between the city's divisions), promoting quality of life, with the following targets:

- 1) Reduce inequality
- 2) A city for all – healthy and on the move
- 3) Preventing the marginalisation of children and youth

- 4) Buttrressing (sustaining and reinforcing) elderly people’s ability to function and their feeling of partnership
- 5) Promoting mental wellbeing and the non-use of intoxicants
- 6) Lively, distinct and safe neighbourhoods

Figure 1 Mental well-being figures for Helsinki, the Helsinki metropolitan area, and the national average.



Source: City of Helsinki.

1.3 Governance characteristics

The City Council of Helsinki is responsible for the operations and finances of the city. The City Board directs the activities, administration, and finances of the city under the authority of the City Council. The Council elects the mayor and deputy mayors for one parliamentary term (City of Helsinki, 2021a). There are several divisions within the organisation of the City of Helsinki. The City Chancellery is to act as the general planning, preparation and implementation body of the City Council and the City Board, and to be responsible for the development of the city. Other divisions include education, urban environment, culture and leisure, and social services and health care (City of Helsinki, 2020).

The Helsinki-Uusimaa Regional Council is supported in its operations by the Regional Board, which has 15 members. The number of representatives of the municipalities in the Board is calculated according to the proportions of the municipalities’ population size. (Helsinki-Uusimaa Regional Council, no date).

Healthcare is among the policy competencies in the Helsinki area that is primarily governed at the regional level. There are mechanisms of collaboration between the city and regional level, although they are largely separate organisations.

2 Impacts of COVID-19 on the region

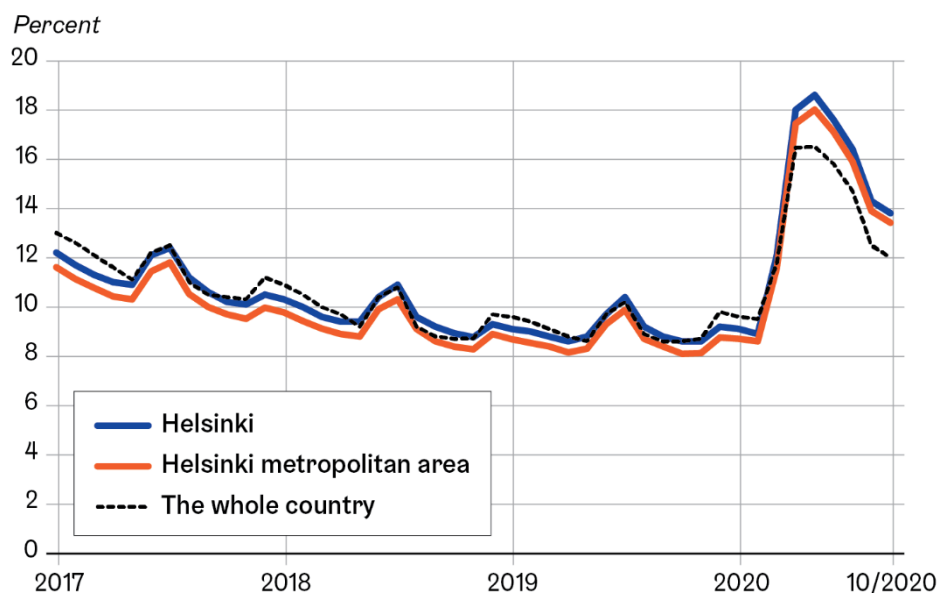
2.1 Economic impacts

The demand of products and services was low in 2020 due to the COVID-19 pandemic, and economic growth was weak (Ministry of Finance Finland, 2020). It was thereby expected that by the end of 2020, the pandemic would have dramatically diminished Helsinki's tax revenues as well as increased the public expenses. However, due to the additional COVID-19 compensation paid by the state and the better-than-expected accumulation of tax revenues, the fiscal year for the City of Helsinki eventually turned a positive balance of 497 million Euros – 234 million Euros higher than the budget prognosis for that year (City of Helsinki, 2021b).

While tax revenue did not increase with the expected pace, it nonetheless did increase by 2.1 per cent in 2020 despite the pandemic. There were unanticipated expenditure and losses across several sectors in the City administration, however, the financial governance and property sales figures were higher than expected, which helps to explain how the effect of the pandemic through to 2021 has been almost neutral in public economic terms. The City of Helsinki remains a prosperous municipality. This being said, several severe budget cutbacks were made for the 2021 budget year by political decision makers, including increasing class size limits in schools and cutting parts of the benefit paid out to Helsinki-based parents of infants under 1 year of age.

The turnover of businesses in the Uusimaa Region have decreased during the COVID-19 pandemic. The greatest business losses were suffered in the spring of 2020 and in the beginning of 2021. Both the import and export of products and services to other countries decreased in the Uusimaa region in 2020 compared to 2019.

Figure 2 Unemployment figures for Helsinki, the Helsinki metropolitan area, and Finland up until late 2020.



Source: City of Helsinki.

2.2 Social impacts

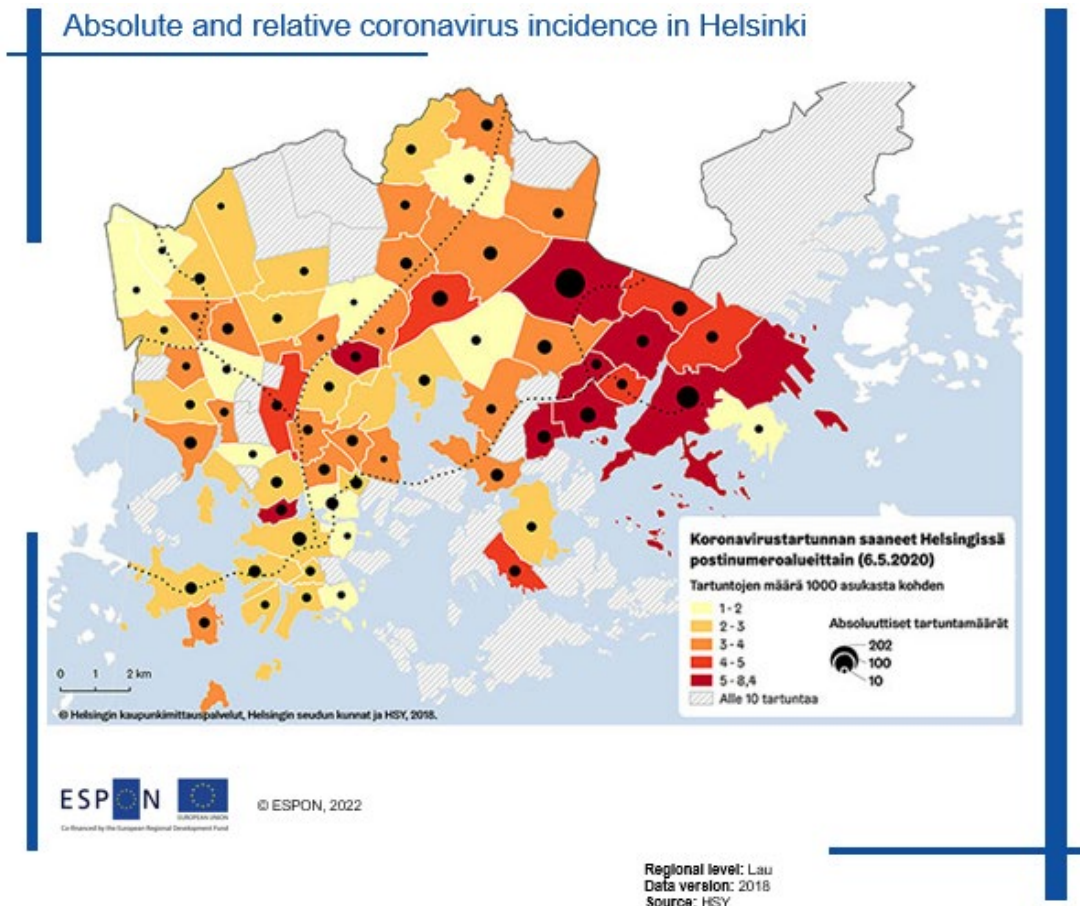
The Uusimaa Region, of which Helsinki is part, has registered a clear majority of Finland's COVID-19 cases (time period of summer 2020 until spring 2021). Within the Uusimaa Region, in turn, Helsinki is the municipality out of 25 in the region with the second highest incidence of cases per capita, only lower than the city of Vantaa (Helsinki Graduate School of Economics, 2021).

More people became unemployed or were laid off temporarily in the Uusimaa Region in 2020 than in 2019, largely due to the pandemic-induced recession and societal consequences. Especially in hospitality industry and restaurants, manufacturing and logistics, the number of people who lost their job or were permanently out of work was many times higher in 2020 than in 2019. However, in the spring of 2021, the number of layoffs and periods of unemployment have decreased in Helsinki. The number of unemployment insurance applications greatly increased in the spring of 2020, especially in April, in Uusimaa and in Helsinki, while the number of unemployment insurance applications of 2021 stayed roughly at the levels of the previous years. However, many people in Helsinki who did maintain their jobs faced significant economic consequences from the COVID-19 pandemic, such as decreases in income (this affected young people in particular) (Helsinki Graduate School of Economics, 2021).

In the spring of 2020, the number of people receiving housing benefits significantly increased in the whole country, and especially so in the Uusimaa Region. During 2020, more than 100,000 people living in the region applied for housing benefits. In 2021, the number of applications was lower than in 2020, yet still slightly higher than in the previous years (Helsinki Graduate School of Economics, 2021).

Fewer people moved to Helsinki from other Finnish municipalities during the COVID-19 pandemic in 2020 than in the previous years, including fewer young people. This is partly related to the increase in remote work and study, as well as the pandemic-induced recession in general. However, migration to Helsinki from other countries did not decrease to an equal extent. Natural population growth in Helsinki was also higher in 2020 than in 2019 (Kvartti, 2021).

Map 2 Absolute and relative coronavirus incidence in Helsinki during the first wave of the pandemic.

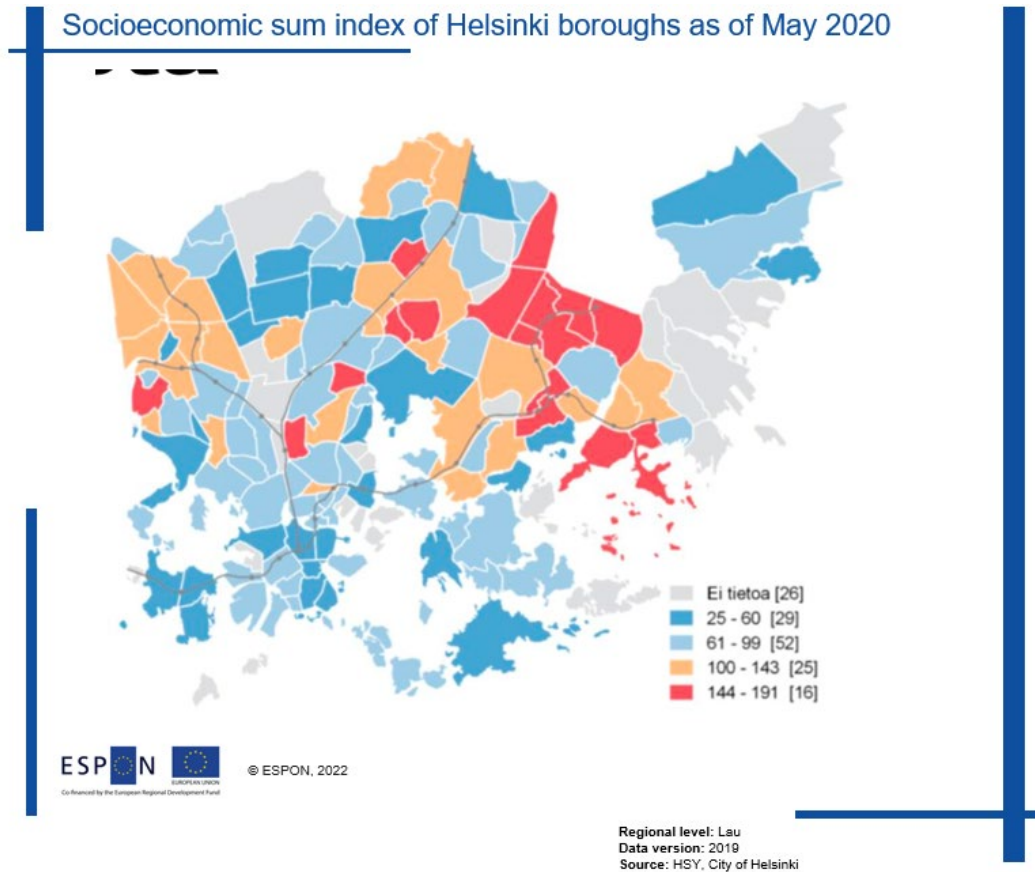


The map shows the wealthier centre city to the left and the relatively less affluent East Helsinki neighbourhoods to the right. Source: City of Helsinki.

Different demographic groups in Helsinki have been affected in different ways by the pandemic. Also within demographic groups, for example among families, some have been less adversely affected than others,

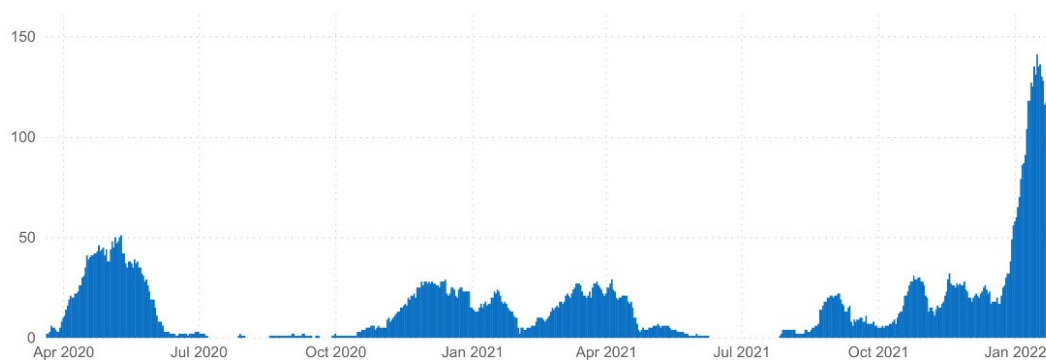
depending on the social circumstances of each household. These social and economic gaps in the population, such as income inequality, household debt, and inequality in public health, have been exacerbated during the pandemic. The need for social and welfare service provision has, as a result, become not only greater in volume but also more heterogeneous, as the pandemic has induced more complex social challenges within the population.

Map 3 Socioeconomic sum index of Helsinki boroughs as of May 2020.



The index sums up the portion of low education level, unemployed and low income residents. Education data from turn of the year 2019, unemployment percentage from turn of the year 2018 and income data from the year 2017 (grey = no data). Source: City of Helsinki.

Figure 3 Number of hospitalisations in Helsinki at different stages of the pandemic.



Source: City of Helsinki.

3 Policy Response to COVID-19

The onslaught of the pandemic has highlighted the gravity and inter-connectedness of a wide array of regional and social development challenges in Helsinki in an unprecedented way. As such, the sense of urgency created by these conditions, coupled with the nonetheless relatively healthy financial position of the city administration, has created a window for addressing policy challenges in new ways and for creating new policy mechanisms. This is visible also in the general spirit and policy direction of the updated city strategy of Helsinki, labelled “A Place for Growth” (City of Helsinki, 2021).

However, given the exceptional circumstances, the window of opportunity is not perceived as an overarching momentum for change, but rather as a severe disruption and societal challenge that provokes a discussion for reframing existing strategies, goals and mindsets and formulating new ones. Several strategic goals for improvements in social and economic policies had to be reassessed and changed as a result of the pandemic-induced recession. Given the general slowdown and lockdown conditions, some strategic pillars were therefore postponed, for example, with regard to employment figures. In contrast, other strategic focus areas were highlighted or boosted by the pandemic context, especially within social policy. Examples of this include accessibility and outreach in elderly care, mental health, and access to childcare, all of which have received increased attention during the pandemic.

On the whole, the long-term policy direction and key challenges faced by the Helsinki region remain relatively constant. Several developments in policy and strategy have clearly been induced by the pandemic, but build on a policy thrust that was already in place before the pandemic. For example, during the latter stages of the pandemic in autumn 2021, the new political leadership team announced as part of the new city strategy that the target year for carbon neutrality had been brought forward from 2035 to 2030. However, as confirmed by interview testimonials, this policy decision or a similar strengthening of climate targets may have likely been on the agenda of the new city strategy regardless of the pandemic. While the pandemic has led to the exacerbation of some policy priorities over others, and a need for cutbacks and changed policy frameworks, and through this may be said to have created a “window of opportunity” for climate policy, the pandemic is not a causal actor in defining the policy priority of sustainability.

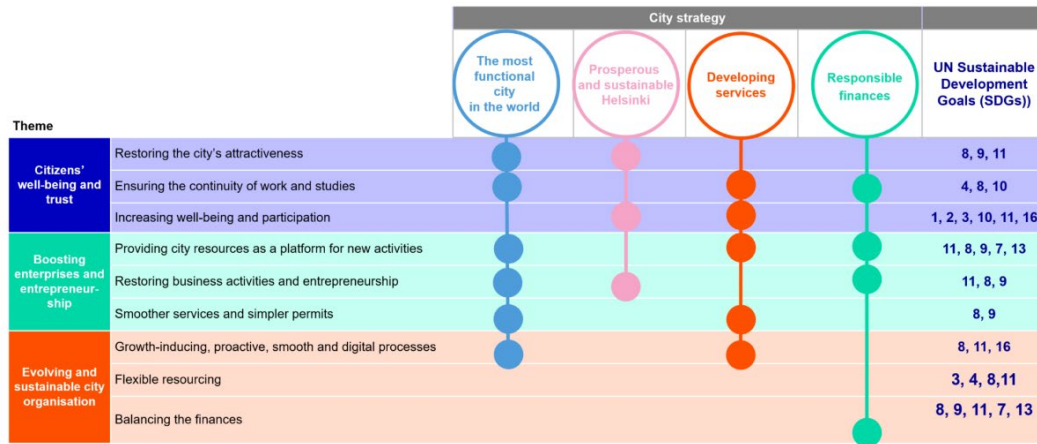
Instead, the pandemic has clearly been actively shaping the way in which policy priorities are formulated and implemented. A general trend among these changes in policy momentum has been a movement from singular, narrowly defined missions towards a more granular understanding of policy context and impact. Issue-areas are, as induced by the pandemic, more likely to be discussed and addressed as part of a systemic response that aims to tackle several dimensions of the same question across different operational teams within the City administration, rather than taking on one bounded policy issue at a time. Importantly, this also leads to an updated perception of strategic goals and policy implementation, from a periodical and sequential cycle from policy formulation to implementation, to a continuous process where strategising takes place in parallel to implementation and where strategic targets may be reviewed and developed over time.

Another overarching pattern in Helsinki’s policy context over the course of the pandemic has been an increased policy focus on sustainable development as a coherent and cross-sectional policy dimension. Interviewees recount that although Helsinki has for many years been ambitiously engaging and even pioneering in several policy issues linked to sustainable development, the urgency of the pandemic has contributed to different policy areas being increasingly strongly tied together in strategic commitments and policy programmes. Helsinki has continued and strengthened its pre-pandemic ambition to be one of the world’s most active city regions that voluntarily engages with United Nations review forums for progress in reaching the UN Sustainable Development Goals. As provoked by the systemic challenges induced by the pandemic, this inter-connection between different sustainability domains has become more apparent also to administrative divisions that are not directly shaping or implementing policy on the SDGs. This development can be exemplified by the new ‘Sustainable Helsinki’ web portal that gathers information on the SDG alignment of policies and strategy documents implemented in Helsinki.

Notably, the pandemic has clearly impacted the introduction of a sustainability dimension to urban, social and economic growth policies where environmental sustainability concerns (albeit important) had not previously been a strategy-defining aspect. A clear example of this is that the living, working and migration trends of the pandemic have introduced a renewed outlook on urban green spaces, with a new policy and strategy target to annually establish new nature reserves in Helsinki to ensure the growth and protection of different

types of green and recreational spaces. This policy framework, as many others relating to long-term sustainability and livability in Helsinki, are likely to carry on beyond the end of the pandemic.

Figure 4 SDG alignment monitoring of Helsinki’s pandemic recovery pillars (rows) and general strategy pillars 2017-2021 (columns).



Source: City of Helsinki.

4.1 Proactive Policy Overview

Just transition policies and actions

While the national level in Finland has been responsible for most of the direct pandemic-mitigating policy measures, the authorities and policymakers at the city level in Helsinki have been proactive in adapting and tailoring policy initiatives for the new realities and wider societal challenges induced by the pandemic. Several of these measures are connected to redirecting funding mechanisms and reaching the most vulnerable groups. These social policy goals have always been on the agenda in some form before the pandemic, but the pandemic has brought on a wholly new momentum and demonstrated the importance of policies that purposively seek to support those groups at risk of falling behind especially during a crisis. The social policy agenda has seen an increased level of ambition for policy goals, and a range of innovative policy structures, for example through collaborations with civil society stakeholders to make sure all elderly citizens who live at home are accounted for and contacted to ensure their needs are being met. Many of these efforts are planned as continuous, at least for the medium term. In part, the main challenge with their continuation is in the uncertainty of what precise impact the new initiatives are having. New data-driven monitoring and follow-up mechanisms are being developed to address this (see table with 'Smart transition' policies).

Focus area(s)	Policy description	Target group(s)/ Beneficiaries	Responsible level of governance / Financing	Stakeholders involved in policy implementation	Timing of policy	Duration
Elderly care, social inclusion and accessibility	'Helsinki Aid' home check-ups for elderly. Helsinki city branches, local parishes and other NGOs came together to make sure all over 70s in the city are contacted by phone to make sure their needs are met even when shielding. Support has since been extended to families with children.	Elderly, vulnerable and shielding groups	City/local	City administration, NGOs, charities, religious organisations	Early-stage pandemic	Medium/ Long term
Support for families with children	New child and youth support services and counselling services have been expanded to cope with rising demand and rising diversity of challenges to address in children's health and well-being.	Families with children	City/local	City administration, social services, other administrative branches	Early-stage pandemic	Medium/ Long term
Repositioning city workforce	City employees left without work by the pandemic have been placed in a range of new, mostly temporary, positions. These include contact tracing and many other phone-based services for citizens.	General population	City/local	City administration, healthcare authority, partner organisations	Mid-stage pandemic	Short term

Aim to eradicate homelessness by 2025	Additional pandemic recovery funds have been earmarked for improving shelter, council estate and other support functions such as soup kitchens. In spring 2021, approximately 900-1,000 meals were distributed to homeless people each day in Helsinki.	Homeless people, vulnerable groups	City/local	City administration and partner NGOs	Late-stage pandemic	Medium/ Long term
Mental healthcare guarantee	Implementation of mental healthcare guarantee by 2022, whereby all citizens are guaranteed free and quick mental healthcare services (aiming for max. 2 weeks' wait in non-urgent cases).	General population	City/local	City administration and partner NGOs	Late-stage pandemic	Medium/ Long term
Mitigating inequality gaps between neighbourhoods	Increased focus on urban planning and social initiatives given signs of persistent and worsening inequality gap between richer and poorer areas.	General population, vulnerable and disadvantaged groups and neighbourhoods	City/local	City administration	Mid-stage pandemic	Medium/ Long term
Additional funding for education and nursery care to catch up with covid-induced challenges	Additional budgetary means are aimed at recovery for the education sector where remote teaching adaptation challenges and staff shortages exacerbated by the pandemic are inhibiting planned development.	Students, children, general population	City/local	City administration	Late-stage pandemic	Short/Medium term
Youth unemployment support service	'Walking beside'. Project based in Vantaa (municipality next to Helsinki) that targets young people between the ages of 18 and 25 who became unemployed during the pandemic. The target group is adults whose possibilities of finding new employment are weaker despite the improving economic situation. Participants are assigned a mentor who works with them several times per week in order to ensure a fast transition to either working life or studies. The service model is a hybrid between youth work and public employment services.	Youth and young adults in vulnerable situations	City/local	City administration and partner NGOs	Mid-stage pandemic	Medium/ Long term
Culture and sports vouchers to City of Helsinki employees	All employees within the City of Helsinki organisation are rewarded with an annual culture or sports voucher. This is partly done to increase employee welfare and partly to support Helsinki's culture sector.	City administration employees, culture providers	City/local	City administration	Mid-stage pandemic	Medium/ Long term

Funding support to culture, sports, NGOs, and other grant beneficiaries	New grant funding available for sectors badly hit by the pandemic, such as culture providers. Grants already awarded before the pandemic do not need to be returned.	Culture providers and other grant applicants	City/local	City administration	Mid-stage pandemic	Short-term
Increased grant and incubator support for businesses	New initiatives to support entrepreneurship and innovation to mitigate the challenges placed on small businesses and recent graduates by the pandemic.	Small businesses and recent graduates	City/local	City administration	Mid-stage pandemic	Medium/ Long term
Rent moratorium for businesses renting City-owned facilities	One of the earliest efforts to support struggling businesses when the pandemic started was to relieve rent payments for business localities owned by the City.	Businesses renting from the City	City/local	City administration	Early-stage pandemic	Short-term

Green transition policies and actions

Helsinki already had an ambitious momentum for the green transition and carbon neutrality before the pandemic, and this trend has been continuous. It may therefore be challenging to draw clear conclusions about the role of the pandemic as an impetus for these policy efforts. However, the pandemic has clearly brought on a new perspective and opportunity to connect environmental sustainability with overall societal well-being, and there have subsequently been several new policy initiatives that consolidate the green transition agenda at the local level. These efforts include, for example, the increased focus on green spaces, nature reserves and generally an increasingly environmentally sustainable focus in urban planning, as well as an increased focus on circularly and local industry networks in bringing about a sustainable future. These efforts are predominantly being continued, at least for the medium term, also after the end of the pandemic, for example, new urban green spaces in the city centre are being brought back after their trial in 2020 and 2021.

Focus area(s)	Policy description	Target group(s)/ Beneficiaries	Responsible level of governance / Financing	Stakeholders involved in policy implementation	Timing of policy	Duration
Increased focus on circular	Starting of new cluster programme for circular economy.	Businesses, entrepreneurs, and other actors focusing on	City/local	City administration	Mid-stage pandemic	Medium/ Long term

economy know-how in entrepreneurship		sustainable development				
Focus on new trees and greeneries, creating at least 5 new natural reserves per year	Earlier planned construction work has been called off in some valuable natural areas in different parts of the city. These areas include patches of wild-grown forest in Helsinki's archipelago.	General population	City/local	City administration	Mid-stage pandemic	Medium/ Long term
Transforming street curbs, squares and parking spaces to outdoor dining and terrace areas	Urban planning regulations in Helsinki have been restrictive in terms of outdoor seating permits for restaurants and bars. During the pandemic, these regulations were made more lenient, e.g. in summertime a restaurant can apply to set up outdoor dining on top of up to three streetside parking spaces or in a public square, thus enabling a more vibrant and sustainable city centre. Was already continued and extended from 2020 to 2021.	General population	City/local	City administration	Mid-stage pandemic	Medium/ Long term
Launch of platform for follow-up of sustainability and SDG policy progress	A new platform gathers information and statistics on sustainability and SDG progress, as well as SDG alignment of policies and strategy documents of the City of Helsinki. The pandemic has exacerbated the need for holistic policy analysis and prioritisation of social, economic and environmental sustainability.	General population	City/local	City administration	Mid-stage pandemic	Medium/ Long term

Smart transition policies and actions

Helsinki is known as a city at the forefront of ICT innovation and digital solutions, but interviewees recount that there are surprising challenges with digitalisation in several branches of the city's administration. The pandemic has further increased the need to address these challenges, not least due to the increase in remote work and teaching, and the increased pressure on the healthcare sector. While there are a diversity of stakeholders and administrative structures in charge of ICT systems for their own policy areas, there have recently been several new data-sharing and harmonisation initiatives, as well as extra funding to boost digitalisation in schools and workplaces. There is also an increasing demand for instantaneous follow-up and information to track policy impact. The city administration is increasing its proactive efforts to develop such data structures. Interviewees identify a continuing need to work more closely with external collaborators, such as the higher education sector. Traditionally, many units have found it easier to

collaborate with private consultancies than with other stakeholders. The diversity in collaborative structures is hoped to increase over time, and some promising initiatives in this regard have been induced by the pandemic in recent years.

Focus area(s)	Policy description	Target group(s)/ Beneficiaries	Responsible level of governance / Financing	Stakeholders involved in policy implementation	Timing of policy	Duration
Increased focus on entrepreneurship for recent graduates	Increased funding and measures targeted at sustainable business incubator activities, especially with regards to young people. City of Helsinki funding has been targeted at collaborations with education providers and industry.	Recent graduates	City/local	City administration, education providers, businesses	Mid-stage pandemic	Medium/ Long term
Increased digitalisation of services and networks to counter social inequality	New kinds of service offerings are trialled and implemented with a view to evolving as a city administration and being able to provide accessible and equal services.	General population, vulnerable groups	City/local	City administration	Mid-stage pandemic	Medium/ Long term
Increased collaboration with business and other sectors to improve smart and sustainable transitions	Tackling grand challenges and global problems with consortium measures and shared leadership across sectors has increased in Helsinki because of the pandemic. Involved stakeholders include think tanks, consultancies, universities and other education providers, etc.	General population, collaborating stakeholders	City/local	City administration, education providers, NGOs, think tanks, industry	Mid-stage pandemic	Medium/ Long term
Increasing use of data analytics to effectivise information sharing and administration	Special personnel put in place to work on increasing data applications and effective governance. Any proceeds from effectivisation are earmarked for spending on services.	General population	City/local	City administration	Late-stage pandemic	Medium/ Long term

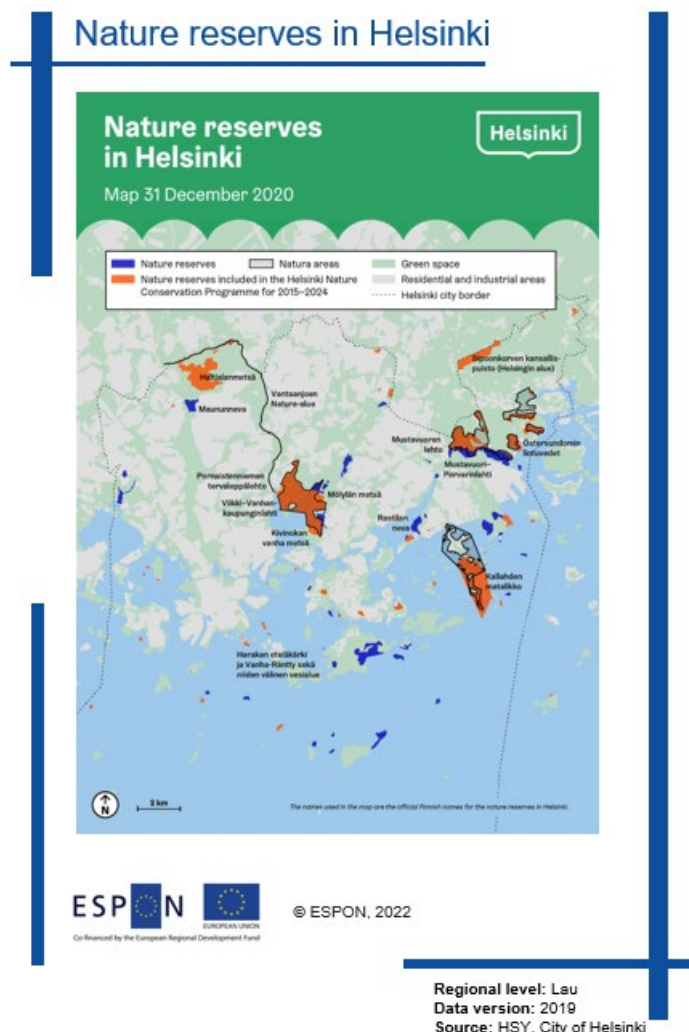
New data sharing initiatives between city and county healthcare databases	New data sharing structures and routines have been put in place to harmonise healthcare data and make patient care smoother.	General population, healthcare personnel	City/local	City administration and county healthcare administration	Early-stage pandemic	Medium/Long term
New partnerships on data and follow-up with universities and external research institutions	A number of new data analysis projects and report commissions put in place to increase dialogue and connection to research and use of data-driven research and digital platforms in governance.	General population, research and policy actors	City/local	City administration, research and education stakeholders	Mid-stage pandemic	Medium/Long term
Data analysis centre for pandemic-time economic development	'Situation Room'. Collaboration between Helsinki Graduate School of Economics, the national VATT centre for economic research, and other stakeholders. Gathers and publishes analysis reports on labour and economic statistics related to the pandemic-induced recession.	General population, policy and other stakeholders	City/local	City administration, education and research stakeholders	Mid-stage pandemic	Short/Medium term

4 Policy impacts

4.1 Policy impact

Official statistics for the economic trajectory in Helsinki are at the time of writing only available up to 2019, omitting the two pandemic years of 2020 and 2021. This makes it difficult to search for quantified signs of policy impact over the course of the pandemic. When more detailed, month-by-month economic statistics become available, it will be possible to follow the trajectory for output indicators, like the economic output of different sectors supported by pandemic-related policies in Helsinki, and for activity-based indicators that measure the volume of implementation of policies. At the time of writing, some information is available on the latter but not on the former. There are, however, some survey statistics available from the pandemic period that in combination with other information may provide some indication beyond activity indicator figures of the impact of different policies. For example, the number and area of green spaces in Helsinki has increased, which is clearly connected to the growing policy impetus induced by the pandemic to increase access to urban green spaces. But for wider measures it is hard to show a causal impact. In terms of environmental indicators several available figures (e.g. water pollution levels) also show positive signs, but much of this effect is likely to be caused by the overall pandemic-induced economic slowdown than specifically by pandemic-induced policies.

Map 4 Tracking progress on nature reserve establishment as of late 2020.



Source: City of Helsinki.

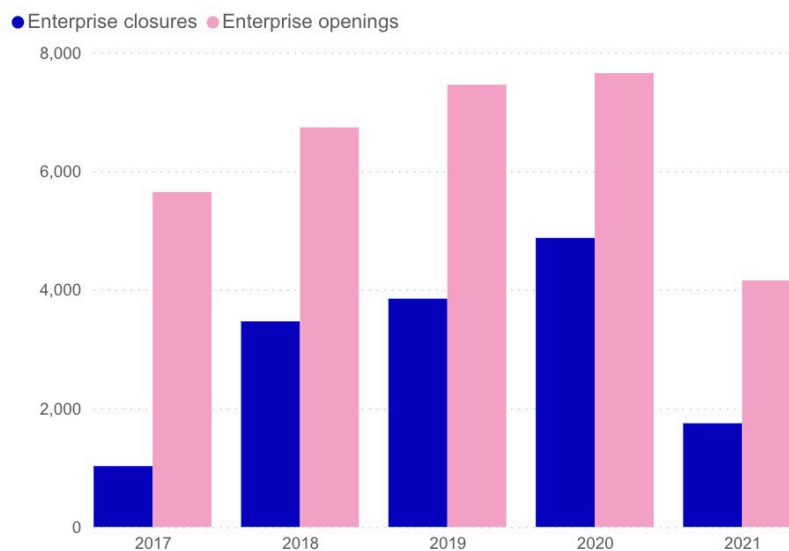
Available unemployment figures show that there remains a higher share of long-term unemployment in Helsinki than before the start of the pandemic-induced recession, but that the number of long-term unemployed stabilised and decreased during the latter stages of the pandemic in 2021. While this development is partly linked to normal labour force mechanisms during recessions, there is also indication that national and regional mechanisms to support jobseekers, training and rehiring have had a positive impact. That being said, the lingering discrepancy and the increasing share of jobseekers that are long-term unemployed testify that the shock induced by the pandemic to Helsinki has been systemic and that the economic prosperity of the city's public sector does not give a comprehensive image of the economic circumstances of citizens, which have been severely inhibited and continue to be adversely affected even though wider society may have a momentum of 'bouncing back' and restarting the economy.

Figure 5 Long-term unemployment in Helsinki.



Source: Finnish Ministry of Employment and the Economy.

Figure 6 Number of new and closing businesses in Helsinki.



Source: Statistics Finland.

Survey results from during the pandemic on economic and social inequality between boroughs and demographic groups speak of the need to expand urban planning and social initiatives that aim at mitigating socio-economic gaps between different areas. This need and subsequent action plan preceded the pandemic, but interviewees highlight an increased momentum on urban planning and other mitigating efforts upon evidence that socio-economic gaps have persisted and even grown during the pandemic, in spite of the efforts taken to reduce them. The adverse impact of the pandemic seems to counterweigh some of the urban planning and architectural efforts designed to level and reduce the gaps exacerbated by the pandemic.

In terms of social policy, there are also signs that outreach initiatives to different demographic groups and at-risk populations have yielded positive results as a large number of people have been contacted and helped to engage with social support functions. The collective effort among the City of Helsinki, other public authorities and NGOs to reach out to elderly and shielding citizens is consistently named as a best practice and successful policy measure. The macro-level figures on learning and education have also remained relatively stable despite the many challenges involved in remote teaching and learning during the pandemic, and thus the digital tools and support mechanisms developed during the pandemic are also considered well-working.

However, the challenges have also grown greater as the pandemic has continued. Helsinki-based citizens perceive themselves to be clearly lonelier than citizens of neighbouring cities and regions and the share of people self-reporting feeling lonely or depressed was clearly higher in 2021 than before the pandemic. While the activity indicators on Helsinki-based social policies are positive, the macro-level impact of these policies is difficult to discern, especially as the full extent of the pandemic and its effects is still developing.

4.2 Governance impacts

On the whole, the sector of the City administration in need of most additional support and funding has been the health and social services sector, which on several instances has been granted additional funding by the City Council. In the short to medium term, the City of Helsinki public administration transferred employees and resources from other parts of the City's workforce to support the growing need for contact tracing and other pandemic-induced public health and social support functions. Additionally, in terms of the impact of the pandemic on other sectors of activity where the City of Helsinki is an active stakeholder, some of the most significant adverse impact has been caused to the cultural sector, as well as to public transport, of which the City of Helsinki is a co-owner and which has been severely impacted by the decline in customer volume during the pandemic.

The multi-level governance structure in Finland has been central in responding to the pandemic and mitigating its immediate impact. At the regional level, the regions themselves are mainly able to decide on the provision and operations of public services, while the power to decide on wider restrictions on gatherings, opening hours and labour regulations sits at the national level. However, the implementation of government decisions and ministry guidelines is delegated to Regional State Administrative Agencies that execute the state's decisions at the regional level. The role of these agencies has been tangible throughout the pandemic, as they interpret government policy and estimate the level of restrictions to be put in place in each region (based on health authorities' estimates of the regional severity of the coronavirus epidemic in different parts of the country). Other agencies and authorities, such as the police and the military, have also been involved as required, and especially for security operations and direct government decisions there are hierarchical operating procedures in place that were directly applied at the start of the pandemic. These structures are included in the Emergency Powers Act which extends the authority of the government in crisis situations (the legislation and its applications date back to the Second World War). One tangible example where the national-level authority and hierarchical governance chain was implemented was when the Uusimaa region, hit worse by the first wave of the pandemic than other Finnish regions, was placed under a temporary regional travel restriction so that movement across the regional border became limited to essential travel. Also at the start of the pandemic an important national-level stakeholder was the National Emergency Supply Agency. However, most of the national-level restrictions and decisions have concerned, among other issues, restaurant and service provider regulations, as well as decisions on school openings.

The policy measures introduced locally in Helsinki during the pandemic have clearly impacted the City's governance structures to become more deliberative, more focused on cross-sectional collaboration on systemic policy issues, and increasingly reliant on simultaneous data-driven tracking and impact assessment of policies. The onslaught of the pandemic and the policy responses implemented to mitigate its adverse effects introduced several new mechanisms of cooperation, information sharing and silo-breaking communication

that were unfamiliar in the Helsinki governance structure built on relatively independent and hierarchical units.

The response to the pandemic in Helsinki triggered a notable increase in stakeholder collaboration in the short to medium term. Healthcare and social care are primarily a city and regional level policy competence, managed by the regional healthcare authority of Uusimaa. Here, too, there have been multi-level governance structures in place throughout the pandemic, as different health care districts have been collaborating and sharing information and resources with each other and with other stakeholders at the state level in the public sector, etc. There have been a number of new governance structures implemented to enhance this collaboration and information sharing, and as their effectiveness has been mixed their operations and missions have been adapted at several stages during the pandemic. The City of Helsinki has enacted several new data sharing structures and digital tools with the healthcare district authority of the Uusimaa region. New initiatives also include smoother collaboration in terms of information sharing, testing, contact tracing, and generally more collaborative administrative structures to cope with the changed pressure landscape on the healthcare system as brought on by the pandemic. In the healthcare sector the previous hierarchical and systematic governance style has continued, but the openness of data and information between parties has nevertheless increased and is expected to continue, at least to some extent, after the pandemic. The matter of the extension of new governance structures beyond the end of the pandemic is currently under deliberation among City officials.

Deliberative decision and implementation processes have also increased across other administrative divisions during the pandemic. This is true both within the City organisation, where units used to work relatively independently, and *vis-à-vis* other stakeholders active in the city, with whom City administration units had relatively little collaboration before the pandemic (with some exceptions, such as consultancy contractors). This development to a more collaborative style of governance and implementation has also induced a need for facilitator-style leadership competence that is different from some of the leadership attributes considered most central in the pre-pandemic City administration. To some extent this has been sought through new initiatives and collaborative governance-focused projects with universities, think tanks and other stakeholders. However, both interviewee testimonials and recent ethnographic research findings confirm that the transition of governance and leadership styles has been partial and has been introduced to varying degrees in different parts of the City administration (Virtaharju & Sorsa, 2021).

In general, inter-group and inter-stakeholder collaboration increased noticeably across all aspects of City operations, strategy and development in Helsinki. Interview respondents from different branches of the City administration recount this governance impact in broadly similar terms. The pandemic-induced challenges were described as more cross-sectional than the normal work and strategy carried out in the city. This was noticed in the structure of governance communications, where the response was to increase communication channels and decision structures that do not follow the pre-determined channels of compartmentalised administration. Task forces and implementation groups have been founded for a number of city administrative purposes in a more mission-oriented way than before the pandemic, such as social services and welfare, education, city planning and recreation.

Stakeholder collaboration has also been increased with entities outside the administrative public sector, for example with private companies, NGOs and religious organisations. One such initiative is the joint effort among City officials, NGOs and church employees to contact every senior citizen in Helsinki at the start of the pandemic, to gain information about their circumstances as well as how those who live alone could be supported.

In terms of proactive innovation policy responses to challenges induced by the pandemic, Business Finland (a business investment provider under the Finnish Ministry of Employment and the Economy) has been an active stakeholder providing furlough support and R&D investment grants for private companies in order to stimulate the private sector and mitigate rising unemployment. Other state-level proactive measures include support to the education and welfare sectors, the adoption of a coronavirus tracker application that alerts smartphone users to exposure to the pandemic and immediately on its launch became widely adopted among the population, as well as new initiatives involving the facilitation of remote work and multilocality. However, specifically in terms of Helsinki and the surrounding region, most identified policy proactive measures have been taken at the level of the City administration itself. Other stakeholders included in these measures have involved neighboring municipalities, NGOs and spiritual communities, the private sector and higher education institutions.

In terms of strategic goals and implementation of policy programmes for sustainable development in Helsinki, interviewees report that the pandemic has provided an opportunity for increasingly ambitious decisions and for an increasingly sustainability-driven governance structure. Both the pandemic-induced policy measures during 2020-2021 and the new strategy document published in 2021 is anchored and aligned with the SDG framework and UN and EU domains for economic, social and environmental sustainability, as well as the Twin Transitions of sustainability and digitalisation. The change in this regard is not necessarily as tangible at the level of practice and policy implementation, as it is at the governance, policy assessment and participation in European and global programmes for promoting sustainable development and the green transition in urban areas.

Finally, data-driven strategy, policy formulation and implementation has become increasingly important and prioritised in Helsinki during the pandemic, not least among elected officials and the core leadership teams of the City administration, who are under pressure to receive instant feedback on the applicability and impact of policy decisions. Data collection opportunities have simultaneously increased as digital policy tools have been implemented. Digital design in the Helsinki governance structure is therefore increasingly customised to produce instant feedback and metrics, alongside traditional and more rigorous statistical data collection that carries on largely as before.

During the early months of the pandemic in Finland, the relative efficiency in a Nordic and European comparison in implementing restrictions and proactive policies shows the benefits of centralised and hierarchical operational structures as an immediate response to a systemic crisis. As the pandemic continued, and policy efforts moved from addressing emergencies to building solutions that are sustainable in the medium to long term, the strength of more decentralised and cross-sectional collaborative processes has been showcased. A clear disadvantage with decentralised, multi-level and collaborative models includes the risk of confusion, mixed messages and even conflicts of authority when faced with new challenges. However, the cross-sectional nature of the long-term policy challenges induced by the pandemic, and the empirical observation of successful and increased decentralisation and horizontal communication across stakeholders and administrative branches at the City of Helsinki demonstrates the added capacity and opportunity for policymaking that comes with multi-stakeholder structures of territorial governance.

The question remains whether the increased flexibility in mission-oriented governance processes and cross-sectional communication is likely to continue in the long term. In the current governance landscape, the pandemic-induced changes are in place in the medium term – those channels and collaborations that have proven functionally useful are being renewed and strengthened.

4.3 Financial impacts

As already presented in the earlier section on pandemic impacts, Helsinki's public financial situation has remained relatively stable throughout the pandemic considering the significant slowdown in economic activities and the increasing pressure on healthcare and many other sectors. This allowed the City administration to implement several policy funding packages and other instruments to financially support the domains most in need of additional funds.

In the very early stages of the pandemic's first wave in Helsinki there were additional funding packages put in place mainly for financing the immediate handling of the healthcare crisis and the adaptation of the healthcare system to respond to the pandemic. A large part of the additional financial means were paid by the national government, which increased its funding both of regional healthcare administrations and of municipal administrations, with the largest single share being channeled to Helsinki and Helsinki's regional healthcare system. The City of Helsinki also put in place an early moratorium on rent payments from tenant-businesses as the extensive first-wave lockdown measures hit hard on the city's economy. Other business support included extensive development support by Business Finland, the national administration on business and innovation, that companies could apply for in order to make up for lost operations and revenue by investments into new R&D projects. A sizeable share of Helsinki's immediate spending increase was also targeted at the regional consortium for public transport, which is not counted as a part of Helsinki's city budget but in which the City is a primary owner and which suffered immediate and significant losses particularly at the early stages of the pandemic.

As the pandemic-induced restrictions continued and the second wave of infections arrived, more targeted financial packages were introduced to sectors and areas that were significantly restricted. The cultural sector

received an earmarked €3 million in grants and support in late 2020, wherein individuals and stakeholders in the culture sector could apply for compensation of lost revenue. A similar package was granted in 2021 for culture, youth and sports activities. In 2021, the City also rewarded all its employees a culture and sports voucher worth €200, which also had an intended impact of implicitly supporting recreational and cultural service providers.

In early 2021, an additional €10 million was funded by the City of Helsinki to digitalisation projects, both in the education system and other parts of City activities. During the pandemic and in relation to the impetus to move increasing amounts of data and communications into digital formats, Helsinki has taken many new steps along its strategic goal to be one of the world's most digitalised and data-driven city administration structures. The new platforms, data systems and digital citizen support function are also enablers of wider sustainable development efforts.

Another additional €10 million in City of Helsinki funding was also targeted to business incubator and youth employment and entrepreneurship initiatives. These funds are spent to a large extent in connection with higher education institutions. Collaboration with industry has also been enhanced through new funding and initiatives for digitalisation and entrepreneurship.

In the political negotiations for Helsinki's new budget in autumn 2021, a total of €70 million was pledged to pandemic recovery and new growth initiatives in hard-hit sectors. For example, €17 million of these funds are aimed at the education sector, to make up for the challenges brought on by the pandemic and extended periods of remote education to the long-term development and improvement of education. The nursery system is also receiving recovery funding as well as a pledge of a permanent rise in funding of €5.5 million annually from 2022, to mitigate staff shortages.

Most of the financial measures and proactive funding packages induced by the pandemic have been one-time investments, brought on by an evident demand for proactive support but without a guarantee of continued financing. That being said, many of the funding packages have been aimed specifically at development efforts on which to base new tools and initiatives, rather than simply as emergency relief and direct replacement of lost revenue.

The funding instruments in place across the Helsinki city administration have been under significant pressure during the Covid-19 pandemic, and extra funding has had to be organised for several sectors that have been affected by the pandemic's social and economic impacts. In terms of new models, this includes among other things a more flexible policy for supporting the culture sector as well as further supporting culture, sports and entertainment through culture vouchers to City of Helsinki employees. In terms of business funding, the new initiatives for supporting R&D of companies that are facing pandemic-induced downturns has been spear-headed most by the national-level Business Finland administration, although Helsinki has also introduced new efforts to support entrepreneurship, particularly among young people. On the whole, the public sector economy of the City of Helsinki has remained relatively stable through the pandemic, which has allowed for continued and new funding to support the development of several different sectors and public services.

The increased focus on data-driven policy decisions, implementation and follow-up also has a clear bearing on funding instruments. The increased need and focus on real-time implementation and impact data, to complement traditional statistical follow-up, is likely to remain a development priority in Helsinki for how funding and support is organised and how success is measured. This notably also includes a closer follow-up of domains that are shared between the remit of different branches of the City administration and therefore have not earlier been comprehensively reviewed by any singular branch.

5 Future policy directions

Recovery and resilience

The most evident impact of the pandemic on the future policy trajectory in Helsinki is that the pandemic-induced health challenges and overall economic slowdown need to be overcome as part of the policy agenda for the next five years. This means that while the general policy agenda and key strategic pillars are likely quite similar to what they would have been in a non-pandemic scenario, the post-pandemic recovery and rebuilding operation is an inherent and central part of the strategic process. The indicator benchmark and target levels for the 2021-2025 strategy period are widely affected by the pandemic and pandemic-induced recession.

Key focus on social policy and just transition

In terms of policy priorities and strategy outlook, the pandemic will likely lead to a greater focus and integration of social and health policy themes than would have otherwise been adopted. The inter-sectional nature of social policy efforts, and the wide-reaching impacts of pandemic-induced challenges in the social policy domain, have been felt more acutely because of the pandemic than would have otherwise been the case. This includes both an increased need for support and resources within the social sector, and an increased awareness of a social dimension to a whole range of other policy goals and processes. For example, urban planning efforts had already been actively intertwined with social policy targets to reduce inequalities and gaps between different boroughs in Helsinki. As a result of the pandemic, a strengthened focus on social policy is visible both in these and other policy initiatives, such as plans to increase livability by establishing more green spaces and nature reserves, or to initiate new partnerships for reaching out to the elderly population or families with young children. The policy agenda for the upcoming five years is likely to keep reflecting this increased awareness of the social dimension.

More integrated view of environmental sustainability and SDG reporting

The same is the case also for future policy directions within sustainable development: From often being viewed as separate policy issues, the Just, Smart and Green transition agenda are increasingly commonly viewed as interlinked in Helsinki. In the past, the bridge between the different dimensions of the sustainable development agenda was mainly recognized by those branches of the City of Helsinki organization that were responsible for following up and reporting progress on SDG targets and EU sustainable development policy. During the pandemic, the tripartite policy agenda has been applied more widely in policy conversations and the operations and reach of the branch responsible for sustainable development reporting has gradually become more extensive. This more holistic policy perspective of sustainable development is visible both in recovery policies during the pandemic and in the new strategic vision for 2021-2025.

Collaboration, silo-breaking and holistic policy response

Governance and stakeholder collaboration has in many ways followed this trend and become more horizontal and holistic as a response to systemic challenges induced by the pandemic. It is hoped that many of these collaborative initiatives and new structures for policy follow-up, data sharing and communication will remain in place and be built upon also in the years following the pandemic. In particular, the sharing of data for improved follow-up and policy response carries significant opportunities for future policy directions. The City of Helsinki administrative structure is substantive, and likely to remain relatively similarly structured in terms of different branches and their respective policy responsibilities. However, many of the new communication channels implemented during the pandemic can serve to complement, rather than to replace, the existing administrative structures.

Increased partnerships with diverse stakeholders

External stakeholder collaboration has been active during the pandemic in the City of Helsinki administration, and while many of the adopted initiatives have a temporary nature, some of the reinforced habits and networks of collaboration are likely to remain in place and impact the future policy direction. To date, interviewees recount that active and substantive collaboration with private sector consultancies has often seemed easier than the establishment of deep research partnerships with, for example, higher education institutions. During the pandemic, many new partnerships have been formed for different purposes in policy implementation and follow-up, and with a variety of stakeholders including higher education institutions. This may spell a gradual widening of the network of stakeholders with an active policy role in the City of Helsinki.

Subsequently, this may also lead to the increase and diversification of the groups involved in active citizenship and policy debate.

Digitalisation and data-driven policy process

One of the substantive areas where more stakeholder collaboration may yield concrete results for policy-makers is the gathering of statistics and data on Helsinki's development and on the impacts of policy implementation. The long-term goal of increasing Helsinki's level of digitalisation and access to digital data has remained in place throughout the pandemic and been strengthened by additional funding and by the pandemic-induced pressure to facilitate remote working and learning. In addition, interviewees recount an increased interest both among elected officials and public policy officials to achieve a more data-driven policy process, where short-term effects and indicators can drive and inform the policy process almost in real time. This is an area in which both internal and external networks, knowledge sharing and collaboration has the potential to promote the capacity for data-driven policymaking.

Contextual awareness and qualitative data

In addition to data and statistics, some interviewees also remind of the importance of deepening the capacity for qualitative research to complement statistical data and enhance contextual understanding that can be of great support to the policy process. The City of Helsinki has undertaken some more qualitative data collaborations in recent years, among them anthropological research on leadership and organisational change processes in the city administration. But this kind of data and research collaboration is still less actively undertaken, and less trusted and sought after by many policy makers and officials, than statistical data. The complementary insight of qualitative data should not be underestimated and presents a valuable opportunity to promote data collection on short-term policy impact and on outcome indicators where the sample size or data availability makes an assessment based on only quantitative data sources unreliable or unhelpful.

Best practices in social policy and holistic strategy

Many of the challenges faced, and solution models developed in the City of Helsinki during the pandemic are likely to be relatable and applicable to many other urban regions in Europe. The pandemic-induced shock on healthcare, economic activity and human life has been all but symmetric across the continent, and the socio-political institutions and societal development in many European countries are on the whole similar, creating an opportunity for shared insights for future policy initiatives. Several of the proactive policy proposals adopted in Helsinki are directly transferable to other regions and should relate to similar challenges as the ones in Helsinki that the policies originally aimed to address. For example, new initiatives and collaborations for reaching out to the elderly or other demographic groups through inter-stakeholder collaboration and digital platforms may easily be transferred to other contexts. This is especially salient as many other European regions also face an ageing population.

Addressing unique sustainable development context

However, there are also several reasons to believe that the pandemic recovery process and future policy directions take on different shapes in Helsinki than elsewhere. Helsinki's sustainable development context and demographic structure have some characterising features that set Helsinki apart from many other localities. For example, the drive and policy agenda for sustainable development have already been very strong in Helsinki before the pandemic (for example, Helsinki was the first European city to actively and voluntarily take part in SDG reporting at the UN). Helsinki has also in general been recognised for particularly well-developed public infrastructure, service provision and overall livability. This does not mean that Helsinki faces no development challenges or that the pandemic would have been less disruptive to Helsinki than other European locations, but Helsinki's governance and development characteristics do shape the particular consequences and impact that the pandemic induces in the city's social context. For example, the governance structure of the City of Helsinki administration has implied both pros and cons for managing the pandemic-induced challenges, and new governance strategies have been trialed to complement existing procedures. While these key initiatives may definitely provide useful insight for other regions, the specific effects on governance structures are likely to vary depending of the regional context.

Need for frequent follow-up and review

On a final note, it is clear that the pandemic's consequences on Helsinki's policy context are still on-going and evolving, and it is too early to definitively assess the impact of the pandemic on future policy directions. Some general themes and specific proactive policy initiatives can be identified and used to estimate how the overall policy environment will be shaped. The new strategic vision for 2021-2025 also gives an idea for the

upcoming years. However, as the pandemic is still actively present in European societies, and as there is no extensive statistic data available for many of the policy domains impacted significantly by the pandemic, it is important to follow up the present analysis in the upcoming months and years in order to emerge with a more comprehensive picture of the pandemic's long-term policy impact.

6 Regional recommendations

6.1 Policy Recommendations

- **Targeted action to improve natural and green spaces within City spatial planning efforts, as made possible by increased remote work.** This would build on the initiatives introduced during the pandemic in increasing Helsinki's access to green spaces, but would move the policy initiative into a more holistic sphere of policymaking where similar recreational and nature related policies would be combined with recommendations for workspace planning and/or spatial planning.
- **Combine efforts to preserve and increase green spaces with social policy efforts to reduce inequalities between boroughs.** The City administration had already started several cross-sectional inequality reducing efforts before the pandemic. Some of the initiatives introduced at the City level during the pandemic could well serve also as a complement to these efforts, for example, including green spaces more strongly as a key dimension relevant for the social development of urban planning in different boroughs.
- **Use changing landscape in office spaces and other workplaces to increase the ambition level for digital tools.** Digitalisation has been scaled up in unprecedented ways during the pandemic. But there is still work to be done in many sectors of the City administration, and the trends of remote working and hybrid environments further exacerbate these opportunities.
- **Preserve the goals of new initiatives to regularly reach out to all elderly people and vulnerable individuals for phone check-ins.** These initiatives were originally intended as temporary, to mitigate the adverse effects of the pandemic-induced isolation of vulnerable groups. However, the check-ins can serve as valuable tools and as a forum for continued collaboration between City administration, healthcare officials, NGOs and other stakeholders.

6.2 Governance Recommendations

- **Extend and expand collaborative data monitoring initiatives with higher education institutions and other research bodies.** During the pandemic, some initiatives in data monitoring and collective research efforts were initiated by the City administration in collaboration with other stakeholders, but these were mainly related directly to pandemic impact. There is scope to extend these collaborations to many areas of the City's future planning.
- **Include both new data-driven assessment tools and new opportunities for qualitative and ethnographic research to yield complementing insights in strategic planning.** Not only statistical data is valuable for regional strategy processes. It would be very valuable to find new ways to complement data monitoring tools with better and quicker access to qualitative data and indicators as well. An increasingly mixed methods based follow-up of strategy pillars would be crucial for the political leadership and policy implementation of the City administration in meeting the complex challenges of the post-pandemic world.
- **Consolidate the strengthened inter-authority information sharing regime.** For example, between the City of Helsinki and the regional healthcare authority (HUS). Many of the data sharing schemes brought about during the pandemic may be extended beyond the immediate reach of the pandemic, and this has the potential to help develop the health care and social care systems of the Helsinki region in important ways, clearly making use of the pandemic-induced practices.
- **Increase the remit of the SDG-focused team of the City of Helsinki organisation to be involved in the city's strategic planning and follow-up.** SDG follow-up and strategy integration is clearly gaining momentum, including as a result of pandemic-induced cross-sectional social challenges. The City administration teams in charge of SDG compliance and strategy would benefit from extended scope, resources and recognition.

6.3 Territorial Recommendations

- **Increase policy recognition of multi-locality and impact of remote work on urban-rural relations.** While most of Helsinki's policies related to pandemic impact have been focused specifically on the city itself, a great many Helsinki residents are partly living in other localities, summer cottages, etc. Policy efforts by the City and regional administration targeted at Helsinki's population therefore need to be wide enough to account for multi-local solutions and collaborations with other municipalities and regions.
- **Plan for different future scenarios.** The pandemic has shown that the preferences of citizens can be unpredictable in times of social and economic shock. The development and spatial planning bodies of Helsinki should recognise this and allow for different future trajectories in how the city is developing. One on-going discussion, exacerbated by the pandemic, has been the gradual decline in economic diversity present in the city's traditional central business district, as many sectors prefer to locate their offices and services in other parts of the city.
- **Increase collaboration between cities.** Helsinki is by far the most populous city in Finland, but on a wider European scale the size is still relatively similar to some other cities in the country. There is scope for active collaboration and knowledge sharing both in national, Nordic and European terms between cities that share similar characteristics and experiences.
- **Coordinate more strongly with the wider Helsinki region and catchment area.** While different municipalities in the Greater Helsinki are independent in their policy planning, there is a clear need to keep collaborating, not least due to the active commuter flows between Helsinki and neighbouring cities, peri-urban areas and even rural areas. A concrete example has been the Helsinki international airport, located in the neighbouring city of Vantaa, and where policies have been deemed partly successful and partly lacking in terms of initiative and responsibility for pandemic management.

6.4 Financial Recommendations

- **Include more ways of endorsing City workforce participation in the economy.** Recently all City of Helsinki employees received cultural vouchers to spend on cultural and sports activities in the city. Similar initiatives could be trialled also for other purposes where employees at the City administration would lead by example in active citizenship and making use of what the city has to offer.
- **Refine and strengthen SME support.** The predominantly state-driven support to private sector R&D during the pandemic have received both positive and negative feedback. In any case, support for development and innovation, especially of small-stage businesses, remains crucial and worth increasing also at the city level in terms of incubator and support functions. Importantly, it would also be game-changing if support could be better at reaching and helping growth-stage firms in need of legitimisation and investment.
- **Ensure continuous impact of one-off public funding packages.** While many of the financial measures to mitigate the pandemic effect in Helsinki (both regional and national funds) were temporary or even one-off funding decisions, they can nevertheless be anchored in continuous and gradual development discussions, especially as the immediate effect and danger from the pandemic seems to be waning. In addition to only funding, clear planning and long-term leveraging of one-off investments can help enhance the important role of the funding for local networks and innovators, as a more strategised and targeted agenda of public support has a good chance of reaching new target groups that have previously not been receiving additional funding.

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