

# Conclusions and recommendations of the National Audit Office

## Assigning beneficiaries of international protection to municipalities and developing the system of reimbursements paid to municipalities

In 2015, a total of 32,476 persons seeking international protection arrived in Finland, which was a new record. In 2016, the figure was considerably lower (5,651). A total of 7,745 positive asylum decisions were made during 2016. This was 27 per cent of all applicants. About 4,700 persons have applied for international protection in Finland by the end of November 2017 and the Ministry of the Interior estimates that the total figure for the year would be about 10,000. More resources have been granted for immigrant integration and measures promoting it in the state budget after 2015. In the 2017 state budget, about 234 million euros was allocated for immigrant integration, and the reimbursements by the state to municipalities for measures promoting integration accounted for 232 million of this total.

The purpose of the audit was to examine the functioning of the system of assigning beneficiaries of international protection to municipalities and the steering and control of the system of immigrant integration reimbursement between 2012 and 2016 as well as the impacts of the regional government reform on the assigning of immigrants granted residence permits to municipalities. The main concepts used in the audit are defined in Appendix 1.

### The performance targets concerning the assigning of beneficiaries of international protection to municipalities have not been met

The targets set by the Ministry of Economic Affairs and Employment for The Centres for Economic Development, Transport and the Environment (ELY Centre) concerning the number of municipal places are based on the Ministry of the Interior's estimates of how many applicants will be granted a residence permit. The nationwide annual target for municipal places for the period 2012–2016 (1,700, 2,000, 2,300 and 9,882 respectively) was only met once and in one region. The waiting time target for assigning of reception centre residents to municipalities set by the Finnish Immigration Service (two months) has also been exceeded in many years. The waiting time was below the target in 2014 when the number of positive residence permit decisions was the lowest.

### People granted a residence permit move to municipalities through different channels

Individuals granted a residence permit can move to municipalities through several different channels, which makes it more difficult to manage the flow of people to municipalities. In recent years, between two and five times more individuals have moved to municipalities with the assistance of reception centres and independently on the basis of residence permits granted to applicants for international protection than to municipal places provided by the ELY Centres. The system of municipal places works well for quota refugees because when arriving in Finland, these people are directly assigned to municipalities.

### Cooperation impacting the effectiveness of assigning beneficiaries of international protection to municipalities has improved

In order to harmonise the procedures, the Ministry of Economic Affairs and Employment and the Finnish Immigration Service have issued more detailed guidelines on assigning beneficiaries of international protection to municipalities. Under the guidelines and relevant legal provisions, ELY Centres are responsible for regional coordination of the assigning of beneficiaries of international protection to municipalities and the process of immigrant integration. It was found out in the audit that the establishment of regional cooperation groups has improved the cooperation between ELY Centres, reception centres and the Finnish Immigration Service. Cooperation and sharing of information between the actors is mostly working well.

### Development of information systems plays a central role in the assigning of beneficiaries of international protection to municipalities

It was noted in the audit that the customer register for asylum seeker (Umarek) system maintained by the Finnish Immigration Service has not functioned properly in the cooperation between reception centres, ELY Centres and municipalities even though it has become easier for ELY Centres to obtain statistical data after the introduction of the Umarek system. The assignment register maintained by ELY Centres is still in use and customer data is also relayed to parties outside the systems. On the basis of the descriptions of the files, the assignment register and the Umarek system are very similar in terms of their data content. For this reason, the assignment register could be abolished as part of the updating of the Act on the Promotion of Immigrant Integration and all parties involved should start using the Umarek system. The functioning of the system should, however, be enhanced, and improvements are needed in such areas as the detailedness of the customer data.

### The system of reimbursements paid to municipalities as part of immigrant integration and its steering have been developed in recent years

The system of reimbursements paid to municipalities as part of immigrant integration has been improved over the years and measures have been taken to centralise the control of the reimbursement since 2015. There were slight differences between ELY Centres with regard to the comprehensiveness of the control before the payment and control of the reimbursements were moved to the Development and Administrative Centre for the ELY Centres and Employment and Economic Development Offices (TE Offices). Operating procedures and practices have become more harmonised after the centralisation. The control process is mainly based on the checking of the applications and other documents.

Reimbursements are paid to municipalities as imputed reimbursements and on the basis of actual costs. The payment of imputed reimbursements has been partially automated as a result of which there has been a substantial reduction in the amount of manual work.

The number of municipalities with assigning agreements increased from 88 in 2013 to 216 in 2016. According to the audit findings, the agreements between the ELY Centres and municipalities are prepared

on a standardised model agreement provided by the Ministry of Economic Affairs and Employment. Furthermore, in the agreements, the ELY Centres require that the municipalities present an integration programme as laid down in the Act on the Promotion of Immigrant Integration.

### The regional government reform would mean changes in the assigning of beneficiaries of international protection to municipalities

Under the planned regional government reform, counties would be responsible for the strategic planning and policies concerning the assigning of beneficiaries of international protection to municipalities and the implementation of the assignment process. Municipalities would still be responsible for the reception of individuals granted a residence permit and for integration services. However, the payment of reimbursements to municipalities would no longer be conditional on an assigning agreement as the municipalities would receive the imputed reimbursements automatically without a separate application and on the basis of the details of the registered individuals granted residence permits that have moved to municipalities. Fewer reimbursements would be paid on the basis of actual costs and some of the costs would be covered by counties through an operational appropriation based on the universality principle.

The assigning of beneficiaries of international protection to municipalities should be examined from an overall perspective, giving consideration to the close link between the assigning and integration process. The reform may lead to a situation where more resources are required to manage immigration matters if counties fail to agree on the necessary cooperation. The Ministry of Economic Affairs and Employment also plays a central role in the preparation of the strategic objectives and national guidelines for the assigning process as well as in the cooperation with the Ministry of the Interior so that beneficiaries of international protection can move to municipalities without undue delay and in a controlled manner.

### Recommendations of the National Audit Office

The National Audit Office recommends that the Ministry of Economic Affairs and Employment should

1. determine the indicators for assigning beneficiaries of international protection to municipalities and the functioning of the assigning monitoring indicators.
2. work to ensure, in cooperation with the Ministry of the Interior and the Finnish Immigration Service, that the assigning of the customers to municipalities and the sharing of information between the actors as part of the process would take place in the UMA system in their entirety. work to clarify the division of responsibilities in the development of the UMA system.
3. plan and develop, in cooperation with the Ministry of the Interior, Finnish Immigration Service and counties, the assignment to municipalities assisted by reception centres when it is appropriate from the perspective of the beneficiaries of international protection.
4. present a principle under which, after the introduction of the regional government reform, counties would assign the beneficiaries of international protection to municipalities and

encourage counties to cooperate in the planning of the assigning procedures.