



The Housing Finance and  
Development Centre of Finland

# Preventing Evictions Experiences from Finland

The Housing Finance and Development Centre of Finland





## ARA implements housing policy

- ARA implements government housing policy, aiming for sustainable and affordable housing
- grants government grants, subsidies and guarantees related to housing and construction of housing
- guides and monitors the use of ARA housing stock
- is involved in housing development projects
- manages expert tasks and information services related to housing and housing markets, and carries out related research
- oversees building energy performance certificates.

A solid blue circle containing white text.

An expert  
partner and  
developer of  
housing



## Who We Are

HOMELESSNESS

HOUSING ADVICE

GRANTS

TRAINING

NETWORK

NEWSLETTER

RESEARCH

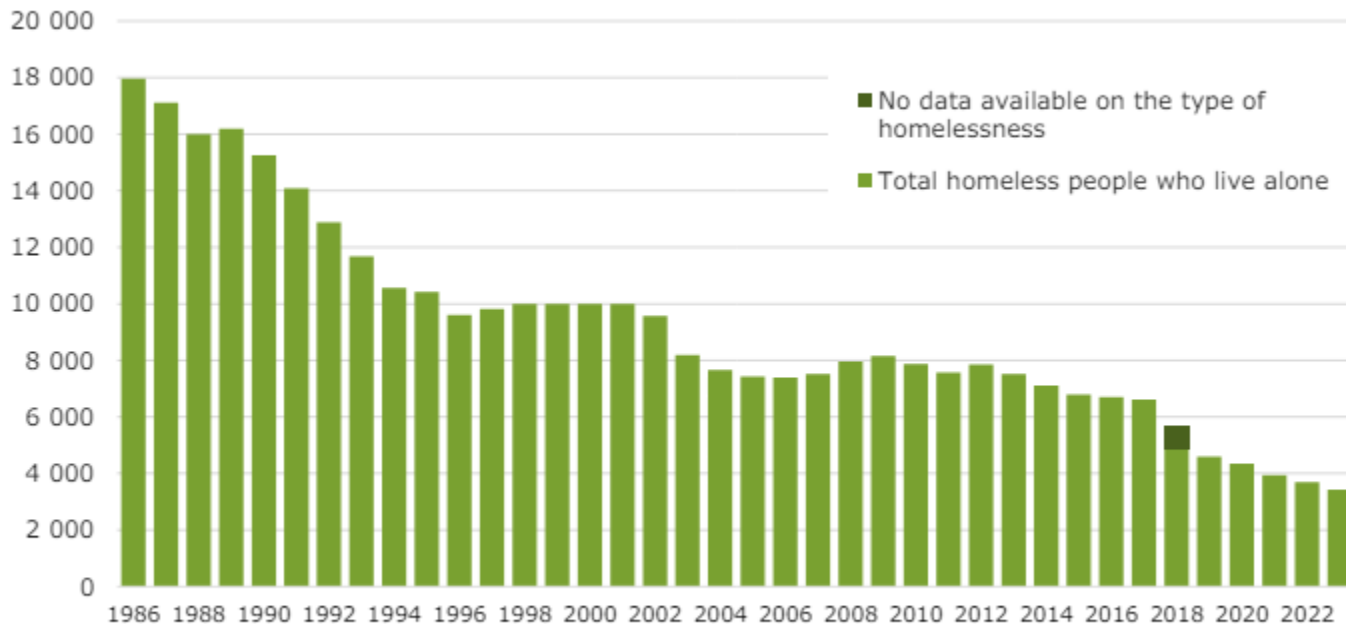
SEMINARS

COOPERATION



Mirka Järvinen, project coordinator

# Homelessness in Finland 1986-2023



**Figure 1.** Homelessness in Finland 1986–2023.

Please note: In 2018, the City of Helsinki specified its procedure of compiling statistics on homelessness. Due to this change, the numbers are not comparable to previous years.

ara

# Cooperation Between the State, Housing Associations and Municipalities

7.5.2024





## Finnish Housing Administration

- The state has a strong role in Finland as financier of housing production
- Ministeries have had a strong consensus to work together to end homelessness in Finland
- ARA works closely with both ministeries and municipalities
  - ARA grants guarantees and subsidies for housing construction
  - ARA does not own or give out apartments



## What is "ARA housing"?

Housing under ARA-restrictions allocated to:

- People in need of social or affordable housing because of social or economic reasons
  - Criteria for choosing tenants: urgency, income, wealth
  - E.g. people in urgent need of housing = homeless or in the risk of becoming homeless
  - People who cannot afford to pay market rent
  - Special groups: elderly, disabled, students
- Rental contracts in ARA housing are always permanent
- There are no queues; tenants are chosen in order of urgency.

## Who owns "ARA housing"?



ARA itself does not own or give out apartments



Housing providers can be municipality owned companies, NGOs, foundations (like Y-foundation), other "not for profit" housing companies



ARA grants guarantees and subsidies for housing construction, and monitors housing providers that operate on cost recovery principle



# ara

## ARA housing makes up 15 % of all housing stock in Finland (2020)

**30 % of all Finns live in rental housing:**

- 37 % in ARA stock
- 63 % in private

**ARA housing under restrictions:**  
65 % owned by municipalities

1,6 miljoonaa suomalaista (30 %) asuu vuokralla, 37 % ARA-asunnoissa ja 63 % vapaarahoitteisissa vuokra-asunnoissa.

Kunnat omistavat 65 %

ARA-asuntoja  
- vuokra-asuntoja 350 700  
- asumisoikeusasuntoja 50 700  
= 401 500

Muu tai tuntematon\*  
= 377 000

**Unknown**

Omistusasuntoja  
= 1 652 000

**Owner occupancy**

Vapaarahoitteisia vuokra-asuntoja  
= 825 500

**Private rental**

Piensijoittajat omistavat 65 %

**Suomen asuntokanta hallinta- ja rahoitusmuodon mukaan 31.12.2020**  
(Tietolähde: Tilastokeskus ja elinympäristön tietopalvelu Liiteri)

# ara

In big cities with high market rents,  
ARA rents are remarkably cheaper

Example from Helsinki:

Average rent for a 50 m<sup>2</sup> ARA apartment:  $50 \times 13,7 = 685 \text{ €}$

Average rent for a 50 m<sup>2</sup> market rent apartment:  $50 \times 1010 = 1010 \text{ €}$

➤ **In euros the difference is on average 325 € per month**



One millionth ARA housing: HOAS, Helsinki



The first certified passive energy apartment building in Finland: Assisted living centre Onnelanpolku in Lahti

ara

# The Importance of Preventive Work in the Eradication of Homelessness

7.5.2024



## Goals according to the new government program

- Let's build a cross-sectoral homelessness prevention framework that enables:
  - Early identification of homelessness risk
  - Providing assistance to combat homelessness
- Ensure the availability of housing advising, financial and debt counseling, as well as substance abuse and mental health services from the perspective of homelessness prevention.
- Invest in the employment of those who have experienced homelessness.
- Develop affordable housing services and housing advising for recipients of social assistance from Kela (the Social Insurance Institution of Finland).



## Actions

- We strengthen the expertise of municipalities, subsidised housing communities and welfare regions in securing housing
- We improve the accessibility of housing counseling
- We reduce the number of evictions.



## How Finland prevents homelessness?



### **With housing advice**

Ministry of Environment drafted a 5-year law for housing advice for 2023-2027

Aim is to improve the availability of housing advice in Finland by ARA's grants



### **By working as a team with**

Municipalities  
Social services  
NGOs

Rental housing companies

Various government agencies (Ministry of Justice, The Social Insurance Institution of Finland)



ara

# The Profession of Housing Advisors

7.5.2024



## Housing advice for all

- Housing advice is a preventive service that aims to tackle issues before they turn into a crisis
  - An efficient way to prevent homelessness
- Professional housing advisors help clients with rental debts, defaults, housing disorders etc.
  - The main job of housing advisors is to prevent evictions
- In 2024 ARA has given out grants to hire 89 housing advisors to municipalities all over Finland
  - ARA has given out grants to municipalities and housing companies for starting and developing housing advice services from 2009
  - Our aim: everybody is entitled to receive housing advice regardless of where you live





## Housing advisors

- Most often housing advisors in Finland have a bachelor's degree in social services
- Housing advisors work in municipalities, NGOs or in housing companies
- Housing advisors aim to help clients before the problems need to be addressed by social work
- On the other hand housing advisors might find clients who are in need of a more severe intervention
  - referral to a different service
- Housing advisors work together with the client, housing providers, NGOs and social work
  - Role as a "bridge builder"



# Examples of reasons for seeking help from a housing advisors

origin: Maura Tiuraniemi, Akseli Kiinteistöpalvelut

## Applying for a home

Homelessness

Unsuitable home

Defective skills in finding a home

Debt

## Financial problems

Payment plan

Over indebtedness

Problems maintaining finances

Small income

## Rental debt

Changes in life situations (divorce etc)

Mental and substance abuse problems

Gambling

Problems maintaining finances

## Taking care of your home

Health problems

Old age

Substance abuse

Mental health problems

## Housing disorders

Cultural conflicts

Worry about a neighbour

Dispute between neighbours

Community quarrels

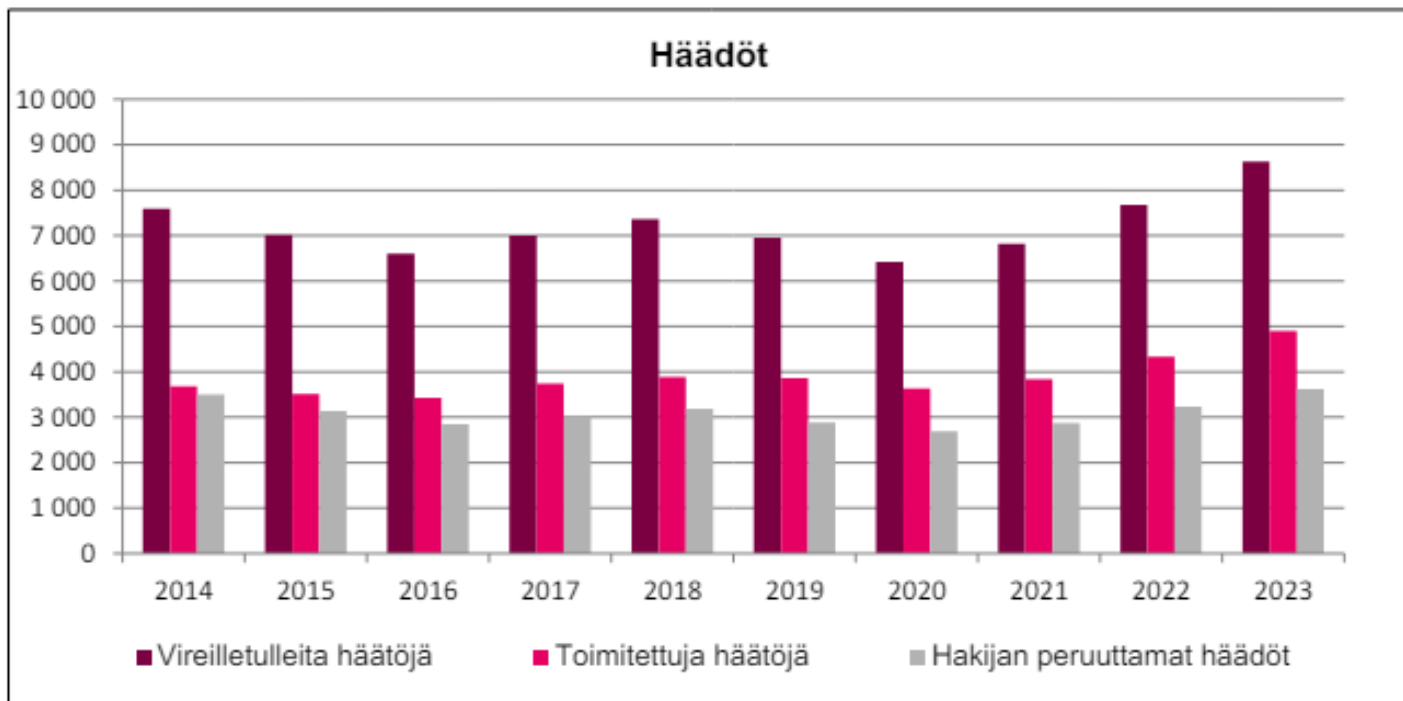
# Most common reasons for seeking help from a housing advisor

Asiakkuuden syyt



1. Rental payment problems
2. Rental debt
3. Needing help finding a new home
4. Housing disorders
5. Eviction threat
6. Problems maintaining a clean home, hoarding
7. Homelessness
- 8 & 9 Advising with housing
10. Neighbour arguments
11. Crisis
12. Rent is too high
13. Eviction notice
14. Changing homes
15. Cultural conflict

# Number of evictions in Finland in 2023



Red: number of pending evictions

Pink: number of actualized evictions

Grey: cancelled evictions

## The study of eviction costs in Finland

- Eviction costs can range from 1 600 € to 21 400 €
- Average cost of an eviction 6 300 €  
 +average rental debt 4 300 €  
**= 10 300 € loss of income for housing company**
- The whole process from the first rental debt to evicting the tenant to getting a new tenant can take as long as 8 months
- Housing advice has been proven to be very cost effective when preventing evictions
- Finding out how expensive evictions are will hopefully motivate housing providers to work preventively.

- 30 year old man
- Living alone in a church owned apartment
- Permanent job
- Moderate rent



**Rental debt 3000€**

Suffering from gambling problem



**Seeked help form a housing advisor**



**Collaboration with the church and social work**



**Client participated in a rental debt group hosted by the housing advisor**



**Social work paid the rental debt**

Housing advisor got him referred to a gambling addiction facility



## Legislating Housing Advice

- Housing advice is one key method Finland is using to halve and eradicate homelessness
  - The law makes it possible to give housing advice to everyone regardless of where or how they live
- Ministry of Environment drafted a 5-year law for housing advice for 2023-2027
  - Aim is to improve the availability of housing advice in Finland by ARA's grants
  - part of the Programme of Prime Minister Marin's Government
- At the moment, providing housing advice is voluntary for municipalities.

## How does ARA support housing advisors?



ARA arranges training to new housing advisors that have been hired with the grant given by ARA.

Training sessions open for all housing advisors

- Sessions consist of housing advisors presenting their working methods and/or expert lectures
- Subjects are determined by the housing advisors, e.g. collaboration with social workers; clients with mental & substance abuse problems etc

Network of housing advisors facilitated by ARA and a team of housing advisors

- The goal is to get to know each other, exchange ideas and get peer support



# ara

Asumisen rahoitus-  
ja kehittämiskeskus

## Thank you!

Mirka Järvinen

[asumisneuvonta@ara.fi](mailto:asumisneuvonta@ara.fi)

