



The living allowance is meant to be a short-term financial aid in order to assure subsistence when a person cannot live on own earnings, entrepreneurial or other income or property. Living allowance is applied by a written application. Because everyone is responsible to earn his living to the best of his abilities all other possible benefits or sources of income are considered before living allowance is granted. Social workers or social care workers assist in finding a solution for income problems and helps an unemployed client to find a job.

How is the amount of living allowance calculated?

The amount is calculated by adding up the applicant's or family's available income and property and subtracting from this sum the expenses for food and other daily living (called basic amounts) and other expenses counted for the allowance. If the income is smaller than the eligible expenses, the applicant has the right to receive living allowance.

The amount of basic living allowance depends on the size of the family and the ages of dependent children:

Basic living allowance amounts from 1.1.2008

	Full basic amount €/month	Basic amount reduced by 20 % €/month	Basic amount reduced by 40 % €/month
Single persons or single parents	399,10	319,28	239,46
Persons aged 18 or over	339,24	271,39	203,54
Persons aged 18 living with their parents	291,34	233,08	174,81
10 - 17 years			
1st child	279,37		
2nd child	259,42		
3rd and following children	239,46		
0 - 9 years			
1st child	251,43		
2nd child	231,43		
3rd and following children	211,52		

The basic amount of living allowance covers

- Food expenses.
- Clothing (purchase, washing and care).
- Barber's and hairdresser's charges.
- Personal hygiene.
- Non-prescribed medicines and small costs for medical supplies, medicines prescribed for something else than illness.
- Public transportation in the Helsinki area.
- TV-licence, newspaper subscription, telephone bill.
- Small costs for hobby and leisure.
- Internet costs.

Besides the basic amount, living allowance can be granted for following basic expenses:

Reasonable housing costs (rent, separate charges for water, heating, maintenance and interest paid on housing loans).

- Reasonable costs for electricity, gas and home insurance.
- Accepted fees for public health care and medicines prescribed by a public health care physician.
- Child daycare fees after presenting receipts of payment.
- Necessary moving expenses.
- Burial expenses through undertakers on agreement with the Social Services Department.
- Necessary costs for travels to and from work, and other expenses incurred through holding a job.

Supplementary or preventive living allowance may be granted at special discretion for expenses due to exceptional circumstances. Special allowance can be needed in difficulties caused by long-term low income, unemployment or illness. Also participation in active employment measures, rehabilitation etc. is often supported by living allowance at special discretion.

Reduced basic amount

If an applicant of living allowance has refused and offered job or other labour policy measure without justified reason, the basic amount may be reduced by 20%. If the applicant turns down jobs and labour market measures repeatedly, the basic amount may be reduced by a total of 40%. The reduced basic amount is valid for a maximum period of two months at a time. If the basic amount is reduced, the social worker and the client always make up a plan together, on how the client could improve his/her employment and maintenance possibilities.

How do income and property effect living allowance grants?

All available net income of the applicant and his or her family members and property which is not necessary for continuous maintenance providing are taken into consideration. For example, an own department, furniture and working equipment are necessary, whereas savings, bonds and a car may be counted as capital gains that the applicant can provide his or her living with. To encourage clients to work at the minimum 20 % and maximum 150 euros of the family's earned income is not taken into consideration when granting the living allowance. Salary, entrepreneurial income and support for informal care are examples of earned income.

Recovery of living allowance paid

The full amount of living allowance or part of it may be collected back for example in the following cases:

- If living allowance has been paid in advance, while waiting for a decision on some other benefit (pension, unemployment benefit, maintenance payment or allowance, housing allowance, study grant, financial aid, etc.).
- The recipient of living allowance has such income, capital gains, property, or is entitled to maintenance providing benefits not at his or her disposal at the time when the decision on living allowance is made.
- The recipient of living allowance neglects responsibility for own or his or her family's maintenance.

Applying for living allowance

The application for living allowance should be filed at the local social services office. Swedish language office offers services to those who speak Swedish. There is also a office for homeless persons. Living allowance is applied by a written application.

Enclose the following to your application:

- Identification documents (during visit).
- Proofs on income of working family members for the last two months.
- Entrepreneurs must give clearance of their entrepreneurship and gained income.
- Documents on pensions or other benefits.
- Documents on other income, for example benefits paid by the Social Insurance Institution (KELA).
- Bankbook (passbook) or statements of account for the last two months.
- The latest confirmed tax statement.
- Rent receipt, rental contract and an extract from the register of occupants.
- Other possible documents which clarify the financial standing.

Should the applicant's financial standing change during the time living allowance is granted, **he or she is obliged to inform the social services office.** Such changes are, for example, changes in income or family members, employment or studies or a hospital care for more than two weeks.

Giving incorrect information to the authorities is a punishable offence.

Social authorities are obliged to observe secrecy, and they have the right to check a client's details with other authorities. Information on clients is registered in the Social Services Department's client data system. The register description can be found on www.hel.fi/rekisteriseloste/.

Application procedure and ways of payment

Handling the application usually takes 1-2 weeks (seven working days). Handling is speedier if the application is carefully filled in and presented with all necessary enclosures. The final act on living allowance, along with documents enclosed to the application, is sent to the

client by post. The amount of living allowance granted is paid to the client's bank account. Rent calculated as part of the living allowance is mostly paid directly to the landlord's bank account.

Appeals

An applicant for living allowance, who is not satisfied with the decision, may file an appeal to the local social services and health care section. Specific details on appeals are given in the decision.

An example of living allowance calculation

A family applies for living allowance. The family members are an unemployed father receiving cash labour market support, a mother who is at home receiving maternity allowance, a 6-year-old child and a less than a year old baby. The family receives housing allowance and family allowances.

Income	EUR
Cash labour market support	538,88 /month
Maternity allowance	330,65 /month
Housing allowance	523,40 /month
Family allowance	210,50 /month
Income total	1603,43 /month

Expenses	
Basic amount, father	339,24 /month
Mother	339,24 /month
First child	251,43 /month
Second child	231,48 /month
Rent (receipt)	680,00 /month
Charge for water (receipt)	40,00 /month
Phone bill	90,00 covered by basic amount
TV-fee	47,50 covered by basic amount
Purchased clothes	45,00 covered by basic amount
Public transportation pass	41,60 covered by basic amount

Expenses total 2105,49 /month

Total sum of eligible expenses 1 881,39 /month

Total sum of income - 1 603,43 /month
Living allowance 277,96 for a month

Decision on living allowance

Hereby granted EUR 277,96 as living allowance for one month. During the time living allowance is granted refund is also paid for reasonable electricity bills falling due and personal liability fees when using public health care services and for medicines for illness prescribed by a public health care physician.