

General guidelines for the City of Helsinki’s grants

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1. INTRODUCTION

Content, purpose and scope of application of the guidelines

Grants awarded by the City of Helsinki are discretionary, publicly announced grants.

In addition to Finnish and EU regulations, the awarding of grants is guided by the City of Helsinki's annually confirmed budget and these general guidelines for grants. Furthermore, the City of Helsinki's divisions and Central Administration may have priorities and criteria in accordance with e.g. the City Strategy that guide the grant activities of the City divisions and the Central Administration.

These guidelines define the terms and conditions for grants and the general grant principles followed in the awarding of the City of Helsinki's grants. The purpose of these guidelines is to harmonise the procedure followed in the City of Helsinki when awarding grants and to serve as an aid in the processing of grant applications.

These guidelines apply to all grants awarded by the City of Helsinki for which an open call for applications is held or which are awarded based on an application. The guidelines do not apply to other types of financial support granted by the City of Helsinki. Besides the general principles and the terms and conditions for grants, the awarding of grants must always comply with the grant criteria and any separate instructions and specifications provided by the City division awarding the grant.

The City of Helsinki applies these guidelines to the processing of grant applications, awarding and payment of grants as well as monitoring of the use of grants and recovery of grants.

2. TERMS AND CONDITIONS FOR GRANTS AND GENERAL PRINCIPLES FOR AWARDING GRANTS

2.1. The City of Helsinki's terms and conditions for grants

These terms and conditions for grants are intended to serve as the general terms and conditions under which the City of Helsinki awards grants, and they are binding on the recipients of grants. Grant applicants must accept these terms and conditions for grants on the application form prior to submitting their grant application to the City of Helsinki.

1. The grant may only be used for the purpose specified in the grant decision. If the grant decision does not specify the purpose of use in more

detail, the grant must be used for the purpose specified in the grant application in accordance with the guidelines and criteria applicable to the grant type in question.

2. The recipient of the grant may not use the grant to cover the costs of fundraising or business and investment activities or to increase their financial assets or other long-term investments.
3. The recipient of the grant must organise their accounting as required by law and in a way that allows the use of the grant to be monitored through their accounting records. The recipient of the grant must organise an audit in accordance with the Auditing Act. The recipient of the grant must organise an audit even if the Auditing Act does not require it. In this case, the audit may also be carried out by a performance auditor. If a performance auditor carries out the audit, the auditor must issue a statement on the audit, called a performance audit report.
4. The recipient of the grant must notify the City without delay of any significant changes affecting the use of the grant and agree on the use or repayment of the grant.
5. The recipient of the grant must, without compensation, provide the City with the information that the City deems necessary for the processing of the grant application, the awarding of the grant and the monitoring of the use of the grant. The body or public official awarding the grant is entitled to audit the accounting and administration of the grant applicant/recipient and also carry out other audits on the grant applicant/recipient's activities if necessary.
6. The recipient of the grant must draw up an account of the use of the grants previously awarded by the City to the extent required by the City.
7. The awarding and payment of the grant is subject to the condition that no discrepancies or abuse are discovered in the use of the grants awarded by the City to the applicant or in other activities.

The grant may be awarded as long as the applicant provides an accurate account of what has happened and presents a credible account of the rectifying actions taken, and as long as there is no longer a justified reason to suspect that the abuse is continuing or that the activities are otherwise inappropriate following the actions taken to rectify the applicant's activities.

The City has the right to pause payment of the awarded grant for the duration of an investigation into the matter if there is reason to suspect that any of the conditions for recovering the grant, as specified in section 9, are met.

8. The City has the right to withhold collectible receivables in part or in full from the awarded grant.

9. The awarded grant must be repaid to the City of Helsinki in full or in part if:

- a) the grant is used for a purpose other than the purpose for which it was awarded or for which the recipient was allowed to use the grant
- b) the recipient of the grant has not complied with the terms and conditions specified in the grant decision, and this violation is not deemed to be negligible
- c) the recipient of the grant has provided the City of Helsinki with incorrect or insufficient information regarding the grant
- d) the recipient of the grant does not provide the information specified in section 5 by the deadline or within a reasonable time upon request and does not contribute to the performance of the audit
- e) the grant is not used by the deadline by which the grant decision requires it to be used, and the recipient of the grant has not contacted the City regarding the use of the grant
- f) there have been significant changes to the use of the grant that the City of Helsinki does not consider to be acceptable.

10. Upon noticing the existence of any of the grounds for repayment as specified in section 9 above, the recipient of the grant must contact the City of Helsinki without delay and at their own initiative in order to pay back the grant. However, the City of Helsinki always has the right to request the grant to be repaid or decide on the recovery of the grant if any of the grounds specified in section 9 above are met.

11. The recipient of the grant undertakes to investigate the background of the suppliers they use in their activities and to only procure products and services from suppliers that fulfil their social obligations.

12. The recipient of the grant undertakes to comply with the ethical partnership principles for grants and cooperation with organisations that have been approved by the Helsinki City Board.

2.2. The City of Helsinki's general principles for awarding grants

These general principles for preparing grants are intended for grant coordinators of the City of Helsinki. Based on these principles, the coordinator assesses the criteria for awarding the grant and also compares them with the City division's own guidelines and criteria as well as any other priorities.

The City of Helsinki may award grants for activities that are in accordance with the functions of municipalities within the meaning of section 7 of the Finnish Municipalities Act, unless otherwise provided by special legislation. Another aspect assessed when awarding grants is whether the grant will lead to distortion of competition or the functioning of the market. The awarding of grants must not contradict the legal provisions on state aid valid at any given time.

1. The City of Helsinki may award grants to legal persons, such as registered associations, foundations and limited liability companies whose activities can be considered to be for the public benefit. The legal person must be listed in the Finnish register for the entity type in question (such as the Finnish Register of Associations).

There must be evidence of the registered grant applicant's activities for a period of at least one year. This must be proven with either meeting minutes or financial statements. Committees and sub-committees of the City of Helsinki may deviate from this condition in their own grant guidelines for a justified reason at their own discretion.

The City of Helsinki may also award grants to unregistered associations, private individuals and activity groups if this is separately provided for in the grant guidelines of the committee or sub-committee in question.

2. The activities for which the grant is being sought must support and complement the activities and the fulfilment of the objectives of the City division awarding the grant. Grants are awarded to support activities that diversify the City's own service offering.
3. Factors that affect the awarding of grants include the systematic nature, scope and outcomes of the activities, the quality of services, the community's expertise, the self-financing share of the applicant, and whether or not the grants awarded by the City in previous years were used for the intended purpose. When awarding grants, the body or public official awarding the grant also takes into account the impact of the activities and examines the usefulness and necessity of the grant applicant in the sector in which the body or public official operates.
4. The financing plans for the activities for which the grant is being sought must be acceptable. Finances must be managed in such a way that expenditure is adjusted in accordance with available income. Examples of income include the applicant's funds, the income to be gained from the activities for which the grant is being sought, and other external financing opportunities, such as other public financial

support. The financial management, accounting and other activities of the recipient of the grant must be lawful and appropriately organised, considering the nature and scope of the activities.

5. The grant awarded by the City to the applicant constitutes financial support paid from public funds. If the grant is awarded to an applicant who engages in economic activity on the open market (such as sale of services or products), the body or public official awarding the grant must first, before awarding the grant, confirm and assess whether the legal provisions on state aid allow the grant to be awarded. In this case, the grounds specified in the grant decision must indicate the reason why awarding the grant is permissible.

Financial support granted by the public sector in any form is considered to be prohibited state aid if it distorts or poses a risk of distorting competition, favours a particular company or industry and affects trade between EU Member States. A grant can also meet the criteria for prohibited state aid, in which case the grant must not be awarded.

6. The activities for which a grant is awarded should be primarily directed at residents of Helsinki.
7. Grants are not awarded for purchasing fixed assets unless reasons of appropriateness require the City's contribution to be paid in the form of a grant. Fixed assets include things such as machinery, equipment, buildings and investments that can be resold.
8. Grants are not awarded for religious or political party activities.
9. Grants are not awarded for redistribution to other operators.
10. Grants are not awarded for distribution in the form of cash or gifts.
11. Grants are not awarded for activities by the City of Helsinki.
12. Grants are not awarded to central organisations.

However, if a central organisation maintains activities for the benefit of Helsinki residents that the City deems appropriate to support, the City may, in special cases, award a grant to this central organisation to be redistributed among its members.

13. Grants are not awarded for activities procured by the City as purchased services.

14. Only one grant can be awarded from the City of Helsinki's appropriations for grants for the same purpose of use.

15. A grant can be denied if the applicant is found to have presented untruthful information to back their application.

A grant can be denied if it is found that the applicant has failed to comply with the general or specific terms and conditions for the use of grants awarded by the City of Helsinki in previous years.

3. APPLYING FOR GRANTS AND PROCESSING OF APPLICATIONS

Announcement of available grants

The information on grants offered by the City of Helsinki is compiled on the City of Helsinki's Grants website. On this website, you can find the application periods for grants, the awarding criteria, contact persons and other necessary information for applying for grants. Each City division is responsible for keeping the information on their respective grants up to date. The known application periods for the following year's grants are also compiled annually on the City of Helsinki's Kuulutukset website, which lists public notices (currently unavailable in English). Additionally, information about applying for grants may be shared through other communications channels.

Applying for grants

The primary method of applying for the City of Helsinki's grants is via the City of Helsinki's Grants e-service. Identification is required to log in to the e-service. Grant applications and related appendices should be submitted via the e-service. In the e-service, you can find all of the online grant application forms and descriptions of the purposes for which you may seek a grant.

In exceptional cases, you can also submit a grant application using the form template of the City division awarding the grant. In this case, you must send the application and its appendices to the City of Helsinki Register Office:

City of Helsinki Register Office

Name of City division processing the matter

PO Box 10, 00099 CITY OF HELSINKI

Street address: City Hall, Pohjoisesplanadi 11–13

Email: helsinki.kirjaamo@hel.fi

If the recipient of the grant is a legal person (limited liability company, association or foundation), the application submitted to the Register Office must be signed by a person authorised to sign on behalf of the applicant.

In the application and its appendices, the applicant must present accurate and sufficient information on the grant's purpose of use as well as other factors necessary in order to make a decision on the awarding of the grant.

Completing an application

If an application is incomplete, the applicant must be asked to add the missing information to the application, and a deadline must be set for the completion of the application. If the application is not completed by the specified deadline, the application will be processed based on the information provided. The body making the decision will issue a rejection if the conditions for awarding the grant are not met.

The bodies and public officials awarding grants may set more specific conditions, as well as conditions deviating from those mentioned above, for the form and content of the application.

Transfer of applications

If it is revealed that an application has been submitted under an incorrect grant type, the grant coordinator must see whether the application can be transferred to the correct grant type, which may also be under another service or City division.

Late applications

If an application is not submitted by the deadline, it is late. Late applications must be rejected. The body deciding on the grant will issue a rejection.

4. GRANT DECISION

In the grant decision, the body or public official awarding the grant specifies the purpose of the grant and the terms and conditions for the

use and monitoring of the grant, as well as any other terms and conditions, within their own sphere of competence.

Minimum content of a grant decision

A decision on the awarding of a grant must indicate:

1. the amount of the grant awarded the previous year, if applicable
2. the amount of the grant sought by each applicant
3. the amount and purpose of the grant awarded to each applicant
4. for grants awarded on an annual basis, an account of the monitoring of the use of the grant awarded the previous year
5. rejected applications and the grounds for the rejection
6. the fact that the grant is subject to the City of Helsinki's general terms and conditions for grants.

Informing applicants about the decision

All parties that applied for a grant must be informed about the decision by sending them the grant decision and instructions for appealing the decision. If the information is not presented unequivocally in the grant decision, the applicant must, upon the decision being made, be sent a separate notification indicating at least the purpose and amount of the awarded grant, the terms and conditions for the grant, and how the use of the grant will be monitored, or the grounds for why the application was rejected.

5. PAYMENT OF THE GRANT

Conditions for payment

The awarding and payment of the grant is subject to the condition that no discrepancies or abuse are discovered in the use of the grants previously awarded by the City to the applicant or in other activities.

The grant may be awarded as long as the applicant provides an accurate account of what has happened and presents a credible account of the rectifying actions taken, and as long as there is no longer a justified reason to suspect that the abuse is continuing or that the activities are otherwise inappropriate following the actions taken to rectify the applicant's activities.

Grants are paid in accordance with the grant decision and the payment contact information provided by the recipient of the grant. If the recipient of the grant does not have a bank account, they must open one. The City of Helsinki only pays grants to a bank account registered under the name of the recipient of the grant.

Grants are not paid to foreign bank accounts.

In order to confirm the bank contact information, applicants must (in the case of a new applicant or a change to bank contact information) include a notification from the bank about the account owner or a copy of the bank statement in the application as an appendix. The grant will not be paid if this information is missing.

The City may also pay the grant to an account specified by an unregistered community or group.

The grant must not be paid until the conditions set for the payment of the grant are met.

One condition for the payment of the grant is that the body or public official awarding the grant has received an acceptable account of the use of the previous grant awarded or the grant awarded for the previous year, if applicable. However, the body or public official deciding on the awarding of the grant may, if necessary, decide to pay the grant under the condition that the grant will be recovered unless the community receiving the grant provides an acceptable account of the use of the previous grant awarded.

If grants are paid before the decision becomes final, the grant recipient must commit to paying back any paid grants in the event that the decision is changed due to an appeal and/or the conditions for the grant are not met.

If the recipient of the grant owes money to the City, the City's collectible receivables must be withheld from the grant awarded to the recipient. This withholding may be omitted for a specific reason. Withholdings must comply with the City of Helsinki's guidelines for the invoicing and recovery of monetary receivables valid at any given time.

Payment instalments

The grant decision may specify conditions for the payment of the grant or define the payment instalments in which the grant will be paid. For example, the grant decision may provide that the grant will be paid based on actual costs once an account is provided of the use of the grant.

If the grant decision does not include provisions on the payment of the grant, grants are paid as follows:

- a) grants worth less than EUR 8,000 in one instalment
- b) grants worth EUR 8,000–40,000 in two instalments
- c) grants worth over EUR 40,000 in four instalments.

The payment date and amount of an instalment to be paid may be changed within the City division by decision of the body or public official concerned in accordance with a delegation decision, if applicable.

6. MONITORING OF THE USE OF GRANTS

The committee, sub-committee or public official awarding the grant will monitor the use of the grant. The use of grants awarded by the City Council or City Board will be monitored by the committee or sub-committee that made the proposal on the basis of which the grant was awarded.

The purpose of the monitoring of the use of grants is to ensure that the grants are used in accordance with the grant decision and for the purpose for which they were awarded. The activities and finances of the corporation that received the grant are monitored for this purpose. This monitoring must be scaled so that the use of the grant in accordance with the grant decision can be ascertained with sufficient certainty, considering the amount and nature of the grant.

The City of Helsinki Audit Committee and Audit Department have the right to receive the information they require in order to fulfil their assessment duty as specified in section 121 of the Finnish Municipalities Act from City authorities. This also applies to documents related to grants, as well as their appendices, and information on the monitoring of the use of grants and other monitoring. The Audit Committee and Department are under an obligation of secrecy concerning statutory monitoring and inspection tasks by an authority as specified in the Act on the Openness of Government Activities.

For grants awarded on an annual basis, the use of grants is also monitored in conjunction with the processing of grant applications for the following year with the help of the new grant applications and appendices concerning the applications. An account of the monitoring carried out in conjunction with the processing of grant applications is provided in the decisions on the awarding of grants or in statements issued about the applications by governing bodies.

Committees, sub-committees and public officials that award grants may, within their sphere of competence, provide detailed further instructions concerning the awarding and use of grants and the monitoring of their use, and they may set special conditions for the use of grants.

7. REPAYMENT AND RECOVERY OF GRANTS

If any of the grounds for recovery that are specified in section 9 of the terms and conditions for grants are met, the recipient of the grant must

contact the body or public official that awarded the grant without delay and agree on the repayment of the grant.

If the recipient of the grant has not contacted the body or public official that awarded the grant and there is reason to suspect that one or more of the grounds for recovery described above exist, the body or public official that awarded the grant or monitors the grant must take action to determine the state of things and rectify the situation if needed.

According to the terms and conditions for awarding grants, the City has the right to stop the payment of a grant until the matter has been investigated when there is reason to suspect that any of the conditions for recovery are met.

In order to rectify the matter, the recipient of the grant may be asked to rectify the situation by a certain deadline, for instance.

If the recipient of the grant does not rectify the situation or it is apparent based on the circumstances that the situation cannot and will not be rectified, the payment of the grant must be stopped, if it has not been stopped already, and actions must be taken to recover the amount already paid.

The body or public official that awarded the grant has the authority to decide on the recovery of the grant unless they have delegated their authority with regard to monitoring and recovery in accordance with the City of Helsinki's Administrative Regulations.

The recovery of grants must take equal treatment of the applicants and the City's financial interests into account.

8. GROUNDS FOR DISQUALIFICATION

Public officials and employees of the City of Helsinki may not process (prepare or decide on) a grant-related matter if it poses a conflict of interest for them. In this case, they must delegate the matter to another processor.

The person handling the grant-related matter must consider and decide for themselves whether the matter poses a conflict of interest for them. In the case of a member of a multi-member body, a presenting official or another person entitled to be present, however, the decision is made by the body in question.

Disqualification is provided for in sections 27–29 of the Finnish Administrative Procedure Act.

A public official or employee processing a grant-related matter is disqualified if:

- 1) they or a person close to them is a party to the matter;
- 2) they or a person close to them serves as counsel for or represents a party or a person
who can be expected to experience a particular gain or loss from the decision on the matter;
- 3) they or a person close to them as specified in section A below can be expected to experience a particular gain or loss from the decision on the matter;
- 4) they are employed by or, in relation to the matter under consideration, work on the commission of a party or a person who can be expected to experience a particular gain or loss from the decision on the matter;
- 5) they or a person close to them as specified in section A below is a member of the board of directors, board of administration or a comparable body, or is the managing director or holds an equivalent position in a corporation, foundation, unincorporated state enterprise or public body which is a concerned party or can be expected to experience a particular gain or loss from the decision on the matter;
- 6) they or a person close to them as specified in section A below is a member of the board of management or a comparable body of an agency or public body and the matter in question relates to the guidance or supervision of this agency or public body; or
- 7) confidence in their impartiality is endangered for another particular reason.

The concept of a person close to a public official or employee is relatively broad. When assessing whether a public official or employee is disqualified, a person close to them refers to:

A) the spouse or a child, grandchild, sibling, parent or grandparent of the public official or employee, or a person who is otherwise particularly close to the public official or employee, or the spouse of any of these;

B) a sibling of a parent of the public official or employee, or the spouse of such a sibling,

a child of a sibling of the public official or employee, or a former spouse of the public official or employee; or

C) a child, grandchild, sibling, parent or grandparent of the public official or employee's spouse, the spouse of such a person, or a child of a sibling of the public official or employee's spouse.

A corresponding step-relative is also considered to be a person close to the public official or employee. The term 'spouse' refers to a marriage

partner or a person living in marriage-like circumstances or in a registered partnership with the person concerned.