

Annual Report 2023

with follow-up on the budget
for the City of Stockholm



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An open and democratic City for all Stockholmers

The Annual Report for 2023 presents operations that are working ambitiously and purposefully in the best interests of Stockholm. Work to achieve ambitious goals for welfare, public safety and climate transition is ongoing every single day.

The City's employees have made outstanding contributions to ensure that municipal operations maintain a high level of quality. At the same time, this annual report reflects the inevitable fact that 2023 was a tough year, with both Stockholm and Stockholmers facing difficult economic times. In a situation where inflation is high, interest rates have risen and the costs of raw materials have rocketed, it is also clear that the City's operations have been affected by issues including increased operating costs and time lags in assignments and projects. Given this economic situation, it was a challenge to achieve all of the City's goals. Despite this, the annual report reflects important progress made.

The City's profit amounted to SEK 3,322 million (2,568). The profit includes capital gains and sales of development properties of SEK 2,286 million (1,928). Tax income increased by just over SEK 1,557 million above budget, amounting to SEK 60,838 million (57,007). The main reason for this positive deviation is a higher tax base than originally estimated.

The annual report shows that at a time when cost increases reached record levels, the government chose to turn its gaze away from Stockholm and the welfare of Stockholmers. The City of Stockholm had to pay SEK 5,975 million to the Treasury. This was due to increased costs in the equalisation system and reduced government grants. As a result of the government's policy, the City's costs rose by SEK 1,939 million compared with the previous year. At the same time, inflation itself brought increased costs corresponding to more than SEK 3 billion. Looking ahead, it is crucial that both the government and the City assume joint responsibility for guaranteeing welfare for all Stockholmers.

In Stockholm, we continued during the year to prioritise welfare in areas such as schools, public safety and climate. Schools and preschools are crucial for the future of children and young people. In this perspective, it is important that the downward trend over many years in results for year 6 was reversed in 2023. In the same way, work to combat inequalities in schools appears to be yielding results. That said, it is obvious that schools and preschools will continue to need better conditions, and that work on equality needs to continue.

Investing in schools also gives a boost to preventive work. Schools and preschools, along with social services, culture and leisure, together with civil society, not only bring their own inherent values, they are the most important factors in preventing young people from being drawn into criminal gangs. The City worked consciously during the year on all these activities, to strengthen resistance to organised crime. While the City must continue to be proactive in its preventive work, we also need to strive for a more effective judicial system, with more police officers maintaining a presence.

Stockholm's work on climate and the environment continued during the year; our ambitious goals are not a hope, they must become reality. We have taken important steps in the electrification of transport operations, and continued work on our upcoming carbon capture facility and biodiversity initiatives. This is despite the fact that national climate policy is backtracking in many areas.

Over the next few years, the increase in employment is not expected to be sufficient to meet increased demand for staff in both public and private sectors. To secure welfare, Stockholm needs to continue its work to invest in the supply of skills and to be an attractive employer that offers employees good working conditions and opportunities for development.



Karin Wångård
Mayor of Stockholm



Fredrik Jurdell
CEO of Stockholm

Administration Report



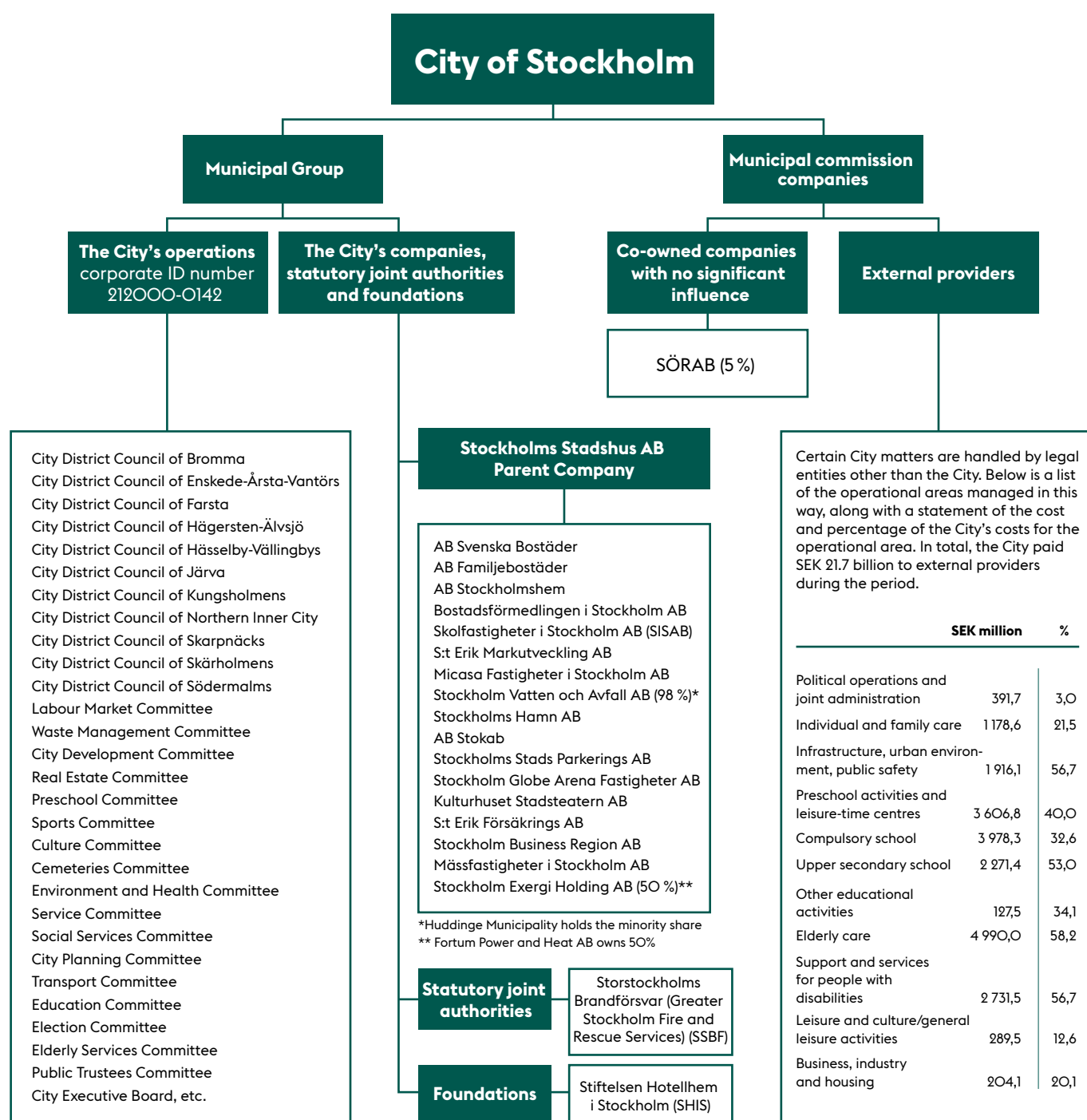
The administration report provides a general presentation of the Municipal Group's operations and development over the past year.

The Municipal Group

This section presents an overview of which units are part of the Municipal Group that is the City of Stockholm.

The combined municipal operations are conducted through the City's committees, city district councils and departments, as well as through companies. Certain municipal matters are handled by external providers. The Greater Stockholm Fire Brigade, a statutory joint authority, provides rescue services for ten municipalities in Stockholm County. The SHIS Bostäder Foundation is the City of Stockholm's social housing resource for Stockholmers who are outside the regular housing market.

The figure below describes the organisation of the Municipal Group.



Overview of development of operations

This section presents a number of metrics and key figures that illustrate the development of the organisation over the past five years.

The trend is presented in the table below by comparing a number of key figures for 2023 with the years 2019-2022.

Operating income and costs are reported excluding comparative items.

	2023	2022	2021	2020	2019
General information					
Population at end of year	988,943	984,748	978,770	975,551	974,073
Municipal tax rate, SEK	17.74	17.74	17.74	17.74	17.74
The Municipal Group					
Profit for the year, SEK million	2,059	5,147	4,224	5,698	3,155
Operating income, SEK million*	28,501	27,184	25,754	25,421	25,145
Operating costs, SEK million*	72,785	68,540	66,357	63,381	63,788
Tax income, general government grants and equalisation, SEK million	54,863	52,971	50,544	47,735	45,118
Equity/assets ratio including total pension commitments, %	49	50	49	49	49
Investments, SEK million (gross)	18,548	16,698	17,497	19,278	20,164
Self-financing ratio, % **	60	113	82	69	51
Non-current assets, SEK million	253,551	241,937	239,800	230,496	208,662
Non-current liabilities, SEK million	62,845	58,319	54,043	56,012	48,595
Number of employees	46,054	46,053	45,248	44,868	44,813
The City					
Profit for the year, SEK million	3,322	2,568	2,115	4,953	2,728
Operating income, SEK million*	13,202	12,847	12,608	9,681	9,815
Operating costs, SEK million*	64,313	60,712	58,691	56,560	56,553
Tax income, general government grants and equalisation, SEK million	54,863	52,971	50,544	47,735	45,118
Profit for the year in accordance with balanced-budget requirement, SEK million	3,184	2,250	1,857	4,865	1,006
Equity/assets ratio including total pension commitments, %	36	36	35	35	35
Investments, SEK million (gross)	7,079	6,068	5,140	7,344	7,433
Self-financing ratio, % **	111	124	132	107	71
Non-current assets, SEK million	103,644	98,053	93,338	93,021	87,719
Non-current liabilities, SEK million	61,977	57,645	53,520	55,382	48,137
Number of employees	42,444	42,571	41,867	40,521	40,503

* Excluding items affecting comparability

** Adjusted calculation compared with the previous year. In 2023, the payment of co-financing is also included in the calculation. Comparative years have also been adjusted.

Comments on development of operations

Below are comments on some significant metrics and key figures.

Population trend

The population trend in the City of Stockholm is still growing, albeit at a slower rate. Over the past five years, the population has increased by 14,870. This trend brings a change in the City's needs in areas such as the expansion of operations, which affects the City's investments.

Profit for the year for the Municipal Group

After eliminating intra-Group balances, including dividends, the profit for the Municipal Group after taxes and financial items amounted to SEK 2,059 million (5,147). The profit figure for the Municipal Group includes the results for the City, the Stockholms Stadshus AB Group, statutory joint authorities and the City's other companies that are not part of the Stockholms Stadshus AB Group. The post-tax profit/loss for the year for the Stockholms Stadshus AB Group amounted to SEK -691 million (2,527). The change in the economic situation, with rising interest rates and increased costs, is having a negative impact on companies. In 2023, major impairment losses were also made in the Corporate Group for a number of projects and recently completed properties.

Profit for the year for the City

The profit for the year amounted to SEK 3,322 million (2,568). Capital gains and sales of development properties account for SEK 2,286 million. Net operating costs amounted to SEK 51,466 million (51,173) in total, while tax income, general government grants and equalisation amounted to SEK 54,863 million (52,971).

Significant events affecting results and financial position

This section presents factors that are important for an assessment of the Municipal Group's results or financial position, but are not reported in the balance sheet or income statement. The section begins with a description of external factors and operational risks. This is followed by information about financial risks and risk management, and finally about pension commitments.

External environment

High key lending rates and weak global trade had a negative impact on the global economy in 2023. There was, however, stronger growth in the USA than in the Euro Zone and the Nordic economies, due to strong consumption by American households. The International Monetary Fund (IMF) confirms that global inflation has fallen faster than expected, and that the effects on employment have not been as negative as feared. In its latest forecast, the IMF therefore expects a soft landing, and that global GDP will grow by 3.1% in 2024 and by 3.2% in 2025. The geopolitical risks remain high, with an upcoming presidential election in the USA and increased unrest in the Middle East, which could have consequences for world trade and global growth.

The Swedish economy is in recession, and growth has essentially been zero during 2023. Sweden's National Institute of Economic Research expects GDP to increase by 1.0% in 2024 and 2.6% in 2025. High inflation and higher interest rates have above all impacted house-building and interest-sensitive households, which has reduced consumption. Weak demand is also evident in employment, which fell during the autumn. After a prolonged period of declining unemployment, there was an increase in the number of people registered unemployed in the fourth quarter of 2023, according to the Swedish Public Employment Service.

The Riksbank, Sweden's central bank, believes that the outlook for inflation is better than in previous forecasts. CPIF inflation has fallen from just over 10% in 2022 to 2.3% in December 2023, as a result of lower energy prices and international commodity

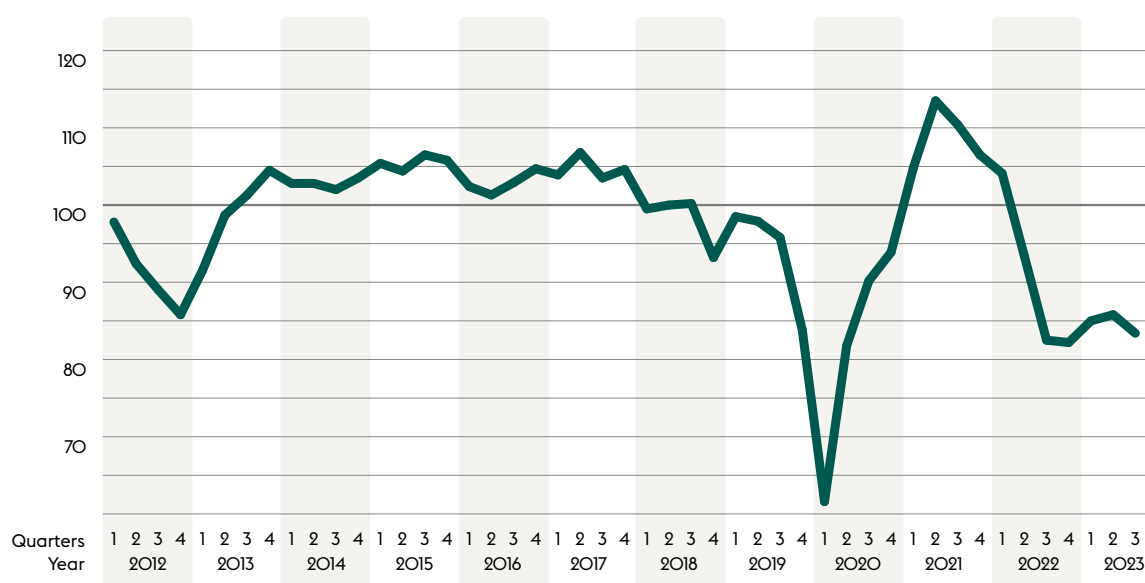
prices. Inflation is expected to continue to fall in the period ahead, and the Riksbank is therefore expected to initiate a series of interest rate cuts from the summer of 2024.

The economy remains weak in Stockholm

The Chamber of Commerce's Stockholm Barometer indicates that the economy in Stockholm County in 2023 is much weaker than usual. In the third quarter of 2023, the Economic Tendency Indicator, which measures the combined views on the economy of households and businesses, fell by just over two points from 85.8 to 83.4. Values around 100 indicate that the economic situation is normal. It is primarily households that are pessimistic about the performance of the economy, as a consequence of increased interest rates and an expected increase in unemployment.

The confidence indicator for the business sector reports an index value of 87, with most sectors performing worse than normal. One sector that stands out with a positive trend is manufacturing industry, which is boosted by increased demand in the export market, partly because of the weak Swedish krona. The manufacturing industry indicator increased by 20 points compared with the second quarter of 2023, to a value of 121.5. This outcome indicates that the industry is experiencing a very strong economic situation.

The chart below illustrates the Stockholm Barometer, which shows how households and business view the economic situation up to and including Q3, 2023. Values around 100 indicate that the economic situation is normal.



NB: Barometer indicator based on both households and businesses in Stockholm County. Source: Stockholm Chamber of Commerce

A weaker labour market

The labour market has proved resilient despite the poor economy, but it is now noticeably weakening. After a prolonged period of falling unemployment, there was an increase in the number of people registered unemployed in the City of Stockholm in autumn 2023. In the fourth quarter of 2023, the Swedish Public Employment Service had an average of 34,566 people registered as unemployed in the City of Stockholm. This is an increase of 2,000 people, or 6%, compared with the same period in 2022. Relative unemployment, the proportion of unemployed people in the labour force aged 15-74, was 6.4% in the City in the fourth quarter of 2023, which is slightly lower than in the country as a whole, where unemployment was 6.5%.

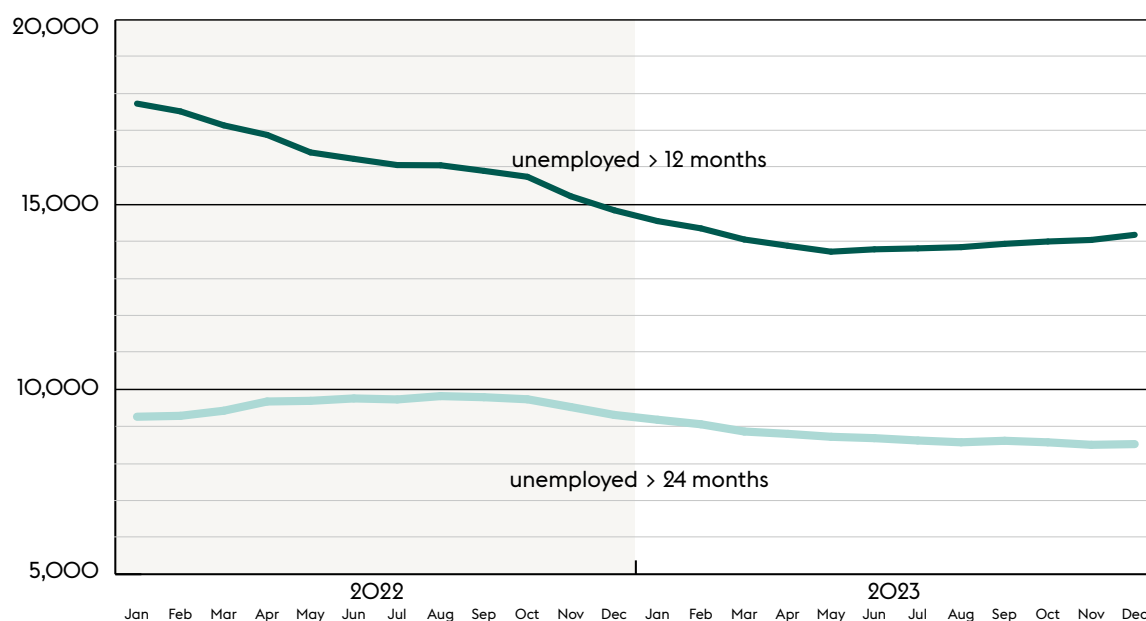
The increase in unemployment is among those born in Sweden, while it is still lower among those born abroad than it was one year ago. However, the relative unemployment rate among those born abroad is still significantly higher than among those born in Sweden, with a figure of 12.5% for the City of Stockholm in the fourth quarter of 2023. The unemployment rate among those born in Sweden was 3.9% during the same period, an increase from 3.5% in 2022.

Young people tend to be affected at an early stage when there are both positive and negative changes in the economy; the number of young people (aged 18-24) registered as unemployed is now on the increase. In the fourth quarter of 2023, the Swedish

Public Employment Service had an average of 2,967 young people (aged 18-24) registered as unemployed in Stockholm. This is an increase of 10% compared with the same period in 2022. The relative unemployment rate among young people in the City was 7.0% in the fourth quarter of 2023, compared with the national level of 8.1%. Youth unemployment is higher among men than women. In the fourth quarter of 2023, the unemployment rate was 8.9% among young men and 5.2% among young women.

Long-term unemployment is one of the biggest challenges in the labour market. In the fourth quarter of 2023, the long-term unemployed accounted for 41% of the total number of people registered as unemployed in the City of Stockholm. In the past year, however, the number of long-term unemployed has fallen slightly, both those who have been unemployed for more than 12 months and those who have been unemployed for more than 24 months. On average, 14,078 people in the City of Stockholm were registered as unemployed for more than twelve months in the fourth quarter of 2023, a fall of 8% compared with the same period in 2022. The number of people who had been out of work for 24 months or more fell by 10% during the same period, amounting to an average of 8,531 people.

The chart below shows the number of long-term unemployed in the City of Stockholm (for more than 12 and 24 months respectively) in 2022 and 2023.



Key employment figures in the City of Stockholm

The table below presents a number of key figures relating to employment and unemployment, comparing 2023 with 2022. There are comments on significant changes below the table.

Key figures	2022	2023	Change
Employment rate, aged 15–74 (Q 4)*	74.2%	75.2%	+1.0%
Number unemployed as percentage of workforce (Q4)**	6.2%	6.4%	+0.2%
Registered openly unemployed (December)**	17,558	20,907	+19.1%
Out of work for more than 12 months (December)**	14,849	14,184	-4.5%
Recently registered vacancies (December)**	22,546	13,525	-40%
New business startups (full year)***	14,605	11,918	-18%

Sources: *Statistics Sweden, ** Swedish Public Employment Service, ***Swedish Companies Registration Office

The employment rate, the proportion of employed people in relation to the population, was 75.2% in the City of Stockholm in the fourth quarter of 2023. This represents an increase of 1% compared with 2022. At the same time, open unemployment has increased. The number of people registered as openly unemployed in the City of Stockholm in December 2023 was 20,907, which can be compared with 14,849 people in December 2022. According to the Swedish Public Employment Service, unemployment fell during the same period by 0.2% to 6.4% of the workforce.

In autumn 2023, the labour market started to weaken. The number of people affected by redundancies and the number unemployed was increasing, while there were fewer vacancies and fewer new business startups. The Swedish Public Employment Service expects unemployment to continue to rise in 2024, before starting to fall again in 2025. At the same time, there is still a shortage of labour with skills that are in demand.

Historically low birth rate and weak population growth

In 2023, Sweden's population increased by 30,200 inhabitants to just under 10.6 million. In absolute numbers, this is the smallest population increase since 2001, which is due to both a reduced birth rate and a lower number of immigrants arriving than in previous years. New statistics from Statistics Sweden show that the birth rate in relation to the population has never been lower in Sweden. In 2023, the birth rate was just under 1.5 children per woman. The birth surplus, i.e. the number of births minus the number of deaths, almost halved between 2022 and 2023, from 10,000 to 5,700. Net migration, i.e. the number of people immigrating minus the number of people emigrating, contributed most to the population increase. In 2023, 21,100 more people immigrated to Sweden than emigrated.

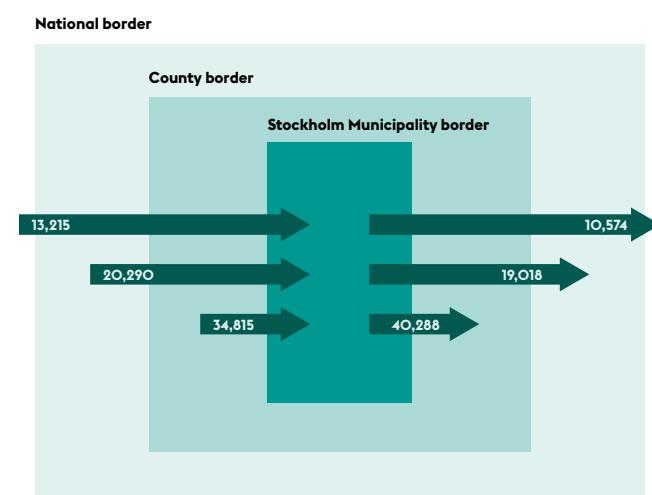
The City of Stockholm also had a lower population increase in 2023 than in 2022. At the turn of the year, the population was 988,943, representing a population increase of 4,195 people in 2023. The number of children born was 11,553, which is slightly fewer than were born in 2022 (11,649) and the lowest since 2005.

The City's birth surplus was 5,392 people, which was 61 people fewer than in 2022 and the lowest since 2007.

For the fourth year in a row, more people moved out of the City of Stockholm in total than in the other direction. In 2023, net migration (moved in - moved out) amounted to minus 1,560 people, compared with minus 379 people in 2022. The increase in those moving out in 2023 is partly explained by new procedures at the Swedish Tax Agency regarding persons in the national population register who are no longer in Sweden. These have been removed from the register and added to this year's emigration, even they may have left the country in previous years. In total, about 2,200 people were de-registered in the City of Stockholm in 2023, which contributed to lower immigration to the City than in 2022. More people moved to the City of Stockholm from other counties than in the other direction. Within Stockholm County, however, more people moved from the City to other municipalities.

The chart below illustrates relocations to and from the City of Stockholm during 2023. The total number of relocations over the municipal boundary was nearly 140 000. The arrow at the top of the chart illustrates international relocations to and from the City of Stockholm, resulting in a positive net relocation abroad (+2,641).

The arrows in the middle show the relocation flows to other counties in Sweden (+1,272), and the arrows at the bottom show relocations from other municipalities in Stockholm County (-5,473). In 2023, Stockholm's total net relocation corresponded to minus 1,560 people, which can be compared to minus 379 people in 2022.



Source: Statistics Sweden/Sweco

Net relocation in Stockholm

(those moving in minus those moving out)	2022	2023
Total	-379	-1,560
of which:		
Abroad	7,165	2,641
Other counties	428	1,272
Stockholm County	-7,972	-5,473

Source: Statistics Sweden

Slight increase in the municipal tax base

Despite the weaker economy, growth in the tax base is estimated to have amounted to 5.2% in 2023. The tax base was strengthened by the strong increase in the wage bill for the full year 2023, and by the full annual effect of the increased guarantee pensions, as well as by a large increase in pensions as a result of the increase in the price base amount in 2023. In 2024, growth in the tax base is expected to fall significantly and increase by only 2.7%. This is mainly due to a distinct slowdown in the number of hours worked. In 2025, an economic upturn is expected, which will result in an increase in the tax base in line with the historical average.

Despite the nominal growth rate in the tax base, the Swedish Association of Local Authorities and Regions estimates that the purchasing power of the municipal sector will be eroded. This is explained by the general rise in prices, which is affecting municipal expenditure in various ways (prices and wages, plus pension costs in the municipal sector).

Purchasing power has fallen and will fall in 2023 and 2024, and the real tax base has been and will be negative in 2023 and 2024, before an upturn arrives once more.

Tax base

This table shows the forecast of the nominal and actual trend in the tax base between 2023 and 2027.

Percentage change

	2023	2024	2025	2026	2027
Nominal tax base	5.1	2.7	4.9	4.2	4.0
Price increase	6.5	4.4	0.2	1.9	3.2
Real tax base	-1.5	-1.4	4.6	2.6	0.8

Source: Swedish Tax Agency and Swedish Association of Local Authorities and Regions

Operational risks

Skills supply, the provision of premises, irregularities and cyber threats pose risks to the City's operations. With a sharp decline in economic growth, changed demographic conditions and a changed security situation, high demands are placed on the City's ability to counteract these risks in the short and long term, as is described in more detail below.

Skills supply

The total recruitment requirement for the City's operations is expected to be an average of 5,200 people per annum over the next ten-year period, with the current distribution between municipal and private operations. This is on a par with the recruitment requirements of recent years. Around 70% of the recruitment requirement is explained by staff mobility, while retirements and changes in the volume of operations explain the remaining 30%.

Skills supply is one of the biggest challenges facing the municipal sector, partly as a consequence of the demographic development described below, under the section entitled *Expected development*. There is a risk that the City will not be able to attract, recruit and retain employees to an extent that meets the needs of its operations. There are major challenges in the City's elderly

care services, primarily due to the demographic trend, which demands new ways of working and new skills. Educational operations are experiencing shortages in areas such as special needs teachers and special needs educators, as well as teachers in certain subjects at compulsory school. In other occupations, there is a high level of mobility, for example social workers, aid assistance officers and nurses.

The City undertakes proactive and strategic work, with skills supply as a key element of annual operational planning. To secure its skills supply, the City is adopting a broad approach to create a long, sustainable working life. Its operations offer skills development and employ measures such as an enhanced induction process and offering students placements in the operations. To be able to offer a high-quality operation in the field of elderly care, in the short and long term, continuous skills development and proactive work are required to ensure a long, sustainable working life.

Provision of premises

The population trend has come to a halt, which affects educational premises (preschool and school), which are the largest group of premises. The process of providing new premises is often a long one. Many new projects were launched during the 2010s, and several of these will not need to be completed as originally intended because of the population trend. If the councils and committees do not adjust their plans in time, there is a risk that rental costs will increase in relation to service delivered (children, students). Increased construction costs, which are a consequence of the external situation, also contribute to higher rental costs. The situation also brings a risk that strategically valuable premises will be closed down in order to manage the increased costs in the short term.

The current situation requires necessary priorities to be made, systematically and over time. The City has developed its work on the provision of premises, and during the year it produced the City's first premises resource plan, which is a compilation of the councils' and committees' premises supply plans. The plan provides a basis for central governance, development and follow-up, as well as support for the councils and committees in their planning work.

Irregularities

Irregularities and welfare crime are a risk that has links to varying degrees with virtually all parts of operations undertaken in the City of Stockholm. Not only does money not go to welfare and can instead be used to finance organised crime, welfare crime also risks eroding trust in society and government agencies.

The Municipal Group carries out systematic work against welfare crime. This work takes place both through central governance, development and follow-up, as well as within each department and company. This is done by such means as enhanced control and follow-up on agreements, identification of risk profiles and deviations, and advanced internal and external collaboration.

To reduce the risks and combat welfare crime, the City is pooling resources in the form of City-wide collaboration between the relevant specialist committees and city district councils. Work is taking place in known risk areas for welfare crime: home care, cleaning, personal assistance, care and residential homes, and day

care activities. The City works both preventively and through operational security work when a crime is suspected. In cases where a crime is suspected, it is reported to the police.

The City has extended collaboration with several government agencies, both nationally and regionally, to get help and support to prevent welfare crime, and at the same time implement new ways of working. For the years ahead, the City sees a need for continued work to boost awareness and competence among the City's employees regarding welfare crime, and to further strengthen City-wide coordination. Another development project involves the City's need to ensure a coherent system for following up on which payments have been made on false grounds to various suppliers of goods and services.

Cyber threats

There is increased dependence on IT and digitalised solutions in the City's operations. This coincides with changes in the external situation, with a serious increase in threats and risks linked to cyber security. Technological developments place new demands on risk management and information security. The processes that combat the risk of administrative errors or the intentional exploitation of IT systems in a way that harms the City's operations and finances need to be strengthened.

The City continues to strengthen its resilience and civil preparedness in relation to the rapid development of cyber threats. The City's information security management system is being further developed, and an IT security architecture to support the management of initiatives and investments in this area is a priority. The City specifies requirements for and follows up on the IT security of suppliers, and works together with them to develop security on an ongoing basis.

Financial risks and risk management

The finance policy is established by the City Council. The policy sets out the objectives and guidelines for financing operations within the Municipal Group and identifies the financial risks to which the Group is exposed and how they should be managed. The risks are monitored on an ongoing basis by a risk control function and reported to the City Executive Board's Finance and Public Safety Committee. The Municipal Group is exposed primarily to the following risks: interest rate risk, financing risk, credit and liquidity risk, market risk.

Interest rate risk

Debt management is effectively handled within the limits that exist in accordance with the set finance policy. Unless otherwise stated, the debt portfolio analysis uses the hedged amount in line with hedge accounting principles.

Interest rate risk is expressed as average fixed-rate period (duration) for the external debt portfolio as well as a defined interest rate maturity structure. The duration (including derivatives) may be neither shorter than 1.25 years nor longer than 3.75 years. As of 31 December 2023, the average fixed-rate period for the external debt portfolio was 1.7 years (1.8 years). Excluding interest rate swaps, the average fixed-rate period was 1.2 years (1.5 years). Interest maturing within one year may total a maximum of 75 percent of the debt portfolio. As of the balance sheet date, interest maturing within one year totalled 45.5% (41.8).

The City of Stockholm borrows at both fixed and variable interest rates on the domestic and international loan markets. In accordance with the finance policy, all derivative instruments outstanding on the balance sheet date are hedging instruments designed to manage the interest rate and currency risks in the Municipal Group's debt portfolio. As of the balance sheet date, currency and interest rate derivatives amounted to a total nominal gross amount of SEK 17,394 million (15,638).

Financing risk

Financing risk is the risk of being unable to refinance at maturity, or only being able to borrow at a significantly higher cost. Financing risk is managed, as far as possible based on market conditions, by spreading capital maturities over time. The City of Stockholm works actively to manage the maturity structure and broaden the investor base and works with many different counterparties, resulting in a reduced refinancing risk. According to the finance policy, the external debt portfolio should have a capital maturity structure in which a maximum of 45% may mature within one year. As of the balance sheet date, 18.0% (15.4) of the capital matured within one year. A maturity of a maximum of 10 years is permitted for borrowing.

Liquidity risk

In order to secure borrowing, when other financing is not possible, the Municipal Group must always have a payment readiness of at least SEK 5,000 million, according to the current finance policy. As of the balance sheet date, the extent of committed backup facilities totalled SEK 12,500 million in the form of overdrafts, and credit facilities and available cash and cash equivalents totalled SEK 13,363 million (9,655).

Credit risk

Credit risk is the risk of a counterparty being unable to honour its payment obligations. Credit risk is measured based on the credit rating and exposure of the counterparty or instrument according to the finance policy. The minimum permitted credit exposure rating is BBB+ according to the credit rating institutions S&P Global Ratings and Moody's.

Market risk

Market risk is defined as the risk of interest rate, exchange rate and price fluctuations, resulting in an unfavourable change in the value of assets and liabilities. As of the balance sheet date, the Municipal Group has financial investments of SEK 1,040 million in addition to those decided on specifically by the City Council of SEK 14.1 million (14.5). In accordance with the finance policy, the City of Stockholm uses derivatives to minimise the risk of unexpected rises in interest expenses caused by interest rate and exchange rate fluctuations during the term of the loans in the debt portfolio.

Currency risk

According to the finance policy, loans and investments must be hedged at 100%. The portion of the external debt portfolio in foreign currency, 23.7% NOK, is converted into SEK through swaps. There is thus no currency risk in the external debt portfolio. Contracted flows in foreign currency exceeding the equivalent of SEK 25 million should be reported according to the finance policy.

Pension commitments

The Municipal Group's total cost for pensions was SEK 4,494 million (2,936), of which SEK 4,221 million (2,724) constitutes the City's costs.

The Municipal Group's total pension commitments in the balance sheet and contingent liability amounted to SEK 27,473 million (25,182). Provisions amounted to SEK 11,849 million (9,843) in the balance sheet. This is an increase of 20% compared with the previous year.

The City's total pension commitments in the balance sheet and contingent liability amounted to SEK 27,196 million (24,911) in accordance with the table entitled Pension commitments. The City of Stockholm does not manage its own pension funds. No commitments have been secured through pension insurance or pension foundation, and there is no funding. The City's pension liability is instead secured by the City's assets, as decided by the City Council.

Pension commitments earned as of 1998 are recognised as an expense in the income statement and as a provision in the balance sheet. The City's provisions amounted to SEK 11,571 million (9,572) in the balance sheet. This is a change of 21% (6). The increase is due to the fact that inflation has increased, resulting

in higher interest rate and price base amount indexation, which in turn affects the indexation of the pension base for the defined benefit pension.

Pension commitments earned up to and including 1997 are recognised off-balance sheet in the contingent liability in accordance with the mixed model. This means that the balance sheet portrays a more positive picture of the financial position. When calculating the equity/assets ratio, the contingent liability is therefore taken into account. In the year in which the pension is paid, the cost is recognised in the income statement. The contingent liability for the City amounted to SEK 15,625 million (15,339). The contingent liability is expected to increase due to higher inflation resulting higher interest rate and price base amount indexation.

The defined contribution retirement pension is an annual premium payment that is recognised as a current liability in the balance sheet. The defined contribution retirement pension for the City amounted to SEK 1,354 million. A new pension agreement, AKAP-KR, came into force as of 1 January. This means that the cost of the defined contribution retirement pension has increased due to factors including the pension contribution being increased from 4.5% to 6.0%, and the pension contribution being indexed in line with inflation.

Pension commitment, SEK million	The City		The Municipal Group	
	2023	2022	2023	2022
1. Total pension commitments in balance sheet and contingent liability	27,196	24,911	27,473	25,182
a. Of which provision incl. special payroll tax	11,571	9,572	11,849	9,843
b. Of which contingent liability incl. special payroll tax	15,625	15,339	15,624	15,339
2. Pension commitment secured in pension policy	0	0	0	0
3. Pension commitment secured in pension foundation	0	0	0	0
4. Total pension commitment (incl. insurance and foundation)	27,196	24,911	27,473	25,182

Events of material importance

This section presents events of material importance to the Municipal Group and the Municipality during the financial year 2023, and in 2024 until the annual report was prepared.

The security situation

On 17 August 2023, the terrorist threat level in Sweden was raised to a four on a scale of five. The decision to maintain threat level 4 was re-confirmed by the Swedish Security Service on 7 January 2024. The reason for the decision is a worsening situation regarding the threat of attacks against Sweden, and the Swedish Security Service's assessment is that the threat will persist for a prolonged period of time. The image depicted of Sweden as an Islamophobic country has contributed to the increased terrorist threat. The threat comes from both lone actors and groups that can be controlled by actors based abroad. Ongoing international conflicts such as the one between Israel and Hamas have contributed to the worsening of this threat.

In the City, systematic work on public safety and security is extensive and prioritised, and it is always adapted to the prevailing situation. For a long time, all of the City's operations have been committed to continuously reviewing working methods for public safety and security, in view of a sharply deteriorating security situation and the build-up of total defence, as well as on the basis of recent crises and events. This work has continued to develop, and potential reinforcement measures have been taken during the year in the City's operations. The City has collaborated closely with relevant actors and is constantly prepared to respond to undesirable events or information that requires special adaptations of its work.

Public safety

During the year, problems relating to gang crime and lethal violence were at a high level. The trend indicates that young people are becoming involved in crime at an increasingly younger age, both as perpetrators and victims. Conflicts in the criminal environment are not limited to one geographical location, but have become national and international. The City is working on a broad base to prevent crime and create public safety, based to a large extent on collaboration both within the City and with external actors such as the police. An overarching collaboration agreement between the City of Stockholm and the Stockholm Police Region was approved by the City Council in December. The agreement defines the framework and structure for long-term collaboration, in which the parties create a mandate and conditions to enhance joint work to prevent crime and create public safety, both centrally and locally. These developments place demands on the City's operations to combat crime through clearly targeted initiatives against young people involved in serious crime. The City's work on public safety is followed up below under the City Council's operational area goal 3.6 *Public safety shall be increased through preventive measures.*

Climate-neutral cities by 2030

Stockholm is one of 10 European cities that have been selected to receive a Mission Label from the European Commission for its climate work and the City's plans to become climate-positive by 2030. This means that Stockholm is seen as a pioneer in this work for other European cities, and will thus contribute to a faster transition throughout the Union. The City received the label thanks to its work on the development of its climate contract, climate action plan and climate investment plan. These provide clarification of activities, investments and collaborations needed in order to achieve climate neutrality. For Stockholm, the climate contract is an important tool for the implementation of the City's climate action plan.

Investment decisions

In 2023, over thirty implementation decisions and half as many policy decisions were made by the City Council on major investment projects, despite the poor economic situation. Many of these are revisions of previous decisions, primarily because of expected cost increases due to high increases in construction costs, higher inflation and index development, and in some cases because projects have changed in their scope and schedule. The decisions apply to housing, senior housing, schools, preschools, sports facilities and indoor swimming pools, and infrastructure for water and sewerage, as well as cycle lanes, interchanges and programmes for the renovation of street surfaces, etc.

A revised implementation decision has been made on the Slussen project. The decision is based on a revised final cost forecast, primarily in respect of the bus terminal and the water discharge facility. The City of Stockholm and Region Stockholm collaborated during the year on new conditions for the pedestrian and cycling bridge.

EU legislation that impacts Stockholm

The City coordinates contributions to EU bills on matters of particular importance to the City of Stockholm's development opportunities, which has resulted in a number of lobbying initiatives. Areas of particular importance for Stockholm concerned the areas of climate, environment, digitalisation and transport, including the EU's climate goals for 2040, carbon dioxide standards for heavy-duty vehicles and the Gigabit Infrastructure Act.

EU funding that enhances the quality of the City's operations

In 2023, the City's operations were granted project funding from several of the EU's funds and programmes, including the European Social Fund+, Creative Europe and Digital Europe, enabling enhanced operational development. The focus during the year was on boosting collaboration with strategic partners to achieve the goal of an increased level of external financing.

Organisation

In the 2023 budget, the City Council decided to merge the City District Councils of Rinkeby-Kista and Spånga-Tensta to form one City District Council, Järva, and the City District Councils of Norrmalm and Östermalm to form one City District Council, Northern Inner City. The purpose of these mergers is to strengthen the local assignments of the City District Councils. The mergers have been carried out according to plan and the new City District Councils of Northern Inner City and Järva with associated departments were established on 1 July 2023.

In the 2023 budget, the City Council also decided to establish a Preschool Committee with City-wide responsibility for coordination. The purpose of the new committee is to enhance equality and work on quality and operational development in preschool. The new committee was established according to plan, on 1 March 2023, and the Department on 1 July 2023.

Major legal disputes

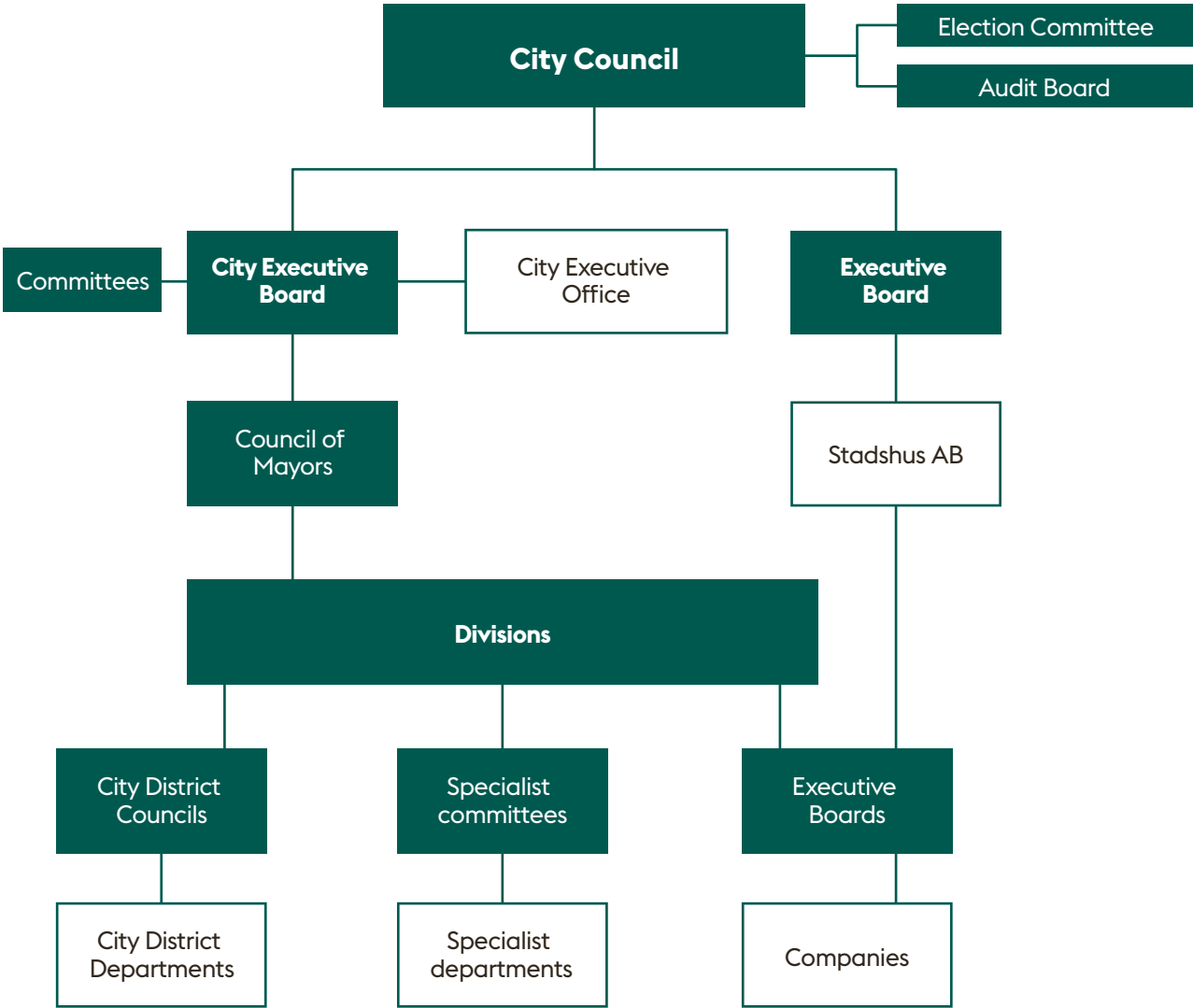
The City has a number of ongoing disputes in court concerning site leaseholds. For site leaseholds used for commercial purposes, the City claims a fee interest rate of 3% based on current case law, while some site lessees have objected that it should be set at a lower level (1.2-2%).

Governance of and follow-up on municipal operations

This section presents the Municipal Group’s governance and follow-up, internal control and systematic quality work.

The Municipal Group’s governance

The figure below provides a general description of the political organisation based on areas of responsibility in 2023.



City Council

The City Council is the City of Stockholm's highest decision-making body. Its 101 members are elected in general elections held at the same time as Parliamentary and regional elections. The City Council sets goals and guidelines for the City's operations. The issues ruled on by the City Council are drafted by the City's councils, committees and executive boards. The City Council sets tax rates, tariffs and fees, budgets and performance requirements, as well as objectives and visions for the City's councils, committees and executive boards. The political decisions are implemented by the City Executive Board, the City's councils, committees and executive boards or by others on their behalf.

City Executive Board

The City Executive Board comments on all decisions made by the City Council. The Executive Board also has overall responsibility for ensuring that decisions are implemented and followed up on. General responsibilities include managing and coordinating the administration of the City's affairs and supervising the operation of other councils, committees and executive boards. The Executive Board is also responsible for the City's financial management and long-term development. The City Executive Board has 13 members, who represent both the majority and opposition parties on the City Council. The City Executive Board includes a Finance and Public Safety Committee and a Human Resources and Equality Committee.

The City Executive Board has an administrative unit, the City Executive Office, to support it in its undertaking. The City Executive Office plays a central, strategic role in the governance of the City. It is responsible for controlling, monitoring and developing the City's finances and operations, and for ensuring that political decisions are implemented. It also performs the role of secretariat for the City Council and the City Executive Board, and is responsible for collecting and archiving copies of public documents. The City Executive Office is headed by the CEO, assisted in the managerial function by Deputy CEOs.

Mayor's and Vice Mayors' Offices

The City has nine Vice Mayors who are full-time employees. They represent the majority and are each responsible for an office. The office serves as a staff function for the Mayor or Vice Mayor, and drafts matters for the City Executive Board and the City Council. There are four Vice Mayors representing the opposition. The Mayor and Vice Mayors jointly form the Council of Mayors, whose work is led by the Mayor of Stockholm, who also chairs the City Executive Board.

Councils, committees and executive boards

Day-to-day operations are carried out by the City's departments and companies. The members of these councils, committees and boards are appointed by the City Council. The employees of the departments and companies are politically unaffiliated and execute the decisions of the councils, committees and executive boards.

The City Executive Board's supervisory duty

The supervisory duty is defined by Sweden's Local Government Act as managing and coordinating the administration of the municipality's affairs. This applies to both the City's councils and committees and the City's wholly and partially owned limited companies. As part of its supervisory duty, the City Executive Board has examined the councils' and committees' operational plans, including risk and materiality analyses for 2023. In cases where councils and committees had set annual goals for indicators which were too low, they were urged to come up with more ambitious goals with the aim of achieving the City Council's annual goals. The supervisory duty was also exercised through the City Executive Board's follow-up of the tertiary reports and the annual report for the whole Municipal Group. The City Executive Board must annually determine whether the wholly-owned and part-owned companies have conducted their respective operations in compliance with the objectives adopted by the City and within the framework of the municipal powers of the City. In light of what is stated in the articles of association and ownership directives for the companies, outcome reports, minutes and other reporting from Stockholms Stadshus AB, the City Executive Board considers that the operations of each company in the Stockholms Stadshus AB Group during the previous calendar year have been conducted in accordance with the stated purpose and carried out within the framework of the municipal powers.

The City's management and control system

All planning and follow-up take place in accordance with the City's management model, ILS, the integrated system for management and follow-up of the City's finances and operations. To aid this work, there is a web-based tool (ILS web), which is used at all organisational levels in the City.

In the annual budget, the City Council establishes orientation goals, goals for the operational areas, indicators and activities that together constitute a basis for an assessment of goal attainment. The City Council establishes an annual goal for each indicator. The councils, committees and executive boards set out the City Council's goals for the operational areas in concrete form through the respective executive board's goals.

The figure below illustrates the City's ILS governance model.



Systematic quality work

The quality-related work carried out by the City is aimed at developing and improving the quality of all operations. Development work focuses on creating value for Stockholmers and entrepreneurs. To meet future challenges, it is important to develop and promote efforts in the areas of innovation and digitalisation.

The City's quality work is based on the City of Stockholm's quality programme – Development through continuous improvement, innovation and digitalisation. The City shall provide service and service solutions that are relevant and maintain high quality, and this work shall be characterised by these common approaches: the focus of Stockholmers, a holistic view, sustainability, room for manoeuvre, openness and learning.

During the year, more and more of the City's employees shadowed a colleague. Shadowing a colleague contributes to learning for both employees and the operation, enhanced collaboration and a holistic view of the City's undertaking. This is an important step in long-term work to promote a culture pervaded by curiosity, openness and trust.

Every year, the City's *Quality Award* recognises and rewards successful operational development. Three operations were presented with this award in 2023. All operations that take part in the *Quality Award* highlight and develop their systematic quality work, regardless of whether they are presented with an award. Participating operations are provided with in-depth knowledge of and help in quality work, including through the evaluation of their work conducted by the City's examiners. At the same time, the Quality Award gives the City an opportunity to highlight role models and good examples, in order to inspire other operations to develop their quality.

The City also highlights innovative methods, work methods or solutions that encourage development within the City through Progress – the City of Stockholm's prize for innovation. In 2023, the prize was awarded to a development project.

Internal control

Work on the City's internal control work is integrated into the City's management and follow-up. All councils, committees and executive boards have to conduct an annual materiality and risk analysis, in which measures are identified as required to minimise probability and consequence. Based on the materiality and risk analysis, the councils, committees and executive boards have to develop an internal control plan and monitor internal control during the year.

The councils' and committees' evaluation of internal control

All of the City's specialist committees and city district councils reported on their internal control activities during the year.

All but four councils and committees consider that internal control was adequate during the year. These four councils and committees consider that internal control has been partly adequate. The City Executive Office systematically monitors the internal control work of the councils and committees, and maintains a dialogue with them about any possible development needs. All of the councils and committees conducted a materiality and risk analysis, drew up an internal control plan and followed up on the work.

Sound financial management and financial position

This section presents the assessment of the goals and guidelines that are relevant to the financial management and position of the Municipal Group. The presentation includes the City Council's goals for the City's operations, the Municipal Group's financial goals, investments and financial activities.

City Council orientation goals and goals for the operational areas

Operations shall be run cost-efficiently and appropriately, and an evaluation of whether the Municipal Group's development and work meet the requirements for good financial management shall be performed annually. The City Council has decided that the City's guidelines for good financial management consist of the City Council's goals, indicators and a number of documents in the City Council's budget, including the *Rules on Financial Management* and *The City of Stockholm's Investment Strategy*. The City's economic status forms the basis of long-term planning.

The City Council has adopted three orientation goals that form the framework for the City's governance and 16 operational area goals that add concrete detail to the orientation goals for the various operations. Attainment of the goals for the year is assessed in the City's annual report. The assessment of goal attainment is based on the outcomes of the City Council's indicators and activities, whether or not councils, committees and executive boards have met their own goals and indicators, and the extent to which they carried out the activities they had undertaken to perform in their operational plans. The assessment of goal attainment also includes other material information concerning the operational area.

An assessment is made of whether each goal has been met in full, in part or not at all. The time perspective is multi-year, and the goal assessment performed should be viewed as an assessment of whether the City is on the right track. If there is full goal attainment, developments are assessed to be going in the right direction, with partial goal attainment, developments are assessed to be going partly in the right direction, and if there is no goal attainment, developments are primarily assessed to be going in the wrong direction. For more detailed information about the goal assessments, see the section below entitled *Follow-up on the City Council's orientation goals*.

An assessment of the City Council's orientation goals and operational area goals has been performed based on what is set out above. The follow-up shows that the three orientation goals are assessed to have been met in full during the year. The overall assessment, based on the reports from councils, committees and executive boards, is that the City has satisfied the requirements for sound financial management in 2023.

The goal assessment for the City Council's orientation goals and related goals for the operational area is presented in the table below.

City Council orientation goals/goals for the operational areas		The Municipal Group's goal attainment
1	A Stockholm that stands united, providing strong and equal welfare throughout the City	Full
1.1	All children and young people shall be given an opportunity for an equal upbringing and safety, as well as a rich leisure time	Full
1.2	All children shall be given an equal opportunity for development and learning at preschool and school	Partial
1.3	The City of Stockholm shall provide support and care where the needs are greatest	Full
1.4	Stockholm shall be a good city to grow old in - with good care and excellent public safety	Full
1.5	All Stockholmers shall have access to a rich offering of cultural, sporting and association activities	Full
2	A green, fossil-free Stockholm that leads the way in a fair climate transition	Full
2.1	Stockholm shall be climate positive – through reduced emissions and increased carbon storage	Full
2.2	Stockholm shall be a city where biodiversity increases	Full
2.3	Stockholm shall be a city where accessibility increases and emissions decrease	Full
2.4	The health of Stockholmers shall be promoted through clean air, clean water and non-toxic environments	Partial
3	An economically sustainable and innovative metropolis for the future	Full
3.1	The Stockholm economy is strong, sustainable and creates the foundation for equal welfare	Full
3.2	In Stockholm, everyone shall be given the opportunity to have their own job	Full
3.3	In Stockholm, everyone shall have the right to good housing that they can afford	Partial
3.4	Employees in Stockholm shall be given good conditions to do a good job	Full
3.5	High preparedness and strong resources shall prevail in all operational areas	Full
3.6	Public safety shall increase through preventive measures	Partial
3.7	Stockholm shall be an open, equal and democratic city that collaborates internationally	Full

Financial goals for the City

The City has set financial goals to guarantee favourable economic development over time. The City met five out of six financial goals in 2023. The financial goal for the City's financial profit is reported in greater detail in the section below entitled *Balance requirement result*.

The table below shows the attainment of the City's financial goals for the years 2019 to 2023.

%	Outcome 2023	Goal attainment 2023	Outcome 2022	Outcome 2021	Outcome 2020	Outcome 2019
Net expenses/tax income, equalisation, general government grants	94	Attained in full	96	95	96	101
Equity/assets ratio including pension liability	36	Attained in full	36	35	35	35
Capital costs as a proportion of net operating costs	8.4	Not attained	8	6	6	6
Committees' outcome as a percentage of budget	99.3	Attained in full	100	98	98	100
Committees' outcome as a percentage of forecast in tertiary report 2	0.5	Attained in full	1	2	2	0
Financial profit for the year in accordance with balanced-budget requirement (SEK million)	3,184	Attained in full	2,250	1,857	4,865	1,006

The City's net expenses in relation to tax income, general government grants and equalisation

The City's net expenses may not exceed tax income, general government grants and equalisation over a long-term perspective. Net financial items can be used in the short term to finance net operating costs. In 2023, the net operating costs accounted for 94% of tax income, general government grants and equalisation. Including net financial items, net expenses also constitute 94%. This means that the goal was achieved in both the long term and the short term. The positive development of the tax base in 2023 and high levels of income from the sale of development activities affected goal attainment.

Equity/assets ratio

The equity/assets ratio measures what proportion of the City's assets is financed by equity. One important factor for target attainment is thus the level of indebtedness. This measure is counted including the off-balance sheet pension liability, in line with the mixed model. The goal is for the equity/assets ratio to not fall below 34%. In the short term, the value may drop to 30%. The equity/assets ratio was 36% in 2023, and the target is thereby achieved.

Capital costs as a proportion of net operating costs

A higher investment volume means higher operating costs in the form of depreciation and interest. To ensure that these costs do not take an increasingly large part of the City's total net operating costs, a goal has been set whereby these costs may constitute a maximum of 8% of the City's net expenses. In 2023, the capital costs' share of net operating costs amounted to 8.4%, meaning that the goal was not met. The reason why the goal was not met is primarily because of the increase in internal interest and high investment expenditure in recent years.

Budget compliance

Proper budget compliance is an essential condition for effective financial control and, consequently, sound financial management. Budget compliance measures how well financial control is being exercised in respect of conditions set out in the budget.

For the councils and committees, the follow-up of the operating budget includes capital costs, the results from the profit centres and the City Executive Board's technical adjustments, budget adjustments and remittance of profits. The budget compliance goal is measured through a budget compliance indicator before and after the remittance of profits and may not exceed 100%. The outcome for the councils and committees amounts to 99.9% of budget before remittance of profits and 99.3% of budget after remittance of profits, which means that the goal was met.

Forecast accuracy

Forecast accuracy shows the ability to assess deviations and to take action to keep to a set budget. Forecast accuracy is measured as the deviation between this year's forecast at tertiary report 2 and outcome, with a goal for deviation of +/-1%. The outcome in 2023 deviates by 0.5% from the set forecast, which means that the goal was met.

Profit for the year for the Municipal Group

After eliminating intra-Group balances, including dividends, the profit for the Municipal Group after taxes and financial items amounted to SEK 2,059 million (5,147). The profit figure for the Municipal Group includes the profit for the City, the Stockholms Stadshus AB Group, statutory joint authorities and the City's other companies that are not part of the Stockholms Stadshus AB Group. The profit/loss for the year after tax and financial items for the Stockholms Stadshus AB Group amounted to SEK -691 million (2,527).

The Municipal Group's equity/assets ratio

The equity/assets ratio presents equity in relation to the balance sheet total and amounted to 49% (50) including total pension commitments. An equity/assets ratio that is stable in the long term is necessary to ensure long-term solvency and thereby good financial manoeuvrability in the future.

Appropriations within the Municipal Group

The profit/loss for the year after financial items for the Stockholms Stadshus AB Group amounted to SEK -590 million (2,668). In the financial statements for the Stockholms Stadshus AB Group, losses in certain subsidiaries are covered by corresponding Group contributions totalling SEK 749 million (683). The dividend to the City in 2023 amounted to SEK 1,440 million.

Appropriations within the Stockholms Stadshus AB Group are shown in the table below.

Appropriations within the Stockholm Stadshus AB Group

SEK million	Paid	Group contributions received
Parent Company		
Stockholm Stadshus AB	749.0	604.3
Subsidiaries		
AB Svenska Bostäder 1)		
AB Familjebostäder 1)		
AB Stockholmshem 1)		
Bostadsförmedlingen i Stockholm AB		
Skolfastigheter i Stockholm AB		
Micasa Fastigheter i Stockholm AB		
S:t Erik Markutveckling AB	70.0	
Stockholm Globe Arena Fastigheter AB		153.0
Stockholm Vatten och Avfall AB		
Stockholms Hamn AB		130.0
AB Stokab	384.3	
Stockholm Stads Parkerings AB	150.0	
Kulturhuset Stadsteatern AB		370.0
Stockholm Business Region AB		
S:t Erik Försäkrings AB		
S:t Erik Livförsäkring AB		
Mässfastigheter i Stockholm AB		96.0
Total	1,353.3	1,353.3

The Municipal Group's intra-Group balances

The table below shows a summary of intra-Group balances and the eliminations made in 2023, with amounts in SEK million.

Internal purchases which have been eliminated	5,529.2
Internal sales which have been eliminated	5,529.2
Internal receivables, excluding the Group account, which have been eliminated	2,039.5
Internal liabilities, excluding the Group account, which have been eliminated	2,039.5

Profit/loss for the year for the Stockholms Stadshus AB Group

The Group's post-tax profit/loss amounted to SEK -691 million (2,527). The figure includes net capital gains totalling SEK 11,8 million (3,554) and net capital losses totalling SEK 14,3 million (1,113), as well as net impairment losses totalling SEK 884 million (1,205). The capital gains are mainly attributable to sales of properties and leasehold rights.

The Group's net financial items fell compared with 2022 and amounted to SEK -1,695 million (-842). The change is a consequence of higher interest rates.

The Parent Company's profit/loss after financial items amounted to SEK -585 million (247). The figure includes dividends of SEK 437 million (635). The profit/loss for the year after tax amounted to SEK 438 million (-255).

Operating income and costs for the Stockholms Stadshus AB Group

The Group's operating income amounted to SEK 20,189 million, which is an increase on the previous year (SEK 18,711 million). Several companies increased their income as a consequence of increased rental income. The Group's operating costs amounted to SEK 19,084 million (15,201).

The Stockholms Stadshus AB Group's equity/assets ratio

The Group's equity at year-end amounted to SEK 62,540 million (64,705), while the equity/assets ratio, calculated on the basis of book values, was 38.9% (41.7).

Profit for the year and budget settlement for the City

The profit for the year amounted to SEK 3,322 million (2,568). Income from capital gains and the sale of development properties accounts for a significant part of this figure, amounting to SEK 2,286 million; these items are not budgeted as they are uncertain by their nature. Sales of development properties took place primarily in Hagastaden, Kristineberg, Kista and Hjorthagen.

Tax income, general government grants and equalisation show a positive budget deviation of just over SEK 1,557 million. The positive deviation is primarily due to higher growth in the tax base than estimated, partly as a consequence of higher payroll figures due to a stronger labour market and positive final settlements.

In total, the city district councils and specialist committees report a surplus of SEK 367 million including settlement with profit centres, compared with a deficit of SEK 253 million in the previous year. The councils and committees used SEK 300 million from profit centres for their profits. This compares with the transfer to profit centres of SEK 76 million made in 2022.

The City's personnel costs increased by 2.8% compared with the previous year. Pension costs show a deficit against budget of approximately SEK 300 million, with a significant increase in pension provisions.

Indexation in respect of price changes on the commitments that the City has for co-financing infrastructure such as the National Negotiation on Housing and Infrastructure and the bus terminal at Slussen were not budgeted and will be charged to earnings in the order of SEK 1,027 million.

In accordance with the City's investment strategy, non-recurring income from sales has been used to finance the City's investments, reducing the need for new borrowing by an equivalent amount. The City's investments amounted to SEK 7,079 million. It has been possible to finance the City's investments in full through its own funds, i.e. by means of profits, depreciation, provisions and sales. The self-financing ratio was 111% (124).

SEK million	2023	2022	2021	2020	2019
Profit for the year	3,322	2,568	2,115	4,953	2,728
Less capital gains/losses	-2,286	-1,928	-2,031	-2,696	-2,453
Provision made, indexation	1,008	1,325	2,191	242	182
Less dividend from Stockholms Stadshus AB	-1,440	-1,100	-1,100	-1,325	-1,500
Shareholders' contributions	0	1,000	700	500	
<i>Profit/loss excluding capital gains, dividend and non-recurring costs</i>	<i>604</i>	<i>1,866</i>	<i>1,875</i>	<i>1,674</i>	<i>-1,043</i>

Operating income for the City

Operating income amounted to SEK 13,202 million (12,847) excluding items affecting comparability, an increase of 2.8% compared with the previous year. Income from rents and leases accounted for the largest increase, amounting to SEK 4,747 million (4,466). The increase is largely due to the fact that agreements for rents and leases are based on indices that produce large increases as a consequence of high inflation. Most of the change is income associated with business, industry and housing, as well as leisure activities. Government grants, by contrast, have decreased, especially in the areas of individual and family care, and care for the elderly.

Operating costs for the City

Operating costs, excluding depreciation and costs affecting comparability, amounted to SEK 64,313 million, an increase of 5.9% (SEK 60,712 million). This increase is largely due to high inflation. According to the consumer price index (CPI), the rate of inflation was 4.4% in December. Some of the larger cost items are described below.

External providers

Expenses for external providers amounted to SEK 21,668 million (20,696), a rise of SEK 4.7%. Compared to the previous year, the proportion of operations carried out by external providers has increased in the areas of infrastructure, urban environment and public safety, and also in support and services for people with disabilities.

Personnel costs

Personnel costs amounted to SEK 25,143 million (24,456), a rise of SEK 2.8% (4.9). The increase in costs is evident in all operational areas, and is primarily due to higher wages as a consequence of the annual pay review. The average wage increase for 2023 was 4.2%, and the number of full-time equivalents fell by 127 during the year. The increase in personnel costs is being kept down by the fact that other personnel costs have decreased, including costs for courses and conferences.

The 4.9% increase in personnel costs in 2022 was due to a correction of wage costs in investment projects. This led to payroll costs being posted to expenses to a greater extent, resulting in an increase in personnel costs. Excluding this correction, the increase in personnel costs amounted to 3.4% in 2022.

Costs of premises and ground rents

Costs of premises and ground rents are the City's third biggest expense item and amounted to SEK 5,968 million, an increase of 10.7% compared with the previous year. The increase is primarily in education, leisure activities and preschool activities. The Cost of premises item includes only rented premises, and not the City's own premises such as administrative buildings, sports facilities, etc.

Grants

The cost of grants amounted to SEK 2,499 million (2,545), an increase of 1.8% compared with the previous year. The cost of financial assistance remained unchanged compared with the previous year, amounting to SEK 950 million (951). The number of households receiving financial assistance fell by 0.9%, while the average amount granted rose by 5.4% compared with the previous year. Of adult recipients of assistance in December, 43% (43) were unemployed. Compensation to the Swedish Social Insurance Agency for personal assistance also remained unchanged. There was a decrease in grants to associations and other legal entities.

Consulting expenses

Expenses for consultants amounted to SEK 1,142 million (1,082), a rise of SEK 5.6%. Technical consultants and IT consultants account for the biggest increase. Expenses that have fallen include premises, construction and procurement consultants.

Items affecting comparability

Income affecting comparability amounted to SEK 2,392 million (2,025). This income relates to sales, of which sales of development properties amounted to SEK 2,181 million (1,694) and capital gains to SEK 138 million (318). There was an increase in sales of development properties of SEK 487 million compared with 2022. The dissolution of non-public grants relates primarily to street cost compensation and development compensation, and amounted to SEK 73 million (12).

Costs affecting comparability amounted to SEK 154 million (2,371). The book value of development properties sold, which amounted to SEK 24 million (85), is recognised as a cost affecting comparability. Provisions for infrastructure and burial operations recognised a reduced cost of SEK -19 million (1,055); the reason for the decrease is the adjustment of previous years' provisions, and no new provisions were made this year. Consumption of a mortgage of equity carried out in previous financial statements is recognised as an item affecting comparability and totalled SEK 140 million (231). The funds were primarily used for wide-ranging, forward-looking measures in the areas of IT, social investments and skills development.

The City's depreciation

Depreciation for the year amounted to SEK 2,593 million (2,961), a decrease of SEK 368 million. Planned depreciation has decreased by 12.4% as a result of major corrections that were made in 2022 in respect of investment expenditure in previous years.

Taxes, general government grants and equalisation

Tax income for the year amounted to SEK 60,838 million (57,007), an increase of 6.7% compared with the previous year. An increased tax base is one contributory factor, where the payroll has increased significantly, although increased guarantee pensions and pension increases due to indexation in 2023 also contribute to the positive outcome.

The net figure for general government grants and equalisation amounted to SEK -5,975 million (-4,036), a cost increase of SEK 1,939 million. Fees in the equalisation system account for the majority of this, as they increased by SEK 1,469 million. The adjustment contribution and general government grants also contribute to the weaker figure, falling by SEK 471 million. General government grants amounted to SEK 107 million (219) and relate to grants in connection with the war in Ukraine, as well as grants for increased staffing of nurses in specialist residential homes.

The City's financial income and expenses

The financial result of SEK -75 million includes net interest income for the City as well as other financial income and expenses. The City's financial result amounted to SEK 952 million (1,041) excluding indexation of provisions. In accordance with the 2023 budget, the City received a share dividend from Stockholms Stadshus AB of SEK 1,440 million (1,100).

Net interest income for the year for the City was positive, amounting to SEK 432 million (202). The City manages the Group's interest-based borrowing, including compensation for overheads. The City's gross external borrowing increased by SEK 6,431 million. Market interest rates rose sharply during the year. A return to the extraordinary low interest rates of recent years is unlikely, which will result in more expensive borrowing, i.e. a deterioration in net interest income going forward. Since the companies' interest payment to the City follows the level of the interest expenses and the City's financial assets have remained relatively unchanged, the change in net interest income for the City is moderate. The financial expenses item also includes the cost of hedging of the pension provision, which amounted to SEK 900 million (228).

Indexation in respect of the price change for provisions for co-financing of infrastructure projects such as the National Negotiation on Housing and Infrastructure and the bus terminal at Slussen, amounting to SEK 1,027 million (270), is recognised as a financial expense.

The City's assets

Non-current assets increased by SEK 5,591 million to SEK 103,644 million (98,053). The increase was primarily in land, buildings and plant. Machinery and equipment decreased, while construction, extension and conversion work in progress increased slightly. Purchases of tenant-owner apartments totalling SEK 33 million contributed to the increase in financial assets. Gross investments for the year amounted to SEK 7,079 million, depreciation/amortisation to SEK 2,593 million and the book value of sales of non-current assets to SEK 73 million.

The City's current assets

Current assets rose by SEK 5,251 million to SEK 101,201 million (95,950). The City's receivables from the Corporate Group increased by SEK 5,125 million. Cash and cash equivalents increased by SEK 206 million. Assets that decreased include municipal tax assets, which decreased by SEK 400 million, and development properties, which decreased by SEK 209 million.

Equity and liabilities for the City Equity increased by SEK 3,322 million to SEK 88,782 million (85,460). In previous financial statements, equity was mortgaged (listed) for wide-ranging, forward-looking projects. Of these mortgaged funds, SEK 140 million was used during the year. The funds were used for IT development, social investment and skills development. The remaining mortgage totals SEK 1,458 million. The mortgages have been made on the grounds that they represent an investment in the future. The table below shows which projects are affected and how long the notation is applicable.

The table shows mortgaged funds in the 2023 financial statements.

Mortgage of equity for future-oriented projects	Utilised in 2023	Remaining funds	Available until (year)
GPS planning tool	-21.6	32.5	2025
New intranet	-12.0	-	2023
Future-proofing of Data Warehouse 2.0	-4.3	1.7	2024
Improvements to social systems	0.0	43.8	2027
SIKT2, phase 2	0.0	421.8	2025
Implementation of Smart City	0.0	106.7	2027
Schedule and staffing + Medvind	-6.3	12.5	2027
GSIT3 (feasibility study)	-3.5	6.5	2024
eDok project	-3.5	-	2023
Social systems, Elderly Care Comm.	-3.8	146.2	2027
Social systems, Social Services Comm.	-1.6	98.4	2027
Future-oriented IT projects	-56.5	870.1	
Other investments			
Skills development initiative	-24.6	271.2	Until further notice
Social investments	-59.1	316.8	Until further notice
Total remaining allocation	-140.3	1,458.2	

The total amount of the City's provisions increased by SEK 2,700 million to SEK 25,705 million (23,005). The increase relates to hedging of pensions and indexation for co-financing projects in infrastructure, both of which are due to high inflation. For a more detailed description, see the sections entitled *Pension obligations and Annual accounts, Note 2 and Notes 25-26*.

Non-current liabilities increased by SEK 4,332 million to SEK 61,977 million (57,645) as a consequence of new loans being arranged. Loans that fall due for payment within one year are classified as short-term loans being arranged. For a more detailed analysis, see the section entitled Financial risks and risk management.

Total current liabilities increased by SEK 488 million to SEK 28,381 million (27,892). Short-term loans increased by SEK 3,118 million. Current liabilities decreased by SEK 2,630 million. The City's Group companies have bank overdraft facilities in relation to the City. As these have a positive balance, a current liability arises for the City. This liability decreased by SEK 1,882 million during the year.

The Municipal Group's investments

The Municipal Group's gross investments amounted to SEK 18,548 million (16,698). The gross investments of the Stockholms Stadshus AB Group amounted to SEK 11,468 million (10,983). Gross investments include financial leasing. It has been possible to finance the Municipal Group's investments in part through its own funds, i.e. by means of profits, depreciation, provisions and sales. The self-financing ratio for gross investments in 2023 was 60% (113). The Corporate Group's gross investments consist primarily of new construction of housing, schools and infrastructure such as ports and facilities for water/sewage works. The selection is based on a report from the City Development Committee and the Real Estate Committee for the City Council's approval.

In 2023, three final reports on projects over SEK 50 million were presented to the City Development Committee, the Real Estate Committee and the Traffic Committee.

The City's investments

The City's investment expenses in 2023 amounted to SEK 7,079 million gross (6 068), an increase compared with the previous year. Gross investments include financial leasing. After adjustment for investment income of SEK 749 million (173), investment expenses amounted to SEK 6,329 million (5,896). For more information about the City's investments, see the section entitled *Investment reporting under Economic and financial information*.

Investments over a five-year period

	2023	2022	2021	2020	2019
Gross investments per year, SEK billion	7.1	6.1	5.1	7.3	7.4
Self-financing ratio (%)*	111	124	132	107	71

*Adjusted calculation compared with the previous year. In 2023, the payment of co-financing is also included in the calculation. Comparative years have also been adjusted.

The objective of the City's investment strategy is that the City's investments shall be financed with its own funds over time, although this may deviate in individual years. The self-financing ratio in 2023 was 111%. The City's provisions, which had a positive impact on the self-financing ratio in 2023, will be charged to the City's liquidity later in connection with the payment of the provisions. Calculated as an average of the last five years, the self-financing ratio is 109%.

Financial operations

The City of Stockholm has a central finance function, the internal bank, which manages the aggregated risks, secures the financing of the City and the municipal companies in the short term and long term, and manages banking and investor relations. Centralised management is cost-efficient and at the same time means reduced financial risk and good internal control. The finance policy of the Municipal Group sets out goals and guidelines for the financial operations within which the internal bank acts. A joint Group account system enables all flows in committees and companies to be netted internally before external capital is borrowed by the internal bank through the capital market.

The internal bank prepares forecasts of the Municipal Group's total cash flows with the aid of reporting from companies and committees, and the obtaining of information from internal and external sources. This allows for an estimate of the debt trend and the need for financing in the short term and long term. These forecasts are a prerequisite for the internal bank to be able to provide the Municipal Group with cost-efficient financing.

Borrowing is arranged primarily through various market programmes directly on the financial market by issuing certificates and bonds. Borrowing also takes place via bank loans from the European Investment Bank (EIB), the Nordic Investment Bank (NIB) and the Council of Europe Development Bank (CEB), as well as deposit loans (ONLOAN).

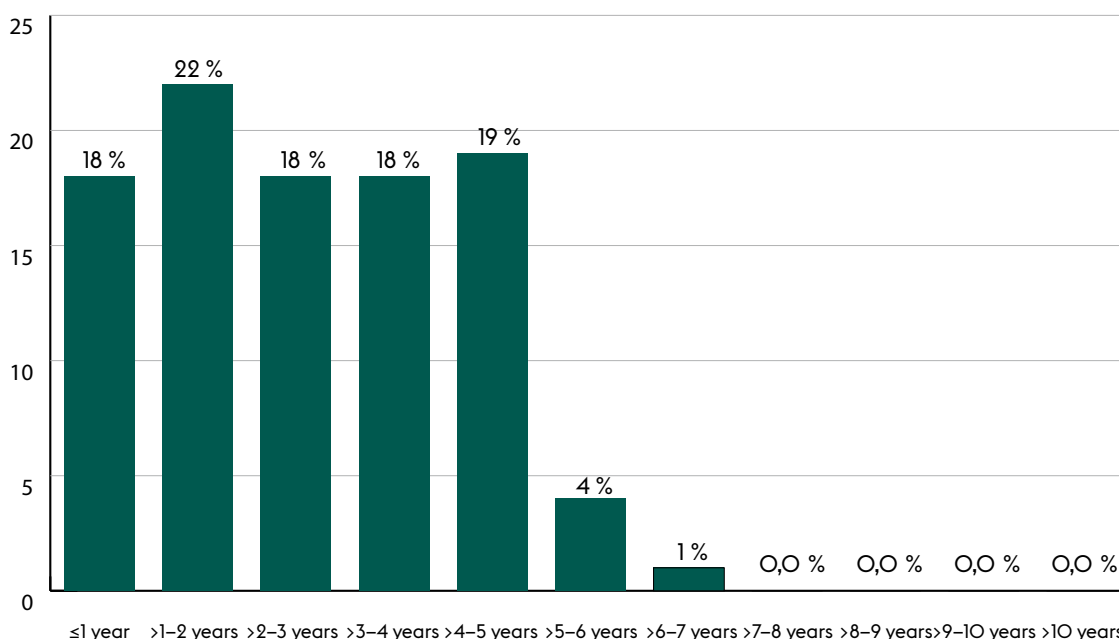
Outstanding amounts and the maturity profile of the debt portfolio are presented in the table below.

Market programme (millions)	Programme size, local currency	Utilised, local currency	Utilised, SEK
Municipal commercial paper (MCP), SEK	12,000	0	0
Euro commercial paper (ECP), USD	1,500	0	0
Medium term note (MTN), SEK	10,000	0	0
Euro medium term note (EMTN), EUR	8,000	5,127	51,344
Other loan financing (millions)			
European Investment Bank (EIB), SEK	16,200	13,700	13,700
Nordic Investment Bank (NIB), SEK	6,000	6,000	6,000
Council of Europe Development Bank (CEB), EUR	200	200	2,061

The chart below shows the maturity profile of the loans. 18.0% (15.4) of the loans mature within the first year, after which the maturities are relatively evenly distributed.

External borrowing for the Municipal Group amounted to the corresponding nominal amount of SEK 73,281 million (66,850) gross and SEK 72,228 million (65,829) net as of 31 December 2023. This corresponds to a debt increase of 10% during the year.

The City of Stockholm has the highest possible credit rating. The rating is updated twice a year and was confirmed by the credit rating agency Standard & Poor's on 10 November 2023: A-1+ and AAA respectively, with a stable outlook. For investors, this means that lending capital to the City of Stockholm carries a very low risk. This enables the Municipal Group to obtain favourable lending terms.



Balance requirement result

This section presents information about the profit for the year after balance sheet adjustments in accordance with the requirements of the Swedish Local Government Act.

Pursuant to the Local Government Act, the budget must be prepared so that income exceeds expenses. The basic principle is that capital gains are excluded from income in the reconciliation with the balanced-budget requirement. The sale of development assets may be excluded, as development facilities are recognised as current assets.

The balance requirement result is the City's income goal. Income from the sale of development properties can be included in the balance requirement investigation, and is included in an amount of SEK 2,181 million in the profit for the year 2023. The City's profit, adjusted in accordance with the requirements of the Local Government Act, shows that the City meets the requirement for a balanced budget as well as the City's financial income goal, as there is a positive balance requirement result of SEK 3,184 million (2,250).

SEK million	2023	2022	2021	2020	2019
Profit for the year	3,322	2,568	2,115	4,953	2,728
Less capital gains	-138	-318	-257	-89	-1,722
Balance requirement result for the year	3,184	2,250	1,858	4,865	1,006

Significant personnel conditions

This section presents significant personnel conditions such as sick leave and the number of employees.

Fall in sick leave

Total sick leave measured in accordance with statutory requirements fell by 0.6 percentage points from 7.9% to 7.3% between 2022 and 2023. 43.1% of total sick leave lasted 60 days or more. The corresponding figure for 2022 was 39.3%. Sick leave is reported in the table below. For more information about the City's sick leave and work in the field of occupational health and safety, see the follow-up on goal 3.4 *Employees in Stockholm shall be given good conditions to do a good job*, under *Follow-up on the City Council's orientation goals* further down.

Sick leave 01/01/2023 – 31/12/2023

Sick leave according to statutory requirements, %	Total	Women	Men	Age groups		
				–29	30–49	–50
Sick leave as a percentage of normal working hours	7.3	8.1	5.3	6.3	7.0	7.9
Proportion of total sick leave lasting 60 days or more	43.1					

Employees in figures

In December 2023, a total of 46,054 people were employed by the City of Stockholm. Of these, 42,444 were employed in the City's committees and 3,610 in the City's companies. Three-quarters of the employees were women.

The table below presents the number of employees (with monthly salary) broken down by gender in 2023, and distributed by operational area and for the Stadshus AB Group. The table also shows the change in the number of employees between 2022 and 2023.

Operational area	2023		2023 Total	2022 Total	Year-on-year change
	Women	Men			
Political operations and joint administration	1,508	611	2,119	2,048	71
Individual and Family Care	3,166	898	4,064	4,057	7
Infrastructure, urban environment, public safety	752	530	1,282	1,330	-48
Preschool activities incl. administration	7,177	545	7,722	7,989	-267
School childcare excl. administration	1,859	1,268	3,127	3,217	-90
Education	9,272	3,819	13,091	13,445	-354
Elderly Care	4,709	1,337	6,046	5,633	413
Support and services for people with disabilities	1,788	642	2,430	2,338	92
Leisure and culture/general leisure activities	1,108	878	1,986	1,982	4
Business, industry and housing	229	192	421	384	37
Other operations, special initiatives	98	58	156	148	8
Stockholms Stadshus AB Group	1,704	1,906	3,610	3,482	128
Total	33,370	12,684	46,054	46,053	1
Full-time equivalent employees	32,472	12,288	44,761	44,678	83

Footnote: In addition to the employees paid monthly, hourly-paid employees worked an equivalent of 3,198 annual full-time jobs. Compared with 2022, there was a 10.0% fall in hours worked by hourly-paid staff. One reason for the fall in hourly-paid staff is a consequence of the changes in the Swedish Employment Protection Act (LAS) and associated changes in working methods. This information only refers to departments, not companies.

Expected development

This section provides an overall picture of the Municipal Group's expected development based on the conditions that are deemed to have a significant impact on the organisation, directly or indirectly.

Economic challenges and investment needs

In 2024 and 2025, a tough economic situation is expected for most municipalities and regions as a consequence of high inflation, high interest rates and a negative economic outlook. The effect of inflation on operating costs, including pension costs and rising interest expenses, is contributing to strained finances. Measures to adapt operations to create an economy that is robust and sustainable in the long term are necessary to cope with future investment needs and demographic changes.

The City has major investment needs. Investments are being carried out on the basis of the City Council's clear objective for a continued reduction in emissions and environmental considerations, as well as the need for climate adaptation. There are major challenges in implementing the plans in the current economic climate, with high inflation, sharp increases in construction and contracting costs, and higher interest rates.

In the next few years, the planned investments will primarily consist of the development of infrastructure for water supply and wastewater treatment, as well as housing with associated infrastructure and social services. The Municipal Group's planned investments are estimated to reach just over SEK 20 billion per annum.

Stockholm Vatten och Avfall is implementing the project entitled Stockholm's Future Wastewater Treatment (SFA). The project involves the renovation of the Henriksdal wastewater treatment plant with new technology and increased capacity. The Bromma treatment plant will be closed down and the wastewater will be diverted to the Henriksdal treatment plant. In December 2023, the Executive Board decided to propose that the City Council should adopt a revised budget framework for the project of SEK 19.5 billion at the 2023 price level, which is an increased framework compared with the previous SEK 9.2 billion at the 2016 price level.

The objective is that the Municipal Group, together with other relevant actors, the region, the government, the business community and the people of Stockholm, will continue to reduce emissions to zero by 2030. Major investments will also be required from other actors, such as Stockholm Exergi, in the transport and energy sectors, and the management of waste by Stockholmers and the business community. Collaboration on the implementation and prioritisation of the most effective measures to reduce emissions by different actors in the various areas of the transition will be necessary to achieve this goal.

Demographic changes

In 2023, the number of children born in Sweden was the lowest in 20 years. In the City of Stockholm, 11,553 children were born, the lowest number since 2005. The City's birth surplus, i.e. births minus deaths, was 5,392, which is the lowest since 2007. For the fourth year in a row, more people moved from the City of Stockholm than in the other direction, and the total population increase was only 4,195 people in 2023.

In recent years, the population forecast has shown a decrease in the number of preschool children and schoolchildren, compared with the forecasts for previous years, and this affects the need for premises for the City's educational activities. Like Sweden as a whole, the City of Stockholm is facing a changed age structure, with a reduced proportion of people of working age, while at the same time the proportion of older people is increasing. In the City, the number of residents over the age of 80 is expected to increase by just over 50% by 2030, while people of working age (aged 20-64) are only expected to increase by about 7%.

Skills supply

Over the next few years, the increase in employment is not expected to be sufficient to meet increased demand for staff in both public and private sectors. For the City of Stockholm, as for other municipalities and regions with an aging population and a reduced proportion of people of working age, it is becoming an increasing challenge to recruit and retain skilled labour.

In order to cope with both a shortage of labour and an increased demand for health and social care, the welfare sector needs to change with the aid of digitalisation and modern technology. The City needs to develop work methods and to a greater extent use technical solutions that enable residents themselves to take care of some of the services that otherwise require staff resources. The City's strategy for an elderly-friendly city also indicates the need for measures that enable Stockholmers to continue to be active, safe and involved well into old age.

Climate change

The City of Stockholm is currently undertaking ambitious work to mitigate climate impact and reduce greenhouse gas emissions. Work is under way to draw up a climate action plan for the City until the year 2030. The action plan will clarify the needs and effects of measures. It is clear that investments to manage future climate adaptations will need to increase in the future.

Public safety

Serious violence arising from gang crime escalated in society at both national and regional level in 2023, with the situation becoming even worse during the autumn. Broad-based work is under way to prevent crime and create public safety, with the goal of reversing this escalating trend. The City is collaborating with various external actors, such as the police, to ensure that children and young people are not drawn into gang crime. Due to the situation in the region, Stockholm Resilience Region (SSR), which brings together the county's municipalities, police and other government agencies during the autumn, declared a so-called activated status, which continued until the beginning of February 2024. For its part, the City activated enhanced preparedness during the autumn, a kind of state of readiness for the production of City-wide situational views, analysis, collaboration, coordination and communication. The activated status in the City ended in December 2023.

Civil preparedness

Civil preparedness is the collective term for crisis preparedness and civil defence. Municipalities are responsible for a large part of civil defence, with the goal of ensuring that society will function in the event of heightened preparedness or war. Operations important to society, such as water and sewage, transport, communication to residents, schools, preschools and elderly care, need to function even under highly disrupted conditions. Building up robust civil preparedness takes time and requires major investments. The City carries out purposeful, systematic work to develop the City's preparedness, both organisationally and through real enhancements to capability.

Annual financial statements



This section presents the results and financial position of the City and the Municipal Group through the annual financial statements, which include the income statement and balance sheet, cash flow statement and disclosures in notes.

About the annual financial statements

The annual report covers the City of Stockholm Municipal Group. The Municipal Group includes the City, the municipal companies and the Greater Stockholm Fire Brigade, a statutory joint authority. Municipal companies refers primarily to the City's majority-owned companies within the Stockholms Stadshus AB Group. Stockholms Stadshus AB is owned by the City of Stockholm and constitutes a unifying function for most of the City's limited companies.

For a more detailed description of the limited companies, please refer to the annual report for Stockholms Stadshus AB, which can be ordered from stadshusab.se.

The City's Finance Department includes all the councils and committees, i.e. the mainly taxpayer-funded operations, as well as the financial statements for financial management, including, among other things, the City's central financing. The combined accounts, which are the municipal equivalent of consolidated accounts, cover the entire Municipal Group of the City of Stockholm. The purpose of the combined accounts is to give an overall picture of the entire Municipal Group's finances and commitments.

The amounts in the tables are rounded and so do not add up exactly. Internal items are eliminated. Explanatory notes may be found below under the *Notes* section.

Income Statement

This section presents the income statement for the City and the Municipal Group in the table below.

SEK million	Note	The City		The Municipal Group	
		2023	2022	2023	2022
Operating income	3	15,593.9	14,871.7	30,904.4	32,712.4
– of which income affecting comparability	5	2,391.9	2,024.9	2,403.6	5,528.8
Operating costs	4	-64,466.9	-63,083.7	-73,038.6	-71,938.6
– of which costs affecting comparability	5	-153.9	-2,371.3	-253.9	-3,398.3
Depreciation/amortisation and impairments	6	-2,592.7	-2,961.2	-7,411.0	-7,878.8
Net operating costs		.51,465.7	-51,173.2	-49,545.2	-47,105.1
Tax income	7	60,838.0	57,006.7	60,838.0	57,006.7
General government grants and equalisation	8	-5,975.4	-4,035.9	-5,975.4	-4,035.9
Profit from participations in associated companies	9			-32.5	469.9
Operating profit		3,396.9	1,797.5	5,285.0	6,335.6
Financial income	10	3,606.4	1,964.8	206.2	271.8
Financial expenses	11	-3,681.4	-1,194.0	-3,432.5	-1,460.6
Profit after financial items		3,321.9	2,568.3	2,058.7	5,146.8
Profit for the year		3,321.9	2,568.3	2,058.7	5,146.8

Balance Sheet

This section presents the balance sheet for the City and the Municipal Group in the table below.

SEK million	Note	The City		The Municipal Group	
		2023	2022	2023	2022
ASSETS					
Intangible non-current assets					
Intangible assets	12			138.4	166.3
Total intangible assets				138.4	166.3
Property, plant and equipment					
Land, buildings and plant	13	70,833.1	67,612.5	178,969.2	171,617.0
Machinery and equipment	14	977.7	983.6	16,986.7	15,235.0
Construction, extension and conversion work in progress	15	25,841.8	24,527.6	49,552.0	47,606.6
Total property, plant and equipment		97,652.6	93,123.7	245,508.0	234,458.6
Financial assets					
Shares and participations	16	4,588.4	4,555.4	1,133.8	1,100.7
Proportion of equity in associated companies	17			5,304.5	5,795.8
Non-current receivables	18	1,402.5	373.7	1,465.7	415.7
Total financial assets		5,991.0	4,929.1	7,904.0	7,312.2
Total non-current assets		103,643.5	98,052.8	253,550.3	241,937.1
Current assets					
Development properties	19	1,438.3	1,647.7	1,438.3	1,647.7
Inventories and work in progress	20	2.8	3.6	53.8	50.9
Current receivables	21	98,889.6	93,632.1	8,834.2	8,535.5
Current investments	22	0.8	3.4	182.5	162.1
Cash and bank balances	23	870.0	663.6	1,016.0	809.7
Total current assets		101,201.4	95,950.3	11,524.9	11,205.9
TOTAL ASSETS		204,845.0	194,003.1	265,075.2	253,143.1

SEK million	Note	The City		The Municipal Group	
		2023	2022	2023	2022
EQUITY AND LIABILITIES					
Equity	24				
Profit for the year as per the income statement		3,321.9	2,568.3	2,058.7	5,146.8
Other equity		85,460.5	82,892.2	142,361.5	137,248.3
Total equity		88,782.4	85,460.5	144,420.1	142,395.1
Provisions					
Pensions and similar commitments	25	11,571.6	9,571.8	11,849.5	9,842.6
Deferred tax liabilities				1,503.6	1,398.3
Other provisions	26	14,133.5	13,433.3	14,174.2	13,456.1
Total provisions		25,705.0	23,005.0	27,527.3	24,697.0
Non-current liabilities					
Bond loans	27	42,158.5	40,274.1	42,158.5	40,274.1
Promissory note loans	28	18,260.7	16,710.7	18,260.7	16,710.7
Other non-current liabilities	29	1,557.7	660.5	2,426.3	1,334.5
Total non-current liabilities		61,976.8	57,645.3	62,845.4	58,319.3
Current liabilities					
Current liabilities	30	15,324.1	17,953.8	17,198.8	17,769.4
Short-term loans	31	13,056.6	9,938.5	13,084.0	9,962.3
Total current liabilities		28,380.7	27,892.2	30,282.4	27,731.7
TOTAL EQUITY AND LIABILITIES		204,845.0	194,003.1	265,075.2	253,143.1
PLEDGES AND CONTINGENT LIABILITIES					
Contingent liabilities and guarantees	32	931.2	910.0	909.7	899.8
Pension liability, contingent liability, incl. payroll tax	33	15,624.7	15,339.3	15,624.7	15,339.3

Cash Flow Statement

This section presents the cash flow statement for the City and the Municipal Group in the table below.

		The City		The Municipal Group	
SEK million	Note	2023	2022	2023	2022
OPERATING ACTIVITIES					
Profit for the year		3,321.9	2,568.3	2,058.7	5,146.8
Adjustment for items not affecting liquidity	34	5,743.3	5,043.0	10,258.3	10,485.2*
Decrease in provisions due to payments	35	-32.4	-19.1	-32.4	-19.1
Reversal of capital gains/losses	36	-2,286.0	-1,927.6	-2,197.6	-4,885.4
Funds from operations before change in working capital		6,746.8	5,664.6	10,087.0	10,727.5
Increase/decrease in current receivables		-5,259.4	-1,117.0	102.1	-3,414.0
Increase/decrease in stocks and inventories		0.8	0.6	-2.9	-7.3
Increase/decrease in current liabilities		488.5	-4,701.4	2,668.6	-2,911.6
Cash flow from operating activities		1,976.7	-153.2	12,854.9	4,394.6
INVESTING ACTIVITIES					
Investment in intangible assets				-33.2	-5.9
Sale of subsidiaries				0.0	260.0
Investment in property, plant and equipment		-7,045.2	-6,045.0	-18,481.4	-16,692.3
Sale of property, plant and equipment		2,382.3	2,616.2	2,398.3	8,890.5
Investment in financial assets		-33.4	-27.1	-50.7	-590.5
Sale of financial assets		0.4	0.9	0.4	405.3
Dividend received				425.0	425.0
Cash flow from investing activities		-4,695.9	-3,455.0	-15,741.6	-7,307.9
FINANCING ACTIVITIES					
Newly raised loans		16,617.1	14,287.7	16,615.4	14,287.7
Repayment of non-current liabilities		-9,924.3	-16,235.3	-9,924.3	-16,235.3
Increase/decrease of non-current liabilities		-2,463.3	5,840.5	-2,294.2	6,178.6
Increase/decrease of non-current receivables		0.8	0.8	0.8	0.8
Cash flow from financing activities		4,230.3	3,893.7	4,397.8	4,231.8
CONTRIBUTIONS TO STATE INFRASTRUCTURE					
Payment of contributions to state infrastructure		-1,304.7	-773.3	-1,304.7	-773.3
Cash flow for the year		206.4	-487.7	206.3	545.2
Cash and cash equivalents at beginning of the year		663.6	1,151.2	809.7	264.5
Cash and cash equivalents at year-end		870.0	663.6	1,016.0	809.7

* The comparative figure for the Municipal Group has been adjusted for financial leasing.

Notes

This section presents notes to the annual financial statements' balance sheet, income statement and cash flow statement.



The following notes are presented:

- Note 1 Accounting principles
- Note 2 Estimates and assessments
- Notes 3-11 Notes to the income statement
- Notes 12-31 Notes to the balance sheet
- Notes 32-33 Notes to contingent liabilities and guarantees
- Notes 34-36 Notes to the cash flow statement
- Notes 37-41 Notes to other supplementary information

Note 1 Accounting policies

Municipal Accounting Act

The annual report has been prepared in accordance with the Municipal Accounting Act (SFS 2018:597) (LKBR) and the recommendations of the Swedish Council for Municipal Accounting (RKR). Municipal Accounting Act

The Municipal Group and combined accounts

The majority of the City's companies are in the Stockholms Stadshus AB Group, which is wholly owned by the City. The financial statements of the Stockholms Stadshus AB Group are used as the basis for consolidation for the consolidated financial statements. All intra-Group balances and internal profits and losses of material importance have been eliminated.

The combined accounts have been prepared mainly in accordance with the proportional method, i.e. only the owned proportion should be included. Stockholm Exergi Holding AB is instead consolidated using the equity method. The change to using the proportional consolidation method for AB Stockholm Exergi has been made because it is judged to give a more accurate picture of the holding, since the City does not have determining influence. Stockholm Exergi operates on a commercial basis and, with splitting, the various items in the accounts would have been dominated by the part from the company.

To see the Municipal Group companies and their participations, see Note 40.

Valuation and translation principles

For balance sheet items that relate to foreign currency, these have been translated into Swedish kronor using the closing rate. The closing rate was obtained from Riksbanken's website and represents an average of different banks' buying and selling rates.

Non-current assets

Assets intended for constant use or holdings with a useful life exceeding three years and a cost excluding VAT amounting to at least one price base amount are classified as non-current assets. This applies to tangible and intangible non-current assets, as well as to finance leases to the extent that they exist. In terms of investments in another party's property, if the property belongs to the municipal companies Skolfastigheter i Stockholm AB or Micasa Fastigheter i Stockholm AB, the investment expenditure must total at least SEK 0.5 million to be counted as an investment. A decision regarding this exception was made by the City Council on 3 November 2008 and includes minor projects and construction activities, which are as a rule deemed to be operating costs. The exception is considered negligible in terms of the sums involved and does not, therefore, affect the financial statements to a significant extent.

Non-current assets are recognised at cost. Borrowing costs are recognised in the period to which they are attributable and are not included in the cost of assets. An asset is normally capitalised and begins to depreciate when it is brought into use. Unless all expenses have been received or been able to be estimated with reasonable certainty, the time of capitalisation may be postponed by a maximum of six months.

Correction of error in the processing of tangible non-current assets

In the years 2021-2022, it was confirmed that the City of Stockholm's reporting of investments did not fully comply with RKR R4, Property, plant and equipment. In 2023, the implementation of the accounting policies continued and was completed. There were deviations primarily concerning demolition, remediation and administrative surcharge on own time. Application is now taking place for 2023 and the City has now correctly recognised these expenses in the income statement. The change results in increased expenses and reduced investment expenditure compared to the budget, and in total these expenses amounted to SEK 423 million in 2023.

During the year, investment projects were identified in which parts of the asset had been taken into use. These non-current assets have now been capitalised and generated depreciation costs in 2023. SEK 103 million refers to expenses attributable to previous years, the period 2015-2022. The City has made the correction through the income statement for 2023, and the amount per period is not considered to be material in relation to the City's total turnover or key figures. See below for a summary of depreciation cost per year. As of the closing date, work is still under way to check ongoing projects.

Depreciation costs due to correction

Year	Depreciation (SEK million)
2015	0.5
2016	0.5
2017	1.5
2018	4.0
2019	10.3
2020	20.7
2021	29.0
2022	36.7
Total	103.2

Depreciation

Depreciation/amortisation according to plan is the allocated total expenditure for the parts of a non-current asset. The cost is distributed over the number of years that the asset is used in the operation. Depreciation is not performed on assets with a lasting value, such as land and art. The City applies straight-line depreciation, with an equal amount depreciated each month during the useful life.

Depreciation periods

Non-current asset	Number of components	Depreciation period
Sports facilities	3	5, 10, 50 years
Operational properties	22	3, 5, 10, 15, 20, 25, 30, 40, 50, 100 years
Public properties (streets, roads, squares, parks, etc.)	17	5, 10, 15, 25, 30, 40, 50, 70 years
Machinery and equipment*	not applied	3, 5, 10 or 20 years
Intangible assets	not applied	3-5 years

* In the corporate group, depreciation periods of more than 30 years apply.

Impairment of assets

Impairment of assets has been conducted in accordance with the recommendation RKR R6. The City applies the limitation that an asset's value must be at least SEK 1.0 million in order for assessment of the impairment requirement to take place. Impairment is performed when the book value exceeds the recoverable value by at least SEK 0.5 million and the change is deemed to be permanent, where permanent is defined as a minimum of five years.

Sale and purchase of non-current assets

The principal rule regarding the sale and purchase of non-current assets is that the transaction is entered on the day on which possession is taken.

Current assets

Current assets are recognised at the lower of acquisition value and fair value on the balance sheet date.

Assets that are not held for continuous use, but are consumed in conjunction with the production of products or services or are otherwise used in operations. Invoiced receivables are considered doubtful when the payment period according to the debt collection requirement has expired. The receivable must therefore be posted as a suspected bad debt after 33 days. An accounting impairment takes place at the year-end closest to one year after the due date and no later than two years after the due date.

Development properties that are intended for divestment are recognised as current assets and include construction, extension and conversion work in progress, which are not capitalised. The part of these developed assets that is intended for sale is booked as a current asset at the end of the accounting period. In the event of sales, book value is recognised gross as an expense and the sales consideration is recognised as income. Accounts receivable and other current receivables are included at the amount by which they are expected to be received.

Leasing

In accordance with RKR R5 Leasing, the City recognises forthcoming lease expenses. Finance leases are recognised in the balance sheet if the conditions are met, and for the City this applies in principle only to leased vehicles. Operating leases are recognised as supplementary information if the amount limits for the total expenditure exceed SEK 0.5 million and the annual cost exceeds SEK 0.2 million. According to the recommendation, leases should be recognised if the lease period exceeds three years.

During the current year, finance leases of vehicles are recognised directly in the income statement. At the end of the accounting period, the change in non-current assets and non-current and current liabilities as they stand are recorded. The entire cost is thus recorded as a leasing fee during the current financial year. The balance sheet will thus be correct for the City overall. There will be a minor deviation in the income statement for depreciation and the cost of interest, which are replaced by leasing fees. In order to achieve reasonable proportions for work, the City's approach deviates from the recommendation. The book value on the balance sheet date was SEK 45 million for the City. This structure is justified by the small number of leased vehicles.

There was a review of rental agreements in 2022 and 2023 to ensure that the City is complying with RKR R5, Leasing. The review involved the City's regulations, instructions, procedures, etc. being examined, together with random samples of rental agreements. The City continues to consider that the lease agreements with its own Municipal Group are to be regarded as operating leases, with reference to current collaboration agreements, property and premises policy and random checks conducted. A similar examination was also conducted of the City's external rental agreements. Rental agreements with a higher value and longer terms have been examined based on the recommendation. Following random checks and analysis of existing external rental agreements, they are still considered to be correctly classified as operating leases.

Liabilities and provisions

Holiday pay liability and unpaid overtime are recognised as liabilities according to their status on 31 December 2023.

Accounts payable in foreign currency are converted at the exchange rate on the balance sheet date. For the City, the legal requirement to calculate amounts in foreign currencies at the exchange rate on the balance sheet date only affects these liabilities, as borrowings in other currencies are always hedged.

Investment contributions from public actors are included as deferred income and are recognised among non-current liabilities in accordance with RKR R2 Income. Income is accrued over the useful life of the non-current asset to match depreciation. Street cost compensation, development compensation and non-public investment grants are initially recognised as non-current liabilities. The compensation is recognised as income when the investment is completed.

Provisions

Provisions are legal obligations attributable to the financial year or previous financial years; their existence at the end of the reporting period is certain or probable, but the amounts payable or the date on which these amounts will be paid is uncertain. In addition to the pension liability, the City makes provisions for the effects of major reorganisations, commitments within the field of infrastructure, etc. In the event of provisions, direct income recognition is applied.

Pension commitment

The calculation of the pension liability is applied in accordance with the Swedish Association of Local Authorities and Regions' guidelines, RIPS (2021). The basis for calculation is the KAP-KL pension agreement. AKAP-KR is a new agreement for employees born in or after 1986, as well as those who switched agreement during the year. The AKAP-KR agreement is a defined contribution plan and does not affect the pension provision in the balance sheet.

This paragraph sets out the obligations that have not been calculated in accordance with RIPS. The amount that relates to persons with a special contractual pension who have left their jobs but are not receiving pension payments totals SEK 12 million in the provision, excluding payroll tax. For agreements with a coordination clause, the calculation is based on the circumstances known as of the closing date, a total of SEK 180 million in provisions

excluding payroll tax and a total of SEK 26 million in contingent liabilities excluding payroll tax. Agreements taken over upon termination are calculated at an interest rate of -1.5% and amount to SEK 24 million excluding payroll tax.

This approach is justified by the fact that it represents a small proportion of the total pension liability and in relation to the City's turnover.

Pension commitments for employees of companies in the Municipal Group are reported in accordance with K3.

Co-financing of infrastructure

In accordance with LKBR, grants to state infrastructure, provided that they fall within the scope of the Swedish Act on Certain Municipal Powers (2009:47), can either be recognised as an expense in the income statement in connection with decisions being made or recognised in the balance sheet under the item Other provisions. The provisions have been valued including the assessed index. For more information, see Note 26, Other provisions, infrastructure contributions.

In order to be able to conduct investments in road and rail traffic in Stockholm, the City is a co-financier of a number of major national/regional infrastructure projects. It is a prerequisite that co-financing takes place using own funds. Payments are made against previous provisions and are not recognised as expenses.

Amounts are valued through indexation at the amount that is expected to be paid out in accordance with the agreement on the balance sheet date. In cases where the index is based on the consumer price index (CPI), the Swedish National Institute of Economic Research's forecast for the CPI has been used, which is considered to be safest. The amounts have been discounted to present value for payments later than three years in the future, as the time aspect is considered material.

Receivables/liabilities from/to Group companies

The City manages borrowing and lending to and from the municipal companies. The companies have accounts in the City's group structure, with a few exceptions. Depending on the balance, a receivable or liability is entered for the company in question. Two companies have their liability with Stockholms Stadshus AB instead of directly with the City.

Financial operations and hedge accounting

Purchases or sales of financial assets or liabilities are recognised on the settlement date. Financial current assets and current liabilities are valued at cost. Accrual of premiums and discounts on bonds and related transactions takes place using the effective interest rate method. Other significant transaction expenses are accrued on a straight-line basis.

Loans in Swedish kronor can be arranged through the issuing of debentures with maturities up to one year in the form of certificates. Euro Commercial Papers (ECP) are certificates that can be issued in different currencies. Loans can also be arranged through the issuing of Euro Medium Term Notes (EMTN) in the form of bonds, with maturities over one year. These bonds can be issued in several different currencies, including Swedish kronor. Medium Term Notes (MTN) can be used for the issuing of bonds with maturities of at least one year in Swedish kronor.

Financial liabilities that fall due within 12 months and do not have agreed refinancing are counted as current liabilities. The Municipality holds currency and interest rate derivatives to manage currency and interest rate risks in its borrowing. The Municipality meets the requirements for hedge accounting, whereby there is no market valuation of the derivatives (or liabilities). The derivatives are included when calculating the interest expense.

Accounting principles in operational accounting

Personnel costs

Salaries have been charged with a personnel cost surcharge of 46.4%, which includes social security contributions, contract insurance and pension costs.

Internal interest rate

Internal interest rates are used to calculate the cost of the value of the capital managed within an operation. The internal interest rate is calculated based on the book value, i.e. the cost of the facility less depreciation.

The City Council sets the City's internal interest rate in connection with the budget. The City aims to have an internal interest rate that is stable in the long term and reflects the average financing cost of the Municipal Group over the coming years. The City Council set the City's internal interest rate for 2023 at 2.2%. The discount interest rate for individual projects was 5.0% for 2023.

The interest rate for land holdings corresponds to the interest rate for site leaseholds, which is 3.0%.

Allocation of common income and expenses

A large proportion of internal income and internal expenses arise though common expenses being allocated between and within the Municipality's committees. The internal price of goods and services is primarily set according to the cost price principle. The cost price is then calculated not only based on the direct costs immediately associated with the production of the goods or services, but also on indirect costs. No profit margin is applied in internal invoicing within the City. Common costs can be allocated either by means of a purchase/sale procedure within and between committees, or based on predetermined standard assumptions. When the purchase/sale method is applied, a contract or other agreement usually exists between the parties.

One example of common costs allocated through internal invoicing is rental costs (Real Estate Committee): Internal rent is priced at cost, taking into account the type of property in question.

Examples of common costs allocated using various allocation keys:

- common IT support for councils, committees and executive boards
- the City's finance system and other business systems
- allocation of costs for category leaders in respect of purchasing categories

Swedish Municipal Housing Companies Act

The Swedish Municipal Housing Companies Act has given the City the opportunity to finance projects within the framework of the City's responsibility to provide housing by way of a special dividend. These projects include measures that promote integration and social cohesion. During the years 2012-2014, the City received additional dividends totalling SEK 3,020 million for this purpose. These dividends have been earmarked for projects in prioritised areas in the suburbs. During the year, the dividend financed housing projects in the focus areas of Skärholmen and Järva, and also in Stora Sköndal. SEK 121 million was utilised during the year. The remaining funds of around SEK 670 million will mainly be used to finance ongoing housing projects on Vårbergsvägen and Tenstaterassen.

Note 2 Estimates and assessments

Items affecting comparability

Gains and losses and non-recurring items that are not part of the normal operation are recognised as items affecting comparability. This includes development income and expenses which are recognised gross according to applicable regulations, book value as expense and sales income as income. The revenue recognition for the year of non-public investment grants is also recognised as an item affecting comparability.

According to a previous City Council decision, a mortgage of equity has been carried out for various measures that can be considered to be future-oriented and long-term measures, but cannot be classified as investments. There is a large variation in costs between each year, and it does not follow the development of the regular operation, but is recorded separately, which is why the City has chosen to recognise these as items as affecting comparability.

Provisions

For provisions relating to expenditure calculated in current monetary value and where a development in price is expected to occur, an annual price trend is assumed in accordance with the Swedish National Institute of Economic Research's forecast for the consumer price index. Compared with the previous financial statements, the outcome and forecast for the CPI have been calculated at a significantly higher level, which is why the cost of indexation is high in 2023.

Amounts to be paid later than three years from the current year are calculated at the present value when the time aspect is deemed to be material. Discounting to present value has been performed with the City's internal interest rate, which for the coming years is set at 2.2%.

Notes 3-11 Notes to the income statement

Note 3 Operating income

SEK million	The City		The Municipal Group	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Sales revenue	2,072.5	2,081.2	8,302.1	7,724.2
Tariffs, fees, etc.	3,115.5	2,946.2	3,176.5	3,071.6
Rents and leases	4,747.1	4,465.5	13,658.8	12,970.7
Government grants and compensation for overheads	3,047.5	3,140.6	3,111.1	3,207.4
Grants and gifts from private individuals	1.3	0.3	1.3	0.3
Public grants (Investments)	35.2	13.1	35.2	13.1
EU grants	46.4	54.6	46.5	54.7
Other grants	136.6	145.3	169.4	141.7
Income affecting comparability (Note 5)	2,391.9	2,024.9	2,403.6	5,528.8
Total operating income	15,593.9	14,871.7	30,904.4	32,712.4

Site leaseholds – The City

Category	Number (units)		Area (m2)	
	2023	2022	2023	2022
Single-family houses	4,967	5,334	7,134,513	8,303,562
Apartment buildings	3,982	3,985	13,634,790	13,647,724
Commercial	1,073	1,061	5,852,727	5,850,745
Other	532	176	3,513,997	2,350,521
Total	10,554	10,556	30,136,027	30,152,552

SEK million	Tax assessment value		Income	
	2023	2022	2023	2022
Single-family houses	19,975.9	20,018.2	97.7	92.8
Apartment buildings	255,338.4	255,581.8	1,299.6	1,223.8
Commercial	959.3	941.7	1,300.6	1,290.2
Other	157.8	157.8	227.2	219.2
Total	276,431.3	276,699.4	2,925.1	2,825.9

In 2023, the City sold 7 single-family house leaseholds and 13 apartment building leaseholds. In most cases, the holder of a site leasehold for a single-family house can buy the plot freehold. For site leaseholds for apartment buildings, the City makes an assessment in each individual case. At present, the City does not participate in the freehold purchase of leaseholds for commercial purposes. The price for freehold of leaseholds is in most cases based on the value of the land.

Single-family houses – freehold price 50% of the land tax assessment value, holiday homes – freehold price 85% of the land tax assessment value and apartment buildings – freehold price at least 85% of the land tax assessment value.

Note 4 Operating costs

SEK million	The City		The Municipal Group	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Personnel costs excluding pension costs	-25,142.9	-24,456.0	-28,311.1	-27,363.3
Pension costs	-4,220.7	-2,723.9	-4,494.5	-2,936.3
Contributions made	-2,498.6	-2,544.6	-2,267.1	-2,186.9
Acquisition of business	-21,668.4	-20,695.9	-21,407.4	-20,482.2
Rents of premises and land, and other property costs	-5,968.4	-5,391.8	-2,061.5	-1,924.4
Materials and services purchased	-4,777.4	-4,889.4	-14,087.7	-13,492.1
Company tax			-100.8	-140.4
Disposals	-36.7	-10.7	-54.7	-14.7
Costs affecting comparability (Note 5)	-153.9	-2,371.3	-253.9	-3,398.3
Total operating costs	-64,466.9	-63,083.7	-73,038.6	-71,938.6

The distribution of personnel costs and pension costs has been adjusted in the comparative year due to an adjustment between the lines in the note.

Note 5 Items affecting comparability

SEK million	The City		The Municipal Group	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Capital gains from sales	137.9	318.4	149.7	3,822.2
Sale of development properties	2,181.2	1,694.4	2,181.2	1,694.4
Dissolution non-public grants	72.8	12.2	72.8	12.2
Total income affecting comparability	2,391.9	2,024.9	2,403.6	5,528.8
Book value of development properties sold	-23.8	-84.5	-23.8	-84.5
Capital losses from sales	-9.2	-0.7	-109.2	-1,027.7
Shareholder contribution in the form of loss contribution margin	0.0	-1,000.0	0.0	-1,000.0
Provision made for infrastructure and burial operations	19.4	-1,055.3	19.4	-1,055.3
Skills development initiatives	-24.6	-55.5	-24.6	-55.5
Future-oriented IT projects	-56.7	-132.5	-56.7	-132.5
Social investments	-59.0	-42.8	-59.0	-42.8
Total costs affecting comparability	-153.9	-2,371.3	-253.9	-3,398.3

Note 6 Depreciation/amortisation and impairment losses

SEK million	The City		The Municipal Group	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Amortisation, rental units and intangible assets	0.0	0.0	-30.2	-36.1
Depreciation, buildings and plant	-2,339.8	-2,720.0	-6,278.7	-6,592.7
Depreciation, machinery and equipment	-252.9	-241.2	-1,102.1	-1,045.1
Total depreciation/amortisation according to plan	-2,592.7	-2,961.2	-7,411.0	-7,673.9
Impairment losses	0.0	0.0	0.0	-358.4
Impairment reversal	0.0	0.0	6.2	153.6
Total depreciation/amortisation and impairment losses	-2,592.7	-2,961.2	-7,404.8	-7,878.8

Note 7 Tax income

SEK million	The City		The Municipal Group	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Preliminary municipal tax	59,580.6	55,344.6	59,580.6	55,344.6
Preliminary final settlement for current year	774.9	1,146.4	774.9	1,146.4
Final settlement difference for previous year	255.0	311.9	255.0	311.9
Burial fees	227.5	203.8	227.5	203.8
Total tax income	60,838.0	57,006.7	60,838.0	57,006.7

Note 8 General government grants and equalisation

SEK million	The City		The Municipal Group	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Adjustment contribution	2,300.0	2,702.3	2,300.0	2,702.3
Municipal property fee	1,355.9	1,312.4	1,355.9	1,312.4
Other general government grants*	106.6	219.1	106.6	219.1
of which the "School billion"	0.0	116.9	0.0	116.9
of which grant for participation in the 2022 parliamentary elections	0.0	26.9	0.0	26.9
of which grant in connection with the war in Ukraine	29.5	17.2	29.5	17.2
of which grant for increased staffing for nurses in specialist residential homes, 2022	38.4	38.4	38.4	38.4
of which grant for increased staffing for nurses in specialist residential homes, 2023	38.7	0.0	38.7	0.0
of which grant to support increased costs of financing	0.0	19.7	0.0	19.7
Total general government grants and equalisation	3,762.5	4,233.8	3,762.5	4,233.8
Income equalisation fee	-6,857.3	-5,912.2	-6,857.3	-5,912.2
Cost equalisation fee	-972.9	-753.8	-972.9	-753.8
LSS equalisation fee	-1,907.7	-1,603.7	-1,907.7	-1,603.7
Total fees in the equalisation system	-9,737.9	-8,269.7	-9,737.9	-8,269.7
Total general government grants and equalisation	-5,975.4	-4,035.9	-5,975.4	-4,035.9

*For 2023, the City was allocated SEK 82 million in general government grants, of which SEK 39 million was recognised as income. The remainder of these government grants will be recognised with even distribution during 2024. Grants received of SEK 68 million from 2022 were recognised with even distribution in 2023.

Note 9 Profit/loss from participations in associated companies

SEK million	The City		The Municipal Group	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Profit/loss from participations in associated companies			-32.5	469.9
Total profit/loss from participations in associated companies			-32.5	469.9

As Stockholm Exergi Holding AB represents a considerable value in the proportion of equity, the company's income statement is presented in abbreviated form below:

Income statement, Stockholm Exergi Holding AB, SEK million	31/12/2023	31/12/2022
Income	8,463.4	8,135.8
Expenses	-8,093.6	-6,733.9
Financial income	23.8	1.7
Financial expenses	-466.3	-218.3
Tax	8.0	-237.3
Profit/loss for the period	-64.8	948.0

The income statement above is prepared in accordance with the K3 regulations, while the official report the company presents is prepared in accordance with IFRS.

Note 10 Financial income

SEK million	The City		The Municipal Group	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Dividends from Group companies	1,440.0	1,100.0	0.0	0.0
Other financial income	12.0	8.8	13.2	48.7
Interest income	2,154.5	856.0	193.0	223.1
Total financial income	3,606.4	1,964.8	206.2	271.8

Note 11 Financial expenses

SEK million	The City		The Municipal Group	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Interest, cash and cash equivalents and investments	-1,722.7	-654.4	-1,472.2	-918.9
Interest component, pension liability change	-899.8	-227.6	-899.8	-227.6
Other financial expenses	-32.0	-42.0	-33.5	-44.0
Indexation of provisions	-1,027.0	-270.0	-1,027.0	-270.0
Total financial expenses	-3,681.4	-1,194.0	-3,432.5	-1,460.6
Average interest rate				
Average interest rate of external debt portfolio with derivatives (%)	2.1	0.7	2.1	0.7
Average interest rate of external debt portfolio without derivatives (%)	2.3	0.9	2.3	0.9
Average fixed-rate period				
Average fixed-rate period of external debt portfolio with derivatives, years	1.7	1.8	1.7	1.8
Average fixed-rate period of external debt portfolio without derivatives, years	1.2	1.5	1.2	1.5
Interest expenses for the external debt portfolio				
Interest expenses for the external debt portfolio including derivatives*	1,602.2	624.4	1,602.2	624.4
Interest expenses for the external debt portfolio excluding derivatives*	1,756.8	758.1	1,756.8	758.1

*Interest expenses are recognised including net interest and currency swaps, in accordance with RKR R8.

See also Note 37 Derivative instruments. The interest expense for the year for the external debt portfolio is SEK 1,602.2 million including derivatives and SEK 1,756.8 million excluding derivatives. According to the Finance Policy, the average fixed-rate period (duration) for the external debt portfolio shall be neither shorter than 1.25 years nor longer than 3.75 years.

Notes to the balance sheet

Note 12 Intangible assets

SEK million	The City		The Municipal Group	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Opening cost			461.9	455.6
Investments			1.3	6.1
Sales			0.0	0.0
Disposals			-20.9	-6.0
Reclassification			2.6	6.2
Closing cost			444.9	461.9
Advances, intangible assets			0.0	1.6
Opening accumulated amortisation			-292.6	-261.5
Amortisation			-30.2	-36.1
Investments			0.0	0.0
Disposals			20.9	6.0
Reclassification			0.0	-1.0
Closing accumulated depreciation			-301.9	-292.6
Opening accumulated impairment losses			-4.6	-5.6
Reclassification			0.0	1.0
Closing accumulated impairment losses			-4.6	-4.6
Closing carrying amount			138.4	166.3
Average amortisation period (years)*			14.7	12.8

*The comparative figure for amortisation periods has been adjusted due to a new method of calculation.

The amortisation period is 5-15 years and is assessed on the basis of the estimated life of both proprietary and acquired assets. Capitalised items relate to IT development projects.

The remaining residual value of proprietary assets amounts to 79.9 and the amortisation period for these is 5-10 years.

The proprietary system that is amortised over 10 years refers to surveillance systems at Stockholm Vatten, where it has been estimated that the amortisation period amounts to 10 years, all other proprietary systems are amortised over 5 years.

The remaining residual value of acquired assets amounts to 58.0, which relates to a property system where it has been estimated that the useful life is 15 years.

The Municipal Group's companies vary in size and turnover, which is why what should be considered to be material value is assessed by each company.

Note 13 Land, buildings and plant

SEK million	The City		The Municipal Group	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Opening cost	85,737.3	79,116.7	238,748.4	229,771.9
Investments	0.0	0.0	194.8	4.4
Capitalisation	5,776.0	7,302.8	12,768.8	15,240.1
Sales	-73.0	-655.8	-163.4	-6,254.0
Disposals	-39.2	-15.6	-132.8	-227.5
Reclassification	0.0	0.4	1,066.1	224.7
Reversal to/from current assets	-107.4	-11.2	-107.4	-11.2
Total closing cost	91,293.7	85,737.3	252,374.5	238,748.4
Opening depreciation	-18,124.9	-15,464.3	-65,102.2	-60,799.2
Depreciation	-2,339.8	-2,720.0	-6,269.8	-6,607.6
Sales	0.6	54.0	2.8	2,232.8
Disposals	3.4	5.5	66.8	161.8
Reclassification	0.0	0.0	-1.9	-90.0
Total closing depreciation	-20,460.6	-18,124.9	-71,304.3	-65,102.2
Opening impairment losses	0.0	0.0	-2,029.2	-1,386.0
Impairment losses*	0.0	0.0	0.0	-1,300.6
Sales	0.0	0.0	0.0	629.6
Reversed impairment losses	0.0	0.0	-0.8	153.6
Disposals	0.0	0.0	0.0	1.0
Reclassification	0.0	0.0	-70.9	-126.9
Total closing impairment losses	0.0	0.0	-2,101.0	-2,029.2
Total land, buildings and plant	70,833.1	67,612.5	178,969.2	171,617.0
Average depreciation period (years)	39.0	41.3	40.1	40.0

Valuations performed are based on the net realisable value and have been performed in accordance with:

Svenska Bostäder: Internal valuation of the property portfolio. In a valuation model developed for analysis based on current property market information.

An external valuation company has checked a representative sample of internally valued properties.

Familjebostäder: Portfolio valuation performed by external independent valuation company, based on market value.

Stockholms hem: Portfolio valuation performed by external independent valuation company, based on market value.

Micasa: Portfolio valuation in consultation with external independent valuation company, based on market value.

SISAB: An internal yield valuation based on the recoverable value.

Stockholms Hamnar: Valuation performed by external independent valuation company, based on market value.

Note 14 Machinery and equipment

SEK million	The City		The Municipal Group	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Opening cost	2,975.5	2,711.1	27,779.5	26,287.5
Investments	0.0	71.2	85.6	203.1
Capitalisation	243.7	213.2	2,731.2	1,506.6
Finance leasing	6.1	12.8	58.4	49.1
Sales	-3.2	-6.9	-19.1	-75.2
Disposals	-14.0	-28.0	-124.3	-193.8
Reclassification	0.0	2.2	34.6	2.2
Closing cost	3,208.0	2,975.5	30,545.9	27,779.6
Opening depreciation	-1,991.9	-1,779.8	-12,543.5	-11,738.0
Depreciation	-252.9	-241.2	-1,100.5	-1,035.4
New investments, depreciation	0.0	0.0	0.0	0.0
Sales	3.1	6.0	18.2	67.7
Disposals	13.1	27.4	113.3	180.4
Reclassification	0.0	0.0	-43.9	-14.1
Depreciation, finance leasing	-1.8	-4.2	-1.8	-4.2
Total closing depreciation	-2,230.4	-1,991.9	-13,558.3	-12,543.5
Opening impairment losses	0.0	0.0	-1.0	3.4
Reclassification	0.0	0.0	0.0	-4.4
Impairment losses/reversals	0.0	0.0	0.0	0.0
Total closing impairment losses	0.0	0.0	-0.9	-1.0
Total machinery and equipment*	977.7	983.6	16,986.7	15,235.0
Of which finance leasing	4.3	8.6	56.6	44.9
Average depreciation period (years)*	12.7	12.3	27.9	26.8

*In the corporate group, depreciation periods of more than 30 years apply for machinery and equipment.

Note 15 Construction, extension and conversion work in progress

SEK million	The City		The Municipal Group	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Opening cost	24,527.6	26,210.3	48,688.6	49,155.8
Investments	7,074.3	5,887.7	18,217.8	16,470.9
Capitalisation	-5,969.5	-7,515.9	-15,426.7	-16,854.3
Expensed investments	0.0	0.0	-4.6	-35.1
Reclassification from/to development properties	209.4	-54.4	209.4	-54.4
Reclassification from/to land, buildings and plant	0.0	0.0	-1,073.6	8.7
Disposals	0.0	0.0	0.0	-3.0
Total closing cost, construction, extension and conversion work in progress	25,841.8	24,527.6	50,611.1	48,688.6
Opening depreciation/amortisation and impairments	0.0	0.0	-1,145.1	-1,153.6
Impairment losses*	0.0	0.0	0.0	-64.5
Reclassifications	0.0	0.0	-64.9	73.0
Total closing impairment losses	0.0	0.0	-1,080.2	-1,145.1
Advances for property, plant and equipment			21.1	63.1
Total construction, extension and conversion work in progress	25,841.8	24,527.6	49,552.0	47,606.6

*Impairment loss of ongoing projects at Familjebostäder in previous year in accordance with the valuation principle described in Note 13.

Note 16 Shares and participations

SEK million	The City		The Municipal Group	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Opening shares and participations	4,555.4	4,529.2	1,100.7	3,584.3
Purchase of tenant-owner apartments	33.4	27.1	33.4	27.1
Sale of tenant-owner apartments	-0.4	-0.9	-0.4	-0.9
Reclassification/change in value	0.0	0.0	0.0	0.4
Purchase of shares, participations and securities	0.0	0.0	0.0	0.2
Sale of shares, participations and securities*	0.0	0.0	0.0	-2,510.4
Total shares and participations	4,588.4	4,555.4	1,133.8	1,100.7

*Previous year relates mainly to the divested subsidiary S:t Erik Livförsäkring AB.

The City's shares in municipal companies, etc. as of 31 December 2023

Companies	Share capital (SEK 000s)	Participating interest (%)	Book value 2023 (SEK 000s)
Stockholms Stadshus AB	2,850,001.0	100.0	3,484,382.0
Kaplansbacken AB	500.0	100.0	514.0
Svenska Teknologföreningens Fastighets AB	562.0	100.0	562.0
Total shares in subsidiaries/Group companies			3,485,458.0
Shares in other companies			
SÖRAB	12,000.0	5.0	400.0
Inera AB			42.5
AB Servi-Data (deposit certificate)			0.1
Total shares in other companies			442.6
Participations in Greater Stockholm Fire Brigade			27,831.4
Total participations in statutory joint authorities			27,831.4
Participations in tenant-owner apartments			1,074,684.2
Total participations in tenant-owner apartments			1,074,684.2
Total shares and participations, City			4,588,416.2

Note 17 Proportion of equity in associated companies

SEK million	The City		The Municipal Group	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Opening cost			5,795.8	5,751.2
Share of profit/loss for the year			-32.5	469.9
Dividend			-425.0	-425.0
Other			-33.9	-0.3
Closing net value			5,304.5	5,795.8

Associated companies	Corp. ID no.	Domicile	Proportion of equity (%)
Sydvästra Stockholmsregionens VA-verks AB, SYVAB	556050-5728	Stockholm	33.0
Nynäshamns Mark AB	556314-3113	Stockholm	50.0
Stockholm Exergi Holding AB	556040-6034	Stockholm	50.0

As Stockholm Exergi Holding AB represents a considerable proportion of equity, the company's balance sheet is presented in abbreviated form below. The balance sheet is prepared in accordance with the K3 regulations, while the official report the company presents is prepared in accordance with IFRS.

SEK million	31/12/2023	31/12/2022
Balance sheet Stockholm Exergi Holding AB		
Intangible assets	329.2	256.2
Property, plant and equipment	25,730.3	25,831.4
Financial assets	203.2	5.1
Current assets	4,456.4	4,787.0
Total assets	30,719.1	30,879.6
Equity including minority interest	11,107.8	12,065.9
Provisions	3,112.4	3,243.7
Non-current liabilities	11,742.9	10,571.6
Current liabilities	4,756.0	4,998.4
Total equity, provisions and liabilities	30,719.1	30,879.6

Note 18 Non-current receivables*

SEK million	The City		The Municipal Group	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Opening non-current receivables	373.7	14.5	415.7	59.4
Repayments	-0.8	-0.8	-0.8	-0.8
Change in other non-current receivables	1,029.6	360.0	1,050.8	357.1
Total non-current receivables	1,402.5	373.7	1,465.7	415.7
Combined non-current receivables				
Borrowers, other	12.9	13.7	47.1	55.7
Other	0.0	0.0	22.8	0.0
Long-term receivable, advance on infrastructure projects*	1,389.6	360.0	1,395.9	360.0
Total non-current receivables	1,402.5	373.7	1,465.7	415.7

*Advance payment in respect of infrastructure project where the City is to be repaid is recognised as a long-term receivable. Under the agreement, repayment is to take place 2030-2035. The long-term receivable has been discounted to present value and the City's internal interest rate for the current year has been used as the interest rate.

Note 19 Development properties

SEK million	The City		The Municipal Group	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Opening development properties	1,647.7	1,593.4	1,647.7	1,593.4
Capitalisation	-83.6	73.3	-83.6	73.3
Sales	-23.8	-84.5	-23.8	-84.5
Reclassification, land, buildings and plant	107.4	11.2	107.4	11.2
Reclassification, work in progress	-209.4	54.4	-209.4	54.4
Total development properties	1,438.3	1,647.7	1,438.3	1,647.7

Note 20 Inventories and work in progress

SEK million	The City		The Municipal Group	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Inventories*	2.8	3.6	53.7	50.9
Work in progress	0.0	0.0	0.0	0.0
Total inventories and work in progress	2.8	3.6	53.8	50.9

* Stocks/inventories are measured at the lower of cost and fair value in respect of the City.

Note 21 Current receivables

SEK million	The City		The Municipal Group	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Accounts receivable	1,240.7	944.2	1,609.5	1,316.9
Tax assets			401.0	0.0
Municipal tax asset	2,175.9	2,575.7	2,175.9	2,575.7
VAT receivables	916.4	915.5	1,179.2	1,286.9
Accrued targeted government grants, cost comp. & property fees*	666.6	466.2	666.6	466.2
Current receivables from the City's companies**	91,090.7	85,965.4	0.0	0.0
Other current receivables	20.6	23.7	322.3	369.3
Other prepaid expenses and accrued income	2,778.8	2,741.4	2,479.7	2,520.5
Total current receivables	98,889.6	93,632.1	8,834.2	8,535.5

* Government grants are recognised as income as the conditions are met and amount to SEK 244.5 million. Of the accrued government grants, the biggest counterparty is the Swedish Migration Agency.

A large part relates to government grants for co-financing; other receivables are due from, among others, the Swedish Public Employment Service and the Swedish Social Insurance Agency. The item also includes a receivable for property fees of SEK 422.1 million.

** The City administers borrowing for the City's companies. The companies borrow from the City when required.

Note 22 Current investments

SEK million	The City		The Municipal Group	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Skills credit account	0.0	2.6	0.0	2.6
Current portion of long-term borrowing	0.8	0.8	0.8	0.8
Other current investments	0.0	0.0	181.8	158.7
Total current investments	0.8	3.4	182.5	162.1

Note 23 Cash and bank balances

SEK million	The City		The Municipal Group	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Cash	7.3	8.2	7.3	8.2
Bank and postal giro	862.7	655.3	1,008.7	801.5
Total cash and bank balances	870.0	663.6	1,016.0	809.7

Note 24 Equity

SEK million	The City		The Municipal Group	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Opening equity	85,460.5	82,892.2	142,395.1	137,234.3
<i>Of which allocation of equity for wide-ranging, forward-looking projects*</i>	-140.3	-230.8	-140.3	-230.8
Change in equity as per income statement	3,321.9	2,568.3	2,058.7	5,146.8
Other	0.0	0.0	-33.7	14.1
Total equity	88,782.4	85,460.5	144,420.1	142,395.1

* See Note 2

Note 25 Pensions and similar commitments

SEK million	The City		The Municipal Group	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Opening provision for pensions including payroll tax	9,571.8	9,058.5	9,842.6	11,318.7
New commitments during the year	1,940.3	710.8	1,948.0	713.7
of which defined benefit retirement pension	1,121.7	390.3	1,121.7	393.2
of which fixed-term pension, annuity, etc.	46.3	73.3	46.3	73.3
of which special agreement pension	50.8	59.3	50.8	59.3
of which interest rate and base amount indexation	724.1	183.2	724.1	183.2
of which change of actuarial grounds	0.0	0.0	0.0	0.0
of which pension for surviving dependents	10.8	3.7	10.8	3.7
of which other item	-13.5	1.0	-8.5	1.0
Divested pension commitment	0.0	0.0	0.0	-1,989.9
Disbursements for the year	-330.9	-297.7	-331.5	-300.1
Change in payroll tax	390.4	100.2	390.4	100.2
Total provision for pensions including payroll tax	11,571.6	9,571.8	11,849.5	9,842.6
Update rate, percent	96	96	96	96

Note 26 Other provisions

SEK million	The City		The Municipal Group	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Burial fees*				
Opening balance	170.7	180.4	170.7	180.4
Utilised	0.0	0.0	0.0	0.0
Change in provision	-14.9	-9.7	-14.9	-9.7
Closing balance	155.8	170.7	155.8	170.7
Stockholms Ström, etc.**				
Opening balance	1,361.7	1,365.8	1,361.7	1,365.8
Reversed provision	-4.5	0.0	-4.5	0.0
Utilised	-32.4	-19.1	-32.4	-19.1
Provision for the period	0.0	15.0	0.0	15.0
Closing balance	1,324.8	1,361.7	1,324.8	1,361.7
Infrastructure grants***				
Opening balance	11,900.8	10,994.1	11,900.8	10,994.1
Utilised	-1,304.7	-773.3	-1,304.7	-773.3
Indexation for the period	1,368.0	299.0	1,368.0	299.0
Provision for the period	0.0	1,050.0	0.0	1,050.0
Re-posting of advance on long-term receivable ****	1,292.6	423.0	1,292.6	423.0
Discount calculated at present value	-603.9	-92.0	-603.9	-92.0
Closing balance	12,652.8	11,900.8	12,652.8	11,900.8
Other provisions, companies				
Opening balance	0.0	0.0	22.9	74.1
Utilised	0.0	0.0	104.9	-21.2
Reclassification	0.0	0.0	-87.0	-30.0
Closing balance	0.0	0.0	40.7	22.9
Total opening balance	13,433.3	12,540.3	13,456.1	12,614.4
Total utilised	-1,337.1	-792.3	-1,232.2	-813.5
Total reversed provision	-4.5	0.0	-4.5	0.0
Total indexation for the period	1,368.0	299.0	1,368.0	299.0
Total provisions for the period	-14.9	1,055.3	-14.9	1,055.3
Total discount calculated at present value	-603.9	-92.0	-603.9	-92.0
Total re-posting of advance on long-term receivable*****	1,292.6	423.0	1,292.6	423.0
Total reclassifications	0.0	0.0	-87.0	-30.0
Total closing balance	14,133.5	13,433.3	14,174.2	13,456.1

* Activities financed by burial fees may result in a surplus or deficit in an individual year. This is adjusted against a provision, so that over time the fees are always used for their intended purpose.

** The provision for Stockholms Ström etc. was paid in an amount of SEK 32,4 million in 2023, and it is expected that the outstanding amount will be paid up to and including 2028.

*** Around SEK 1,305 million was paid for infrastructural measures in 2023. Future disbursements are planned in the years ahead totalling approximately SEK 1.6-2.3 billion per annum until 2028, after which they will reduce significantly. Because of changes in the schedules of the projects in question, payments and indexation may change slightly over time. The valuation of all provisions has been performed on the basis of RKR R9's recommendation, i.e. on the basis of the best possible estimate of the present value of the amount required to settle the obligation. The City applies direct income recognition of decisions on contributions to national infrastructure. For the agreements where the CPI is to apply for indexation, the City of Stockholm has used the latest known long-term forecast from the Swedish National Institute of Economic Research as a basis. The provision has been changed for indexation and discounted to present value, and the City's internal interest rate for the current year has been used as the interest rate.

**** Advance payment in respect of infrastructure project where the City is to be repaid and is recognised as a long-term receivable.

Note 27 Bond loans

SEK million	The City		The Municipal Group	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Opening bond loan liability	40,274.1	42,808.0	40,274.1	42,808.0
New borrowing	11,567.1	6,488.7	11,567.1	6,488.7
Accrual of premiums and discounts	-140.3	-136.2	-140.3	-136.2
Reversal of previous year's reclassification	8,888.5	8,438.4	8,888.5	8,438.4
Repayments	-8,874.3	-8,436.3	-8,874.3	-8,436.3
Current portion of long-term loans*	-9,556.6	-8,888.5	-9,556.6	-8,888.5
Total bond loans	42,158.5	40,274.1	42,158.5	40,274.1

* Liabilities with a due date within one year of the end of the reporting period. These liabilities have been transferred to short-term loans.

Foreign bond loans		The City		The Municipal Group	
SEK million		31/12/2023	31/12/2022	31/12/2023	31/12/2022
Foreign bond loans		42,158.5	40,274.1	42,158.5	40,274.1
Total bond loans		42,158.5	40,274.1	42,158.5	40,274.1

Note 28 Promissory note loans

SEK million	The City		The Municipal Group	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Opening promissory note loan liability	16,710.7	9,961.7	16,710.7	9,961.7
New borrowing	5,050.0	7,799.0	5,050.0	7,799.0
Reversal of previous year's reclassification	1,050.0	7,799.0	1,050.0	7,799.0
Repayments	-1,050.0	-7,799.0	-1,050.0	-7,799.0
Current portion of long-term loans*	-3,500.0	-1,050.0	-3,500.0	-1,050.0
Total promissory note loans	18,260.7	16,710.7	18,260.7	16,710.7

* Liabilities with a due date within one year of the balance sheet date and which cannot be judged with certainty to be converted into non-current liabilities. These liabilities have been transferred to short-term loans.

Foreign promissory note loans		The City		The Municipal Group	
SEK million		31/12/2023	31/12/2022	31/12/2023	31/12/2022
Foreign promissory note loans		18,260.7	16,710.7	18,260.7	16,710.7
Total promissory note loans		18,260.7	16,710.7	18,260.7	16,710.7

Note 29 Other non-current liabilities

SEK million	The City		The Municipal Group	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Opening borrowing, leases	23.7	18.0	202.3	193.8
New borrowing, leases	20.9	22.3	88.4	59.8
Repayments	0.0	0.0	-33.2	-34.7
Capitalisation of leases	0.0	0.0	51.5	0.0
Current portion of long-term loan liability, leases (repayments)	-28.2	-16.6	-28.2	-16.6
Total non-current liabilities, leases	16.5	23.7	280.8	202.4
Funds negotiated and liability funds	40.7	42.3	40.7	42.3
Other non-current liabilities	0.6	0.6	604.9	495.9
Deferred income, investment grants and street cost compensation	1,499.8	593.9	1,499.8	593.9
Total other non-current liabilities	1,557.7	660.5	2,426.3	1,334.5
Investment grants	337.4	156.9	337.4	156.9
Ongoing investment grants and street cost compensation	578.5	341.8	578.5	341.8
Non-public investment grants, long-term liability	583.9	95.3	583.9	95.3
Total deferred income	1,499.8	593.9	1,499.8	593.9
Opening value	593.9	703.2	483.0	703.2
Investment income for the period	749.2	172.5	749.2	172.5
Reversed investment grants for the period	-29.1	-18.0	-29.1	-18.0
Reversed street cost compensation for the period	-72.8	-214.5	-72.8	-214.5
Less transfer for capitalisation/reclassification/sale	258.6	-49.3	369.5	-49.3
Total deferred income	1,499.8	593.9	1,499.8	593.9
Investment grants, remaining years (weighted average)	11.6	12.0	11.6	12.0

Note 30 Current liabilities

SEK million	The City		The Municipal Group	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Accounts payable	2,963.3	4,097.8	5,216.0	6,091.9
VAT	54.0	43.2	60.1	0.0
Employee taxes, charges and deductions	855.6	821.8	1,477.1	1,413.3
Uncompensated overtime including employer's contributions	59.4	59.6	45.2	45.3
Holiday pay liability including employer's contributions	897.5	899.7	896.8	883.1
Accrued pension costs	1,092.3	1,006.4	1,092.3	1,006.4
Prepaid general government grants*	43.2	67.9	43.2	67.9
Prepaid targeted government grants and compensation for over-heads**	223.1	356.6	223.1	356.6
Other accrued expenses	2,353.1	1,755.9	2,491.1	2,533.2
Other deferred income***	1,185.0	1,151.2	5,293.3	4,830.4
Municipal tax liability	0.0	0.0	0.0	0.0
Funds negotiated, deposited funds, liability funds	26.8	30.2	26.8	30.2
Current liabilities to Group companies****	5,465.6	7,347.2	0.0	0.0
Other	105.4	316.3	333.4	511.0
Total current liabilities	15,324.1	17,953.8	17,198.4	17,769.4

* General government grants 2023 refer to grants for increased staffing of nurses in specialist residential homes for the elderly; the City received SEK 81.9 million this year in respect of the years 2023 and 2024. Of this, SEK 38.7 million was recognised as income in 2023.

** Government grants are recognised as income as the conditions are met. Of the prepaid government grants of SEK 223.1 million, the Swedish National Agency for Education, the Swedish Social Insurance Agency and the Swedish National Board of Health and Welfare are the biggest counterparties.

*** The deferred income refers largely to prepaid rents and leases that are invoiced monthly or quarterly in advance, as well as prepaid pipeline and connection fees.

**** The City administers borrowing for the City's companies. The companies borrow from the City when required. Two of the City's companies borrow from Stockholms Stadshus AB instead of directly from the City.

Note 31 Short-term loans

SEK million	The City		The Municipal Group	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Unused bank overdraft facilities	0.0	0.0	0.0	0.0
Current portion of long-term loans*	13,056.6	9,938.5	13,084.0	9,962.3
Total short-term loans	13,056.6	9,938.5	13,084.0	9,962.3

* Long-term loans with a due date within one year of the end of the reporting period have been transferred to short-term loans.

Maturity of the City's total borrowing (short-term and long-term loans)

Loan maturity	Loan maturity distribution as of 31/12/2023	Nominal amount, SEK million	Limit (%)
< 1 year	18%	-13,050.0	45%
>1-2 years	22%	-16,230.9	
>2-3 years	18%	-12,923.0	
>3-4 years	18%	-12,866.5	
>4-5 years	19%	-13,983.9	
>5-6 years	4%	-3,000.0	
>6-7 years	1%	-1,050.0	
Total	100%	-73,104.2	

Notes to contingent liabilities and guarantees

Note 32 Contingent liabilities and guarantees

SEK million	The City		The Municipal Group	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
The City's majority-owned companies' pension commitments				
Stockholms Stadshus AB	3.3	2.2		
Stockholms Parkering	5.0	4.6		
Stockholms Hamnar	7.1	6.1		
S:t Erik Markutveckling	0.8	0.7		
Stockholm Business Region	6.4	5.7		
Bostadsförmedlingen i Stockholm AB	3.7	3.6		
AB Svenska Bostäder	1.1	0.8		
Micasa Fastigheter i Stockholm AB	4.4	4.1		
SISAB	4.6	4.3		
Stockholm Vatten Holding AB	3.0	2.3		
Stockholm Globe Arena Fastigheter	1.4	1.2		
AB Stokab	2.2	2.2		
AB Familjebostäder	2.9	2.6		
Total contingent liabilities and guarantees for majority-owned companies	46.0	40.4		
Other legal entities/private individuals				
Loan guarantees				
Stiftelsen Stockholms Studentbostäder	42.1	42.1	42.1	42.1
Stockholms Stadsmission	56.6	58.6	56.6	58.6
SYVAB	695.4	569.4	695.4	569.4
Other legal entities	9.6	10.1	34.1	40.2
Total loan guarantees	803.6	680.2	828.1	710.3
Pension commitments	81.6	64.5	81.6	64.5
Total, other legal entities	885.2	744.7	909.7	774.8
Kommuninvest i Sverige AB	0.0	125.0	0.0	125.0
Total contingent liabilities and guarantees	931.2	910.0	909.7	899.8

The City's commitment in respect of guarantees and contingent liabilities amounts to SEK 931 million (910), excluding the City's contingent liability for the pension liability. In 2023, increased guarantees were arranged with SYVAB of SEK 126 million. Other guarantees refer to non-profit organisations, foundations and companies. The City has also guaranteed a small part of pension commitments for the City's majority-owned companies and certain foundations. The overall risk of the City's guarantees is deemed to be low.

Note 33 Pension provision, contingent liability

SEK million	The City		The Municipal Group	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Opening contingent liability for pensions including payroll tax	15,339.3	15,897.1	15,339.3	15,897.1
New commitments during the year	1,048.9	319.1	1,048.9	319.1
of which interest rate and base amount indexation	1,014.4	378.8	1,014.4	378.8
of which change of actuarial grounds	0.0	0.0	0.0	0.0
of which pension for surviving dependents	0.0	0.0	0.0	0.0
of which other item	34.4	-59.7	34.4	-59.7
Disbursements for the year	-819.2	-768.0	-819.2	-768.0
Change in payroll tax	55.7	-108.9	55.7	-108.9
Closing contingent liability for pensions including payroll tax	15,624.7	15,339.3	15,624.7	15,339.3
Number of elected representatives with fixed-term pension	12	15	12	15

Notes to the cash flow statement

Note 34 Items not affecting liquidity

SEK million	The City		The Municipal Group	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Adjustments for depreciation/amortisation, impairment losses and disposals	2,629.4	2,971.9	7,465.7	8,878.8
Adjustments for provisions made	3,016.4	1,838.6	3,020.8	1,666.4
Adjustments for reversed income	101.9	232.5	101.9	232.5
Income tax	0.0	0.0	-395.3	-382.0
Capital gains from sale of subsidiaries	0.0	0.0	0.0	683.8
Participations in associated company earnings	0.0	0.0	32.5	-469.9
Adjustment for reversed provision	-4.4	0.0	-4.4	0.0
Other	0.0	0.0	37.1	-124.4
Total items not affecting liquidity	5,743.3	5,043.0	10,258.3	10,485.2

Note 35 Decrease in provisions due to disbursements

SEK million	The City		The Municipal Group	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Provisions utilised	-1,337.1	-792.3	-1,337.1	-792.3
Less infrastructural contributions, recognised separately	1,304.7	773.3	1,304.7	773.3
Total decrease in provisions due to disbursements	-32.4	-19.1	-32.4	-19.1

Note 36 Reversal of capital gains/losses

SEK million	The City		The Municipal Group	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Total reversal of capital gains/losses	-2,286.0	-1,927.6	-2,197.6	-4,885.4

Cash Flow Statement

Total cash flow is positive and amounts to SEK 206 million. The City's liquid assets are positive on the balance sheet date. Cash flow varies according to the assessed need for cash and cash equivalents. As of the balance sheet date, the City had a positive balance of SEK 870 million and no overdraft facilities were used.

Cash flow from the operation comprises earnings for the period, excluding capital gains/losses and the adjustment of items that do not affect liquidity in the form of depreciation and provisions, etc. Cash flow from operations amounts to SEK 6,747 million (5,665).

Cash flow from the change in current receivables/liabilities and inventories is negative, SEK 4,770 million. It is primarily the increase in current receivables from the City's companies that generates the negative cash flow.

Cash flow from the City's investing activities is negative, SEK 4,696 million (3,455), due to a high investment volume of SEK 7,079 million. Sales have kept the negative cash flow down.

Cash flow from financing activities is positive at SEK 4,230 million (3,894), primarily due to the increase in non-current liabilities as a consequence of newly raised loans.

Payment of grants to state infrastructure has a negative impact on cash flow to the order of SEK 1,305 million (773).

Notes to other supplementary information

Note 37 Derivative instruments

SEK million	Nominal amount	The City	
		Hedged volume	Market value
31/12/2023			
Type of derivative			
Currency/exchange rate swaps*	17,393.6	17,393.6	-427.7
Interest rate swaps	0.0	0.0	0.0
Total	17,393.6	17,393.6	-427.7
31/12/2022			
Type of derivative			
Currency/exchange rate swaps*	15,638.1	15,638.1	680.1
Interest rate swaps	0.0	0.0	0.0
Total	15,638.1	15,638.1	680.1

* Currency/exchange rate swaps have been translated at the exchange rate after currency hedging.

	31/12/2023	31/12/2022
Average interest rate of external debt portfolio including derivatives (%)	2.07	0.73
Average interest rate of external debt portfolio excluding derivatives (%)	2.29	0.93
Average fixed-rate period (duration) of external debt portfolio with derivatives, years	1.73	1.77
Average fixed-rate period of external debt portfolio excluding derivatives, years	1.17	1.51
Interest expense for the external debt portfolio including derivatives (SEK million)	1,602.2	624.4
Interest expense for the external debt portfolio excluding derivatives (SEK million)	1,756.8	758.1

Note 38 Additional dividend as per Section 5:1 of the Public Municipal Housing Companies Act

SEK million	The City	
	31/12/2023	31/12/2022
Additional dividend as per Section 5:1 of the Public Municipal Housing Companies Act 2012	670.0	670.0
Expended	-653.5	-653.0
Total remaining	16.5	17.0
Additional dividend as per Section 5:1 of the Public Municipal Housing Companies Act 2013	1,900.0	1,900.0
Expended	-1,445.3	-1,388.2
Total remaining	454.7	511.8
Additional dividend as per Section 5:1 of the Public Municipal Housing Companies Act 2014	450.0	450.0
Expended	-250.5	-187.5
Total remaining	199.5	262.5

Note 39 Leasing

SEK million	The City		The Municipal Group	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Finance leases*				
Machinery and equipment				
Carrying amount	44.6	40.3	88.4	110.4
Present-valued minimum leasing fees	44.6	40.3	134.4	110.9
<i>of which due within 1 year</i>	28.2	16.6	59.6	46.1
<i>of which due after more than 1 year, but less than 5 years</i>	16.5	23.7	74.8	64.8
<i>of which due after more than 5 years</i>	0.0	0.0	0.0	0.0
Operating leases*, paid				
Minimum leasing fees	15,245.8	11,206.7	7,327.4	7,311.6
<i>of which due within 1 year</i>	1,656.0	1,353.8	1,206.3	1,126.1
<i>of which due after more than 1 year, but less than 5 years</i>	5,000.3	3,934.0	2,788.2	2,757.9
<i>of which due after more than 5 years</i>	8,589.5	5,918.9	3,332.9	3,427.6
of which intra-Group leases	13,090.8	9,026.0		
<i>due within 1 year</i>	1,088.9	810.2		
<i>due after more than 1 year, but less than 5 years</i>	3,767.3	2,649.0		
<i>due after more than 5 years</i>	8,234.6	5,566.8		
Operating leases, received				
Minimum leasing fees	0.0	0.0	31,375.7	32,227.3
<i>of which due within 1 year</i>	0.0	0.0	11,207.0	10,744.2
<i>of which due after more than 1 year, but less than 5 years</i>	0.0	0.0	13,289.0	13,247.1
<i>of which due after more than 5 years</i>	0.0	0.0	6,879.7	8,236.0

*For the City's part, only agreements in excess of 3 years are included.

Rental agreements that meet the conditions for operating leases are included. Leases with a total value of less than SEK 500,000 or an annual cost equivalent to a maximum of SEK 150,000 are not included in the report for the City. However, in the Group these limits are not applied. It is only expected to have a marginal effect, which is why no conversion has been performed.

Finance leases are included on the asset side of the balance sheet under "Machinery and equipment" and under both current and non-current liabilities. No agreements on finance leases include variable fees. Finance leases are recorded as at the balance sheet date. Leasing fees are recorded in the profit/loss during the current financial year. The effect is expected to be only marginal, as the finance leases are only of minor scope.

** Comparative figures for Operating leases paid for the Municipal Group have been adjusted in respect of the internal items.

Note 40 Participations in Group companies

SEK million	Group		Parent Company	
	2023	2022	2023	2022
Opening cost			7,252.6	7,432.6
Shareholders' contributions paid/company acquisitions			200.0	
Impairment losses				-80.0
Companies sold				-100.0
Closing costs			7,452.6	7,252.6

Companies	Share % capital and votes	Number of shares	Book value		Corporate ID number	Domicile
			2023	2022		
AB Svenska Bostäder	100%	15,190,000	2,091.0	2,091.0	556043-6429	Stockholm
AB Stadsholmen	91%				556035-1511	Stockholm
Fastighets AB Centrumhuset Vällingby	100%				556203-5559	Stockholm
IT-BO i Stockholm AB	100%				556615-7292	Stockholm
Svenska Bostäder L-Bolag 1 AB	100%				556748-4141	Stockholm
AB Stadsholmen	9%		0.4	0.4	556035-1511	Stockholm
AB Familjebostäder	100%	7,500,000	1,398.5	1,398.5	556035-0067	Stockholm
AB Familjebostäder Fastighetsnät	100%				556715-5386	Stockholm
Hemmahamnen Kontor AB	100%				556736-2156	Stockholm
Gyllenen Ratten Ny AB	100%				556876-3196	Stockholm
Micasa Fastigheter i Stockholm AB	100%	150,000	29.9	29.9	556581-7870	Stockholm
Micasa Fastigheter i Stockholm Holding	100%				559255-4025	Stockholm
AB Stockholmshem	100%	17,640,000	1,630.5	1,630.5	556035-9555	Stockholm
Stockholmshem i Skärholmen AB	100%				556052-2160	Stockholm
AB Stockholmshem Fastighetsnät	100%				556715-5394	Stockholm
Mullvadsberget i Stockholm Fastighets AB	100%				559320-0156	Stockholm
Bostadsförmedlingen i Stockholm AB	100%	1,000	0.1	0.1	556057-8303	Stockholm
Skolfastigheter i Stockholm AB	100%	50,000	158.3	158.3	556034-8970	Stockholm
Epimetheus 100 Holding AB	100%				559333-8246	Stockholm
Abdeus 100 Holding AB	100%				559321-4868	Stockholm
Stockholm Vatten Avfall AB	100%	1,000	122.6	122.6	556969-3111	Stockholm
Stockholm Avfall AB	100%	1,000			556969-3087	Stockholm
Stockholm Vatten AB	98%	980			556210-6855	Stockholm
Stockholms Hamn AB	100%	500,000	96.9	96.9	556008-1647	Stockholm
Stockholms Hamn Fastighetsholding AB	100%				559298-6599	Stockholm
Kapellskärs Hamn AB	91%				556189-1010	Stockholm
AB Stokab	100%	500,000	159.9	159.9	556475-6467	Stockholm
St Erik Kommunikation AB	100%				556738-9951	Stockholm
St Erik Fiber AB	100%				556801-6603	Stockholm
Stockholms Stads Parkerings AB	100%	40,000	49.8	49.8	556001-7153	Stockholm
Kulturhuset Stadsteatern AB	100%	12,500	521.2	321.2	556026-1553	Stockholm
Stockholm Globe Arena Fastigheter AB	100%	180	369.0	369.0	556206-4914	Stockholm
Arenan 9 Norra Fastigheten AB	100%				556862-4182	Stockholm
Stockholm Entertainment District AB	100%				556862-4166	Stockholm
Södra Byggrätten Globen AB	100%				556862-4174	Stockholm
S:t Erik Försäkrings AB	100%	100,000	119.8	119.8	516401-7948	Stockholm
S:t Erik Markutveckling AB	100%	100	232.1	232.1	556064-5813	Stockholm
Fastighets AB G-mästaren	100%				556605-2170	Stockholm

Companies	Share % capital and votes	Number of shares	Book value		Corporate ID number	Domicile
			2023	2022		
Stockholm Norra Station AB	100%				556661-9929	Stockholm
Fastighets AB Valsverket	100%				559083-1896	Stockholm
Kajfastigheter AB	100%				559300-7106	Stockholm
S:t Erik Tullhusen AB	100%				559298-6607	Stockholm
Fastighets AB Flanören	100%				559298-6615	Stockholm
S:t Erik Frihamnen AB	100%				559298-6623	Stockholm
Fastighets AB Guldbron	100%				559300-7114	Stockholm
Fastighets AB Hamburg	100%				556891-5036	Stockholm
Fastighets AB Charkuteristen	100%				556745-4862	Stockholm
Fastighets AB Kylrummet	100%				556862-8142	Stockholm
Langobardia AB	100%				556681-4470	Stockholm
Fastighets AB Godsfinan	100%				556969-5314	Stockholm
Fastighets AB Grosshandlarvägen	100%				556027-2972	Stockholm
Stockholm Business Region AB	100%	21,000	9.1	9.1	556491-6798	Stockholm
Visit Stockholm AB	100%				556027-5736	Stockholm
Invest Stockholm Business Region AB	100%				556083-1306	Stockholm
AB Glasbrukskvarteret SWF	100%	40,000	7.5	7.5	556409-1832	Stockholm
Mässfastigheter i Stockholm AB	100%	200,000	456.0	456.0	556094-5627	Stockholm
Total			7,452.6	7,252.6		

Note 41 Disclosure of costs of accounting audit

SEK million	The City		The Municipal Group	
	2023	2022	2023	2022
Costs of accounting audit	6.6	6.7	17.2	10.1

Follow-up on City Council goals



This section presents follow-up on and an assessment of the City Council's orientation goals, which provide concrete detail for the orientation of the City's operations.

During the year, the City has been working according to the three orientation goals that were adopted in the City Council's budget for 2023: A Stockholm that stands united, providing strong and equal welfare throughout the City, A green, fossil-free Stockholm that leads the way in a fair climate transition, and A Stockholm with stable, sustainable finances that offers education, jobs and housing for all. The orientation goals are supported by 16 underlying operational area goals that concretise the orientation goals for the different operations carried out in the City. The orientation goals extend over one term of office and the operational area goals for the same length of time, or at least over several years.

14 of the operational area goals have indicators with specified annual goals. The annual goals for the indicators indicate the level to be achieved during the year. For individual-based indicators, outcomes are reported broken down by gender where this is available. For other indicators, only total outcomes are reported.

The assessment of attainment of the City Council's operational area goals is based on a balancing of the goal's indicators and activities, the councils and committees' assessments and analyses, and other material information concerning the operational area. An assessment is made of whether each goal has been met in full, in part or not at all. If there is full goal attainment, developments are assessed to be going in the right direction, with partial goal attainment, developments are assessed to be going partly in the right direction, and if there is no goal attainment, developments are primarily assessed to be going in the wrong direction.

A Stockholm that stands united, providing strong and equal welfare throughout the City



Stockholm shall have a welfare system that provides every Stockholmer with the best conditions to feel safe and develop in everyday life. Preschools and schools shall have the best conditions to enable each child to acquire knowledge and grow as a person. Children have the right to adults who have the opportunity to see each child. Social initiatives shall provide the conditions for a good, independent life, even when life is at its most fragile. Older people shall be able to have a high quality of life, good health and live an independent life, and shall always be able to feel secure in

the knowledge that they will receive the assistance and the health and social care that they need. Stockholm shall be a city that stands united.

The overall assessment is that this orientation goal was met in full during the year. This assessment is based on the fact that out of a total of five underlying goals, four were met in full and one in part.

All children and young people shall be given an opportunity for an equal upbringing and safety, as well as a rich leisure time

Stockholm shall be a city where all children and young people are given the opportunity to develop according to their own circumstances. Children and young people shall have access to meaningful leisure activities, regardless of gender, socio-economic conditions, disability or in which part of the City they live. Meaningful leisure time promotes not only long-term health, but also learning and social skills. The City's open leisure activities are part of work to create a sense of security, and should provide meeting places with present and safe adult role models.

The goal for the operational area is considered to be met in full in 2023, for the reasons set out below. 23 out of 25 of the councils and committees report that the City Council's goal for the operational area was met in full, and two that the goal was met in part. Stockholms Stadshus AB reports that the goal was met in full by the companies concerned in the Group. Councils, committees and executive boards have carried out the activities they had undertaken to perform in their operational plans. As there are no indicators for the operational area goal, the assessment of goal attainment is based on the councils' and committees' assessment of goal attainment and on the work carried out during the year.

Meaningful leisure time for all children and young people

Several of the City's committees are working to ensure that all children and young people are offered meaningful leisure time, have access to meaningful leisure activities and are able to take part in sports, exercise and outdoor activities under equal conditions, regardless of gender, socioeconomic background, disability or in which part of the City they live. The City therefore works with both broad-based initiatives and targeted initiatives in socioeconomically weaker areas. Kulturskolan continued its work to ensure that more children and young people have the opportunity to take part in their activities. To increase awareness of and interest in Kulturskolan's activities in underrepresented areas, free activities were offered during holidays and weekends. Through collaboration between the City, sports clubs and other actors in civil society, teenage girls in Järva and the southern suburbs were given broader access to sports activities.

Work continued during the year to offer meaningful leisure time for children and young people with intellectual disabilities. In collaboration with the Fritid för alla (*Leisure for All*) network, which aims to develop leisure activities for children and young people with disabilities, the City's youth recreation centres have organised activities including summer festivals and special discos.

In 2023, the City Council adopted the City of Stockholm's strategy for park playgrounds with organised activities. The strategy is intended to contribute to a more strategic management of

these park playgrounds by clarifying the division of responsibilities between various key actors and highlighting a number of areas on which the City should focus on in order to develop the operation. To provide the conditions for a good operation, renovation and maintenance of park playgrounds continued during the year.

Free-of-charge holiday activities

Through a special initiative, SEK 11 million was distributed during the year to the city district councils to offer children and young people free summer holiday activities. This initiative paid for day camps and excursions, and made it possible to extend opening hours at recreation centres and leisure equipment libraries.

Attendance records at summer camps

In 2023, a record number of children and young people aged 7-15 attended summer camps organised by the City, just over 6,500. 62% of these were girls, a proportion that continues to increase in relation to previous years. The proportion of children who attend summer camps from different city district council areas remains unequal, and work to attract more applications, primarily from the city district council areas of Järva and Skärholmen, is a priority. To reach underrepresented groups, the guidelines on the City of Stockholm's summer camps adopted by the City Council during the year are important, as they clarify issues such as how the places at camps to which the City has access should be distributed. In addition to the summer camp activities, day camps and weekend camps have also been organised to reach underrepresented groups.

Children's rights

Work to enhance children's rights continued during the year, by such means as implementing the Convention on the Rights of the Child and the children's rights perspective in the development process. The City's children's rights network met continuously during 2023. These network meetings produced results including an inventory of the challenges faced by the City in implementing the Convention on the Rights of the Child.

All children shall be given an equal opportunity for development and learning at preschool and school

A good start in life starts at preschool, with a focus on learning, play and movement. Preschool's educational activities and mission to prepare for school shall provide good opportunities for more people to complete their schooling and reduce the risk of exclusion. In Stockholm, all children, regardless of background and in which part of the City they live, shall be given equal chances in life and opportunities to achieve the learning goals at school. The City shall therefore prioritise initiatives that improve pupils' learning outcomes and prevent segregation at school.

The goal for this operational area is considered to be met in part in 2023, for the reasons set out below. The annual goal for four out of eight of the City Council's indicators was met in full, and four in part. 21 out of 24 of the councils and committees report that the City Council's goal for the operational area was met in full, and three that the goal was met in part. Stockholms Stadshuset AB reports that the goal was met in full by the companies concerned in the Group. Councils, committees and executive boards have largely carried out the activities they had undertaken to perform in their operational plans.

Preschool

The view of the City Executive Office is that the goal for this operational area was met in full. This assessment is based primarily on the city district councils' and the Preschool Committee's assessment of goal attainment and on the outcomes for the City Council's indicators. The goal was met in full for three of the City Council's indicators, and in part for one.

The goals *Proportion of licensed preschool teachers out of the total number of employees (full-time equivalent employees)*, *Number of preschool children per employee (full-time equivalent employees)* and *Preschool teacher-pupil ratio* were achieved for the City as a whole. The difference between the number of female and male preschool teachers remains very large and reflects the proportion of male and female applicants for preschool teacher training programmes nationwide.

Language development and systematic quality work

During the year, the City designated enhanced language development as a focus area for preschool operations. Prioritised, proactive linguistic language development work was undertaken, with structures developed and clarified. A long-term, evaluative approach pervaded the assignment, which contributed to the identification of additional needs for development initiatives. These included employees in the City attending a course on pedagogical relations, and employees at both municipal and independent providers were offered training courses in multilingualism.

The preschool operation's internal and external collaborations have been developed, and broader dialogues are being initiated

in which additional steps have been taken towards an equal preschool and a consensus on quality. The City District Council of Järva collaborated with *Stockholm University* in a research project on the Swedish vocabulary and language development of the youngest children at preschool. An early analysis of the project highlights the importance of clear organisation and structures as a precondition for preschool education. The council also worked to create equal structural conditions, in which school leadership and educational leadership have been enhanced.

Inspection of independent operations

During the year, the Preschool Committee examined independent operations in the exercising of its authority through planned and initiated inspections. A small number of cases arising from the inspections revealed deficiencies, and one operator had its licence revoked during the year. In the inspection process, the council collaborated with other government agencies on issues such as religious elements and welfare crime.

Registration level and number of children

Preschool plays a major compensatory role, and the City has continued its work to increase the registration level. In the most recent survey, the registration level was 94.4%, compared to 94.2% in the previous survey. The effects of previous initiatives were followed up and evaluated during the year through measures including City-wide seminars for the development of the City's outreach work. During the year, the City District Council of Skärholmen increased its communication initiatives and its presence at open preschools, in social media and through parental training courses.

The number of children of preschool age and the number of children registered at preschool continued to fall in 2023, creating a more challenging situation for preschool operations. A fall in the number of children is evident in both municipal and independent providers.

Average number of registered children per year in preschool operations, including educational care

Provider	2019	2020	2021	2022	2023
Municipal providers	32,922	32,424	31,137	30,270	29,912
Independent providers	20,055	19,815	19,344	19,151	18,916
Total	52,977	52,239	50,481	49,422	48,828

Compulsory school and compulsory school for pupils with intellectual disabilities, leisure-time centres, leisure-time clubs, upper secondary school and upper secondary school for pupils with intellectual disabilities

The view of the City Executive Office is that the goal for this operational area was met in part, the same assessment as was made in tertiary report 2. This assessment is based primarily on the Education Committee's assessment of goal attainment and outcomes of the City Council's indicators. Of the City Council's four indicators for school operations, one was met in full, while three indicators were met in part. The three indicators that were met in part are:

- Proportion of students in year 6 who achieved a pass in all subjects
- Proportion of students in year 9 who achieved a pass in all subjects
- Proportion of students who qualified for national programmes, excluding new arrivals and students with an unknown background.

Apart from the average merit rating, there has been a downward trend for grades in year 6 since 2016. This year, however, the results did improve compared with 2022. The proportion of students who achieved the knowledge requirements in all subjects increased from 75.7% to 77.4%. The proportion of students who achieved passes in enough subjects to be eligible for upper secondary school also increased, as did the average merit rating.

Grades achieved in year 6 in the City of Stockholm's schools, all students

Grades/year	2019	2020	2021	2022	2023
Proportion qualified for vocational programmes	86.6	85.0	86.8	85.4	86.2
Proportion that achieved the knowledge requirements in all subjects	77.6	76.2	76.6	75.7	77.4
Average merit rating (17 subjects)	237	236	240	238	240

Results for boys improved slightly compared with the previous year. Even though results for girls were still slightly better than for boys, the gap between the genders has narrowed. The spread of results based on socioeconomic conditions has decreased slightly, and is back at similar levels as in 2021, following an increase in 2022. The table below shows how the proportion of students eligible for national programmes in year 6 varies based on the socioeconomic index.

Proportion of students eligible for national programme, year 6, socioeconomic index

	2019	2020	2021	2022	2023
Quartile 1 <i>lowest index</i>	94.2	94.5	94.2	94.7	94.4
Quartile 2	90.8	88.9	89.8	90.1	89.3
Quartile 3	82.3	78.6	81.0	79.9	80.5
Quartile 4 <i>highest index</i>	68.6	66.6	72.9	68.9	72.0

The grades for year 9 are on a par with the previous year, and have been stable in recent years. The proportion of students who pass all subjects has fallen slightly, while the proportion who are eligible for upper secondary school and the average merit rating are on a par with 2022.

Grades achieved in year 9 in the City of Stockholm's schools, all students

	2019	2020	2021	2022	2023
Proportion qualified for vocational programmes	87.4	87.8	88.4	88.1	88.1
Proportion that achieved the knowledge requirements in all subjects	80.5	79.8	79.5	80.2	79.4
Average merit rating (17 subjects)	250	250	248	249	248

The distribution of results between schools in year 9 based on the socioeconomic circumstances of students remains large, even though the differences have decreased slightly in recent years. The table below shows how the results vary based on socioeconomic conditions.

Socioeconomic index	Proportion qualified for vocational programmes			Proportion that achieved the knowledge requirements in all subjects			Average merit rating (17 subjects)		
	2021	2022	2023	2021	2022	2023	2021	2022	2023
Quartile 1 <i>lowest index</i>	95.6	96.0	96.1	90.9	92.2	91.0	271	274	271
Quartile 2	91.2	89.0	90.5	84.3	82.5	82.2	255	254	253
Quartile 3	83.2	85.1	80.8	71.4	74.8	71.6	233	236	228
Quartile 4 <i>highest index</i>	76.1	75.7	77.0	58.0	60.8	61.6	210	213	214

The proportion of pupils who achieved the knowledge requirements in all subjects and the average merit rating fell slightly in quartiles 1, 2 and 3, while the figures improved in quartile 4. The proportion eligible for vocational programmes in quartile 4 increased slightly, while the proportion in quartile 3 decreased. The downturn in quartile 3 is partly explained by the fact that some schools that were included in quartile 3 in 2022 are now included in quartile 2. In a comparison between the years for the same schools that were included in quartile 3 in 2022, the decrease is 1.8 percentage points.

In year 9, there are still small differences between the results for girls and boys, in favour of girls, except for the average merit rating, where girls have significantly better results. Since 2022, there have been no differences between girls and boys in terms of eligibility for vocational programmes in quartile 4. Previously, girls periodically had a higher result than boys in this quartile.

Work to improve the knowledge development of students in the Järva area continued during the year. The proportion of students eligible for vocational programmes in year 9 increased in three out of six schools in Järva, while other schools have similar or slightly worse results compared with 2022. Goal attainment in year 6 shows a positive trend in six out of twelve schools in Järva.

At upper secondary school, the results are on a par with recent years, as shown in the table below.

Grade results in upper secondary school

Grades/year	2021	2022	2023
Proportion of students with a diploma	89	88	89
Average grade	15.9	16.1	16.1
Proportion of students with a pass in all courses	81	80	81

Of students from programmes in preparation for higher education, 89% received a diploma, representing an improvement of one percentage point compared with the previous year. In vocational programmes, 73% achieved the requirements for a degree, an improvement of six percentage points.

Indicators

Indicator	Annual goal	Total outcome	Outcome women	Outcome men	Goal attainment	Comments
Proportion of licensed preschool teachers out of total number of employees (full-time equivalent employees)	33%	35.9%	34.1%	1.8%	Full	The outcome was poorer compared with the report for 2022, when the proportion was 37.1%. All city district councils met the City Council goal. The disparity between female and male preschool teachers remains large, and is on par with previous years.
Number of children per group	15	15.4	-	-	Partial	The outcome improved compared with the report for 2022, when the number was 15.6. Three out of eleven city district councils met the City Council goal.
Number of preschool children per employee (full-time equivalent employee)	4.9	4.9	-	-	Full	The outcome improved compared with the report for 2022, when the number was 5.0. Six out of eleven city district councils met the City Council goal.
Preschool teacher-pupil ratio	15.5	15.2	-	-	Full	There is no outcome for the corresponding period in 2022, as this indicator is new for 2023. Four out of eleven city district councils met the City Council goal.
Proportion of students in year 6 who achieved a pass in all subjects	80%	77.4%	78%	76.7%	Partial	The outcome improved compared with 2022, when the outcome was 75.7%. Results for boys improved by 2.6 percentage points.
Proportion of students in year 9 who achieved a pass in all subjects	82%	79.4%	79.7%	79.1%	Partial	The outcome was poorer compared with 2022, when the outcome was 80.2%.
Proportion of students who qualified for national programmes, excluding new arrivals and students with an unknown background.	95%	91.1%	91.5%	90.8%	Partial	The outcome was poorer compared with 2022, when the outcome was 91.7%.
Percentage of upper secondary school students who completed their education in national programmes within three years with an upper secondary school diploma	83%	84%	-	-	Full	The outcome improved compared with 2022, when the outcome was 83.2%. The Swedish National Agency for Education only reports the outcome in total, not separately for boys and girls.

The City of Stockholm shall provide support and care where the needs are greatest

All Stockholmers shall receive the initiatives and support they need, in whichever part of the City they live. There shall be greater trust in the social services and the focus shall be on preventive work and early interventions. Equality in living conditions and full participation in society are promoted through systematic work to improve accessibility for people with disabilities.

The goal for the operational area is considered to be met in full in 2023, for the reasons set out below. The annual goals for four out of five of the City Council's indicators were met in full, and one was met in part. 26 out of 27 of the councils and committees report that the City Council's goal for the operational area was met in full, and one that the goal was met in part. Stockholms Stadshus AB reports that the goal was met in full by the companies concerned in the Group. Councils and committees and executive boards have largely carried out the activities they had undertaken to perform in their operational plans.

Collaboration and early interventions for children and young people

The City continues to strengthen collaboration between social services, preschools, schools, leisure activities and the police, with a focus on early interventions, and on preventive and outreach social work. The aim is to reach more children and families at risk, and to identify and provide children and pupils/students in need with the right interventions at an early stage. Many councils and committees feel that collaboration with the police has improved, contact channels have been shortened and there is a better understanding of each other's tasks. During the year, the City worked on an implementation of the knowledge support initiative *Efforts to combat continued anti-social behaviour*, which is recommended for children aged 6-17.

Despite the fact that efforts have been made within the City's councils and committees to improve the school results of children placed in care, the outcome for the indicator *Proportion of school-age children who achieve the goals in the core subjects at compulsory school* was significantly poorer compared with 2022. One explanation for this deterioration may be that in the 2023 budget, it was clarified that the indicator should not only include children placed in foster care, but also children placed in institutions, who are often older and have more wide-ranging problems. The number of children placed in care also increased during the year, and in some cases these children did not have effective schooling before their placement. In the outcome for this indicator, the difference between the genders is clear, with results for girls being better than for boys.

Preparations ahead of new Social Services Act

Work on the transition to a new Social Services Act has been ongoing during the year, and a proposed project organisation was prepared. The Social Services Committee coordinated work on a joint model for frontline and second-line social services, with the possibility of variations based on local needs. One major focus is lowered thresholds and more knowledge-based interventions in the area of early and preventive support. It is key in the field of outpatient care to have knowledge and development, both in terms of interventions without a decision on assistance and more intensive interventions assessed for assistance.

Work to combat domestic violence

Work has continued using the Iceland Model, a collaborative project between social services and the police that aims to ensure that children and adults who have witnessed or been subjected to violence receive adequate support and protection more quickly. In some city district councils, the Iceland Model has also made the transition from project to implementation in regular operations.

Accessibility and participation for disabled people

During the year, the City's work for people with physical and mental disabilities focused on issues such as increasing participation, reducing the proportion of people who feel discriminated against and implementing the Pedagogical Framework, and also on health-promoting initiatives. People living in so-called LSS housing (housing for persons with certain functional impairments) have also been offered free passes for gyms and swimming pools. A series of webinars entitled Health and Physical Activity has been offered to managers and leisure officers in LSS housing, and the City District Council of Enskede-Årsta-Vantör launched a health concept entitled Health Meetings within LSS group and sheltered housing. The outcome of the user survey in support and service for people with disabilities reflects a marginal difference between men and women, although men are slightly more satisfied than women in all areas. A revision of the City's Programme for Accessibility and Participation for Persons with Disabilities 2018-2023 was carried out during the year.

Indicators

Indicator	Annual goal	Total outcome	Outcome women	Outcome men	Goal attainment	Comments
Proportion of children and young people who once more become the subject of an application after completion of an investigation	24%	23.1%	23.5%	22.8%	Full	Seven city district councils achieved the indicator's goal in full and three in part (Farsta, Hägersten-Älvsjö and Skärholmen), and one city district council did not achieve the indicator's goal (Södermalm)
Proportion of children of school age placed in care who meet the goals of the core subjects at compulsory school	75%	64.0%	68.2%	59.6%	Partial	Two city district councils achieved the indicator's goal in full (Bromma and Kungsholmen), four in part (Hägersten-Älvsjö, Hässelby-Vällingby, Skarpnäck and Södermalm) and five city district councils did not achieve the indicator's goal (Enskede-Årsta-Vantör, Farsta, Järva, Northern Inner City and Skärholmen)
Proportion of people with disabilities who feel that they can influence how the initiative is structured	79%	82%	81%	82%	Full	Ten city district councils achieved the indicator's goal in full and one in part (Skarpnäck)
Proportion of people with disabilities who feel that they are well-treated by the City's staff	90%	90%	90%	91%	Full	Six city district councils achieved the indicator's goal in full and five in part (Enskede-Årsta-Vantör, Farsta, Kungsholmen, Skärholmen and Södermalm).
Proportion of users who are satisfied with their initiative – Disability	80%	86%	85%	88%	Full	All city district councils achieved the indicator's goal.

Stockholm shall be a good city to grow old in – with good care and excellent public safety

Stockholm shall be an elderly-friendly city. The City's elderly shall be confident that their voices are being heard in all aspects relating to their living conditions. Elderly care shall be equal, accessible and consistent. All elderly people have the right to safe housing designed according to their needs, and an everyday life with a high quality of life, good health and good conditions to live an independent life for as long as possible, regardless of functional ability and city district.

The goal for the operational area is considered to be met in full in 2023, for the reasons set out below. The annual goal for one out of seven of the City Council's indicators was met in full, and six in part. 22 out of 25 of the councils and committees report that the City Council's goal for the operational area was met in full, and three that the goal was met in part. Stockholms Stadshus AB reports that the goal was met in full by the companies concerned in the Group. Councils, committees and executive boards have carried out the activities they had undertaken to perform in their operational plans.

An elderly-friendly city

The City has continued to develop its work based on the action plan for an elderly-friendly city's pilot areas. The pilot areas encompass housing, urban environment and natural areas, welfare technology, data and communication, as well as enhanced physical, mental and social health.

One example that was implemented during the year is the information campaign *Hi there, 65-and-overs - we hope you're doing well and don't need us*. One of the aims of the campaign was to raise awareness of where to turn if you need elderly care. Work on keyless home care also continued, and the service is up and running in more and more parts of the City, such as home care units, property owners and the elderly. The purpose of keyless home care is to achieve safer key management, increased flexibility and a faster response to alarms. With the support of civil society, the City has also developed a zero vision for homelessness among the elderly.

Follow-up on quality at individual level indicates good results

The follow-up on quality that is carried out at individual level indicates good results and high-quality care for the elderly. The purpose of follow-up on quality at individual level, within the framework of the City's monitoring model, is to follow up on the quality of results, and to ensure that the needs of individuals are being met and that the approved interventions are being implemented to a high level of quality.

Good, close care

The City works continuously to develop the quality of its care services for the elderly. The transition to Good, close care has continued, and the City has held several information meetings with both private and municipal clients and providers. The City's collaboration with Region Stockholm and the municipalities in the country has been intensified in order to, among other things, develop a county-wide action plan.

Equal care for the elderly

In 2023, it was possible to produce outcomes for women and men for six of the goal's seven indicators. What can be seen from a gender equality perspective is that there are largely marginal differences between how women and men perceive their elderly care. The indicator *Proportion of elderly people who know where to turn to apply for aid initiatives*, on the other hand, shows that the experiences of women are far more positive than those of men. To continue to enhance gender equality, the City has worked to develop activities at open operations and meeting places with the aim of reaching out to more men. The City's elderly care initiatives have also been based on the individual needs of the elderly, with health and social care focused on the individual.

Indicators

Indicator	Annual goal	Total outcome	Outcome women	Outcome men	Goal attainment	Comments
Proportion of care recipients who perceive that they can influence how help is provided within the home care service	87%	84%	84%	84%	Partial	There was not sufficient participation among the elderly in the implementation plan. Low response rates may have affected the result.
Proportion of care recipients who perceive that they can influence how help is provided in care homes and nursing homes	79%	77%	77%	76%	Partial	There was not sufficient participation among the elderly in the implementation plan. Low response rates may have affected the result.
Proportion of older people who know where to turn to apply for aid initiatives	65%	60%	67%	49%	Partial	A total of 900 people participated in this survey, which is a small sample of all the City's elderly people. The City's strategic communication planning, by contrast, needs to continue to be strengthened in order to reach out with information to the target group.
Proportion of satisfied care recipients in day care activities	93%	94%	94%	93%	Full	
Proportion of satisfied care recipients in home care service	86%	83%	83%	83%	Partial	Low response rates may have affected the result. Furthermore, there has not been sufficient staff continuity. The proportion who state that they are fairly or very dissatisfied increases slightly if only one relative has responded to the survey. The City needs to enhance visibility through information material, work with family support, and increase participation in implementation plans.
Proportion of satisfied care recipients in care homes and nursing homes	82%	77%	77%	77%	Partial	Many factors affect overall satisfaction: meal situation, opportunity to spend time outdoors and being able to influence the structure of the aid received. A large proportion of those who respond to the user survey are relatives. The City needs to enhance visibility through information material, work with family support, increase participation in implementation plans and boost collaboration between the various professions.
Number of people that a home care recipient with at least two visits a day meets over a 14 day period	Max. 10	11.7	-	-	Partial	The outcome can be attributed to the fact that scheduling was not sufficient and there was too great a need to use hourly-paid staff.

All Stockholmers shall have access to a rich offering of cultural, sporting and association activities

Stockholmers shall have more access to culture and the City's cultural activities shall be enhanced. Through the Kulturskolan programme, all children and young people shall be able to create and access professional culture themselves. Sport and exercise shall be accessible to all, with good access to sports halls, spontaneous sports areas and outdoor activities. Associations shall grow through accessible meeting places and community centres.

The goal for the operational area is considered to be met in full in 2023, for the reasons set out below. The annual goals were met in full for three out of five of the City Council's indicators, one in part and one was not met. 23 out of 26 of the councils and committees report that the City Council's goal for the operational area was met in full, and three that the goal was met in part. Stockholms Stadshus AB reports that the goal was met in full by the companies concerned in the Group. Councils, committees and executive boards have largely carried out the activities they had undertaken to perform in their operational plans. The Sports Committee and the Culture Committee report that the goal was met in full, and their assessments carry a lot of weight for this goal.

Independent culture is back

Independent culture is back with full force after the years of the pandemic, once more filling its venues and stages with programmes. The major cultural actors in the performing arts are also providing space for programmes from temporary artistic constellations, with an offering that is broad and maintains a high level of artistic quality. In the field of the performing arts, the area of music has been enhanced with plenty of venues and performances. The budget providing support for artistic production and cultural events, support for self-creation, participation and popular education, as well as cultural establishment and development, has been allocated. In 2023, multi-year support was given to 23 actors, compared with 19 actors in 2022.

High participation at Kulturskolan

Kulturskolan has continued its work to ensure that more children and young people are made aware of the operation, and to give young people equal opportunities access Kulturskolan's activities, with a particular focus on underrepresented areas. In the open and free-of-charge activities within the Culture for All project, Kulturskolan has seen increased participation in underrepresented areas and target groups. During the year, Kulturskolan's unit in Järva started up in new premises in Rinkeby, with an adapted environment and technology for activities including film, game creation and music production, with the main goal being to reach out to more children and young people in the area.

City's libraries see high visitor numbers

3,900,703 loans were issued during the year, which means that Stockholm City Library and Kulturhuset Stadsteatern's library issued around four loans per inhabitant between them. Of these loans, 66% were made by women. Compared with 2022, loans increased by just over 94,000. Stockholm City Library continues to develop the relationship with preschools, by such means as special opening hours for preschools with programmes and activities. In 2023, libraries welcomed 44,890 children in connection with preschool visits, compared with 31,672 visits in 2022.

Equal opportunity and gender equal cultural, sports and leisure activities

The distribution of cultural funding to individuals has been allocated with a conscious gender equality perspective. On International Women's Day, Stockholm City Library highlighted gender equality issues in public activities. For the indicators below the goal, differences in outcomes between men and women continued to increase compared with the previous year.

To broaden the range of sports activities and strive to achieve more equal use of the City's spontaneous sports areas, the Sports Committee works with leader-led activities and site activation in the areas, in accordance with *the Strategy for a more inclusive and equal use of the City's spontaneous sports areas*. The City works with activities for an inclusive and equal use of spontaneous sports areas, with a particular focus on increasing the offering for teenage girls in various areas, including Järva and the southern suburbs.

New sports facilities in the growing City

During the year, *The need for and planned sports facilities 2023-2040* was drawn up, based on the needs identified in the *Strategy for sports facilities 2022-2026*. This issue, which is linked to the municipality-wide premises provision plan, describes the needs for facilities as well as the status and renovation needs of the City's indoor and outdoor swimming pools.

Indicators

Indicator	Annual goal	Total outcome	Outcome women	Outcome men	Goal attainment	Comments
Proportion of children and young people participating in sports activities in their leisure time	75%	86%	83%	89%	Full	
Proportion of children and young people participating in cultural activities in their leisure time	77%	56%	57%	56%	Not achieved	This indicator is new for 2023. The results refer to responses from students in years 5 and 8 at compulsory school. In these age groups, awareness of what a cultural activity is can vary, in contrast to the question of sports activity. The goal is an ambitious one, the outcome is considered to be a high figure.
Proportion of children and young people who are satisfied with access to sports activities	76%	77%	76%	78%	Full	
Proportion of children and young people who are satisfied with access to cultural activities in their leisure time	78%	78%	81%	76%	Full	
Proportion of young people participating in associations	66%	63%	59%	67%	Partial	The results refer to responses from students in years 5 and 8 at compulsory school. The outcome has improved compared with 2022 and is approaching the annual goal.

A green, fossil-free Stockholm that leads the way in a fair climate transition



Stockholm shall be a world leader in reducing its emissions and a role model for others in work on the climate transition. Stockholm shall lead the transition and shift to new, green jobs and sustainable ways of living. The City of Stockholm shall be climate-positive by 2030. This shall be achieved through both carbon-reducing measures and carbon storage. To achieve this goal, the City's environmental programme, climate action plan and climate budget shall be updated.

The overall assessment is that this orientation goal was met in full during the year. This assessment is based on the fact that out of a total of four underlying goals, three were met in full and one in part.

Stockholm shall be climate positive – through reduced emissions and increased carbon storage

Cities have an important role to play in work on the transition, and Stockholm shall be a world leader in reducing its emissions and being a role model for others. Stockholm aims to make the transition to a circular society and be climate-positive by 2030 and fossil fuel-free by 2040. The City's energy consumption shall be reduced and the City shall contribute to increased local and regional electricity production.

The goal for the operational area is considered to be met in full in 2023, for the reasons set out below. For three out of nine of the City Council's indicators, the annual goal was met in full, four in part, one was not met and no measurement was made for one indicator in 2023. 24 out of 28 of the councils and committees report that the City Council's goal for the operational area was met in full, and four that the goal was met in part. Stockholms Stadshus AB reports that the goal was met in part by the companies concerned in the Group. Councils, committees and executive boards have largely carried out the activities they had undertaken to perform in their operational plans.

The City's climate budget – a tool for reduced emissions

The City's climate budget for 2023 consists of emission targets for designated councils, committees and executive boards. The target is expressed as a reduction in greenhouse gases (tonnes of CO₂ per year) for the period 2020-2023. Of the 17 councils, committees and executive boards that have been set a target, eleven report that the target can be met, three that it can be met in part and three that it cannot be met by 2023. The City's overall target is to reduce annual emissions by 454,000 tonnes of CO₂ by 2023. Many councils, committees and executive boards report that their contribution to the overall target will not be met, which means that the City's overall target is believed to have been met in part. The final outcomes will be reported in 2024.

	Target for 2023 (tonnes of CO ₂)	Preliminary goal assessment*
AB Stockholmshem	2,300	Full
AB Svenska Bostäder	2,600	Not achieved
Development Committee	16,500	Full
Real Estate Committee	829	Full
Familjebostäder AB	1,800	Full
Sports Committee	300	Full
City Executive Board	221,400	Partial
Cemeteries Committee	31	Full
Micasa Fastigheter i Stockholm AB	1,315	Full
Environment and Health Committee	48,372	Full
Service Committee	4,000	Not achieved
Skolfastigheter i Stockholm AB (SISAB)	2,327	Not achieved
City Planning Committee	3,000	Full
Stockholm Vatten och Avfall AB	13,126	Partial
Stockholms Hamn AB	8,000	Full
Stockholms Stadshus AB	118,100	Full
Traffic Committee	10,000	Partial
Total	454,000	Partial

**Follow-up on the climate budget is preliminary. There will be a definitive follow-up on the climate budget in connection with follow-up on the environmental programme for 2023.*

During the year, the City continued its efforts to reduce energy consumption through measures to improve energy efficiency and the phasing out of remaining oil-fired boilers. The City's own plants for electricity and heat production based on solar energy have been expanded, and generated just over 7,000 MWh in 2023.

Stockholm a leader in the EU's transition

The City's ambitious environmental and climate goals need to be achieved in close collaboration with the world at large and through technological development. The City is one of 100 cities participating in the EU Mission for Climate-Neutral and Smart Cities in 2030. During the year, the climate contract was approved by the EU, and the City has received a so-called Mission Label, which provides for extended financial and methodological support to accelerate the climate transition.

The City's adaptation to a changing climate

Work has continued based on *The City of Stockholm's action plan for climate adaptation*, with the aim of mitigating negative effects linked to heavy rainfall and heatwaves. The City's heavy rainfall function has been strengthened, and a special level of preparedness has been established based on identified risks.

A green, fossil-free Stockholm that leads the way in a fair climate transition

Work was undertaken during the year to draw up a new environmental programme and a new climate action plan. The aim of this revision is to adopt a broader approach than before, in order to respond to the more ambitious climate goals, particularly in the areas of climate justice and reduced climate impact from consumption.

Indicators

Indicator	Annual goal	Total outcome	Goal attainment	Comments
Proportion of collection points that offer the possibility of food waste collection	100%	85%	Partial	There is uncertainty in the outcome, and the method for calculating the outcome needs to be reviewed. Not all collection points that have food waste collection are included in SVOA's statistics.
Proportion of food waste sent for biological treatment	75%	42.1%	Not achieved	The volume of food waste collected has increased compared with 2022. The method for measuring the volume of available food waste has been adjusted for 2023, in order to provide a more accurate reporting of outcome compared with previous years. Increased goal attainment is expected when the food waste collection facility in Högdalen is taken into use.
Electricity and heat production based on solar energy	6,080 MWh	7,094 MWh	Full	
Climate impact of procured food and meals	1.6 kg CO ₂ e per kg of food	1.8 kg	Partial	All councils and committees achieved a reduction compared with the previous year, but the annual goal is still not being met.
Energy purchased in the City's operations	1,945 GWh	1,759 GWh	Full	
Plastic for energy recovery	11 kg/inhabitant per year	-	-	Random analyses are conducted only every other year. The result for 2022 was 32 kg per inhabitant per year.
Relative energy efficiency improvement in the City's operations	5% efficiency improvement relative to 2018	10.0%	Full	
Emissions from the City of Stockholm's business travel by air	960 tonnes CO ₂	1,062 tonnes CO ₂	Partial	The goal was met in part. The reason why emissions increased compared with previous years is that the pandemic is no longer restricting business travel by air. A new meeting policy for the City is being prepared, which will support the City's work to promote sustainable transport alternatives.
Emissions per inhabitant	1.5 tonnes CO ₂ e/inh.	Prel. 1.6 tonnes CO ₂ e/inh.	Partial	During the spring, emissions for 2022 and preliminary emissions for 2023 were estimated. The outcome is therefore based on preliminary calculations from 2022. The goal may be achieved, but there are uncertainties, as the calculations are preliminary and based on a large number of statistical parameters that may change, such as traffic performance, the proportion of renewable energy in vehicle fuels and changes in Nordic electricity production, etc.

Stockholm shall be a city where biodiversity increases

Work to strengthen urban nature, biodiversity and green infrastructure shall be intensified and more nature shall be protected for the Stockholmers of today and tomorrow. The action plan for climate change adaptation shall be implemented, with a focus on heavy rainfall and heatwaves, and tree canopy cover shall increase.

The goal for the operational area is considered to be met in full in 2023, for the reasons set out below. The annual goals for one out of two of the City Council's indicators were met in full, and one was not met. 24 out of 24 of the councils and committees report that the City Council's goal for the operational area was met in full. Stockholms Stadshus AB reports that the goal was met in full by the companies concerned in the Group. Councils, committees and executive boards have largely carried out the activities they had undertaken to perform in their operational plans.

Proposed biodiversity measures for each city district

The City's green areas offers a variety of environments where different species thrive. These include, for example, vast coniferous forests, wetlands and ponds, meadows and giant oaks. The City has produced district-by-district proposed biodiversity measures (SÅF), in which appropriate measures to enhance biodiversity have been identified at ecologically strategic locations in the landscape. They describe measures to promote habitats and opportunities for dispersal. The fifth and final district-by-district proposal was adopted in 2023.

Nature reserves and biotope protection areas

During the year, the City continued its work on proposals to create nature reserves for Kyrkhamn/Riddersvik. Background analyses, inventories, order documentation for maintenance plans and decision documents have been completed. Investigations continued into the conditions for nature reserves in Ålstensskogen/Storskogen and Fagersjöskogen. A project directive for work

on an investigation into the potential creation of a reserve in Majroskogen was confirmed during the year. Work also began on establishing five new biotope protection areas and investigating an additional five.

The Greener Stockholm initiative

Greener Stockholm is an initiative within the City of Stockholm that aims to develop the City's green values. During the year, projects were planned with a focus on green connections, biodiversity, problems with heavy rainfall, heat islands, multifunctional areas and problems relating to public safety. A public safety perspective in the City's green areas is, among other things, a precondition for everyone, regardless of gender, to have the same opportunities to make use of these areas. Women adapt their behaviour based on experiences of feeling unsafe to a greater extent than men, which means that green areas need to be planned so that they do not constitute barriers due to concerns about public safety.

Projects to enhance biodiversity

During the year, the City completed several projects aimed at enhancing biodiversity. One example is *Kajbalkongen (The Quay-side Balcony)* at Söder Mälarstrand. This is a floating platform with a focus on fisheries conservation, where visitors can get closer to the surface of the water and learn more about the species that benefit from the bundles of brushwood and underwater vegetation that the platform offers. Another example is the *Skolgård-sutveckling (Schoolyard Development)* project, which focuses on replacing hardened surfaces with greener environments in the City's schoolyards. A decision was made during the year that ten schoolyards will be rebuilt within the framework of this project. The EU project *Coordination of protective hunting of cormorants and seal protection measures in the Stockholm archipelago* was launched during the year. This project is based on building up a network and coordinating measures for efficient wildlife management to protect vulnerable predatory fish in spawning grounds.

Indicators

Indicator	Annual goal	Total outcome	Goal attainment	Comments
Proportion of individual development projects where ecological compensation measures are implemented in connection with the use of land in areas with ecological values	100%	50%	Not achieved	Of the final reports issued this year from projects, 14 have involved land with ecological values. Of these, a total of seven projects implemented ecological compensation. Of the seven projects that did not implement compensation, five carried out renovation measures of parks of a more recreational nature. In one project, it was not possible to implement green compensation for financial reasons, due to an increase in the cost of moving an electricity substation. One project involved a land allocation with an addition of 1,000 sq.m. for a preschool yard, where ecological compensation was not considered reasonable.
Proportion of annual land allocations for the City's land where the green space factor for district land is a requirement	100%	100%	Full	

Stockholm shall be a city where accessibility increases and emissions decrease

Accessibility shall be prioritised for high-capacity modes of transport. Carbon dioxide emissions from the transport sector shall be reduced through the electrification of the vehicle fleet, reduced road traffic, increased blending of biofuels in fuels and a transport-efficient society. The charging infrastructure shall be expanded throughout the City. Road safety shall be increased. Winter road maintenance shall be improved.

The goal for the operational area is considered to be met in full in 2023, for the reasons set out below. For four out of four of the City Council's indicators, the annual goal was met in part. 26 out of 27 of the councils and committees report that the City Council's goal for the operational area was met in full, and one that the goal was met in part. Stockholms Stadshus AB reports that the goal was met in full by the companies concerned in the Group. Councils, committees and executive boards have largely carried out the activities they had undertaken to perform in their operational plans.

Reduced climate emissions from the transport sector

In order to promote the transition to an electrified vehicle fleet, the expansion of charging infrastructure has continued. Alongside the City's streets, free land use agreements are being offered for the installation of charging points, and the City is installing charging stations in its own car parking facilities. In total, there are now 5,800 public charging stations.

Stockholms Hamn AB is the first port in Sweden to build an electricity connection for cruise ships. Together with Copenhagen/Malmö, Aarhus and Helsinki, the City has been awarded grants from the EU to invest in onshore electricity supply. When the project has been completed, the reduction in greenhouse gas emissions will be at least 6,000 tonnes per year.

Reduced road traffic creates good accessibility

During the year, the City has launched an initiative worth SEK 2 billion to improve accessibility for cycling, walking and public transport. Among other things, Surbrunnsgatan has been converted to create Stockholm's first cycling street.

Compared with the previous year, a number of indicators and key figures linked to accessibility in traffic have progressed in a positive direction. These include a reduction in total road traffic, an increase in the average speed of buses in the inner city, and an increase in the number of cyclists.

The trend of fewer and fewer heavy-duty trucks in the inner city continued, and the conditions for a continued reduction have improved through the further development of the City's mass logistics centre at Stockholm Royal Seaport. A wet screening facility has been established, which increases the reuse of excavated material from 35% up to 80%. The local circular handling process helps reduce the need for transport operations with heavy-duty trucks. An action plan for handling excavated materials has been developed by the relevant councils, committees and executive boards, which means, among other things, that the transportation of such materials should take place with as little impact on climate and the environment as possible.

In April, parking fees were increased in the central parts of the City. This is believed to have contributed to the proportion of vacant parking spaces increasing from 11.3% to 12.6%.

The City is growing and changing

In its long-term community planning, the City is participating in the development of the transport infrastructure at regional level, partly regarding the ongoing expansion of the underground to Barkarby and Nacka, partly in the planning of the projects Spårväg Syd, Fridhemsplan-Älvsjö underground and the Roslagsbanan line's extension to the city centre.

Changes are also taking place in existing urban environment. Alongside the reinforcement of Kungsgatan's foundations, work will also be carried out to make the street more pleasant and accessible, in order to optimise people's experience. The project is being carried out with a starting date of 1 March 2023, and is expected to be completed in the summer of 2025.

Pilot project for increased road safety

During the year, principles and designs were developed for locations of car-free zones at schools. Three schools were selected in a pilot project called Play Streets; the Lofoten and Regnbågen preschools in Järva, the Björngårdsskolan primary school in Södermalm, and the Norra Ängby primary school in Bromma. With limited road traffic near to the schools, a safer and more secure route to school is possible, and more children will be able to walk or cycle to school.

The outcome for the indicator that measures the experience of road safety for pedestrians and cyclists showed a slight increase, from 65% to 66%. At present, men make up 59% of users in vehicle and cycle traffic, while women make up 58% on public transport.

Gender equality in the transport system is not about men's and women's behaviour being equal, but that everyone should have the same opportunities.

Indicators

Indicator	Annual goal	Total out-come	Goal attainment	Comments
Proportion of vacant parking spaces with charges in the inner city, daytime	15%	12.6%	Partial	An improvement of 1.3 percentage points compared with 2022. Measures have been taken for additional improvements, such as fewer parking spaces with resident parking in favour of visitor parking, and more flexible regulation of loading spaces so that they can be used as visitor parking at times when there is less need for loading spaces. Parking fees were increased in April 2023.
Average speed of mainline buses in the inner city	18.5 km/h	16.1 km/h	Partial	An improvement of 0.2 km/h compared with 2022. The outcome is preliminary.
Average speed of mainline buses in the suburbs	28.7 km/h	28.4 km/h	Partial	A deterioration of 0.2 km/h compared with 2022. The outcome is preliminary.
Greenhouse gas emissions in the transport sector per inhabitant (tonnes of CO ₂ e per inhabitant)	0.86 tonnes CO ₂ e/inh.	0.89 tonnes CO ₂ e/inh.	Partial	An improvement of 0.02 tonnes compared with the previous year. The outcome relates to 2022.

The health of Stockholmers shall be promoted through clean air, clean water and non-toxic environments

Stockholm shall be a city where the air is healthy to breathe. The City's waters shall be clean and full of life, and our environment is cleansed of harmful chemicals. No Stockholmer shall risk poorer health because of living in the City. The air and water shall be clean, and work to slowly detoxify the City of old environmental burdens, and also to stop new toxins, shall continue.

The goal for this operational area is considered to be met in part in 2023, for the reasons set out below. The annual goal for five out of eleven of the City Council's indicators was met in full, two in part and five were not met. 16 out of 24 of the councils and committees report that the City Council's goal for the operational area was met in full, and eight that the goal was met in part. Stockholms Stadshus AB reports that the goal was met in full by the companies concerned in the Group. Councils, committees and executive boards have largely carried out the activities they had undertaken to perform in their operational plans.

More needs to be done for the water

Improving water quality is a challenge in an urban environment. To achieve the annual goals, more physical measures are needed, which means increased investment funds for the councils, committees and executive boards concerned. Local action programmes are key to achieving good water status. An action programme was adopted during the period, Riddarfjärden and Norrström. In Lake Drevviken, phosphorus precipitation has been carried out to reduce phosphorus levels and eutrophication. During the year, Stockholm Vatten och Avfall AB started work on ten measures from the local action programmes. However, only one of these was handed over for implementation during the year.

A toxin-free environment

The presence of substances in the environment that have been created in or extracted by society shall not threaten human health or biodiversity. Levels of inorganic substances are close to zero and their impact on human health and ecosystems is negligible. Levels of naturally occurring substances are close to background levels.

The City is undertaking extensive work to reduce the presence of toxic substances. This includes soil remediation of areas that are not subject to development. A review of various granules and artificial turf was conducted during the year. A project that studies the indoor environment for children in preschools in respect of chemical exposure was in progress during the year. Work also started on the development of a new chemicals plan.

Clean, healthy air

The air quality in the City is continuously improving and the number of people exposed to air pollution in the City is decreasing. Concentrations of larger particles (PM10) have fallen. One important reason for the falling PM10 levels is that the use of studded winter tyres has decreased. The City's measures involving cleaning, dust control and early grit removal on many streets in the inner city are also contributing to lower PM10 emissions. Concentrations of large particles are also affected by meteorological conditions.

In 2023, the environmental quality standard for nitrogen dioxide in Stockholm was achieved by a comfortable margin. The reason for the low levels of nitrogen dioxide is considered to be due above all to increased electrification and renewal of the vehicle fleet.

The City has adopted a forward-looking approach with the intention of further improving air quality. One important measure is the implementation of a class 3 environmental zone in the inner city, which was investigated during the year. This measure is expected to have good effects on the local environment and contribute to positive indirect effects, such as technological development, changes in behaviour to more sustainable travel, etc.

The City has been working for a long time to reduce harmful noise. Since 2002, there has been an EC directive on environmental noise, which was introduced into Swedish legislation through the Swedish Ordinance (2004:675) on environmental noise. According to this directive, Stockholm and other cities with more than 100,000 inhabitants must develop action plans for environmental noise based on a mapping of noise throughout the municipality. A new programme was developed during 2023, and this will apply from 2024 until 2028.

Green, ethical food

All of the City's operations are working to increase the proportion of animals purchased with requirements for animal welfare and restrictive antibiotic use, in line with Swedish legislation and the proportion of organic food. The City has not yet achieved its very ambitious goal of 70% organic food. But some operations have made more progress than others.

Indicators

Indicator	Annual goal	Total outcome	Goal attainment	Comments
Proportion of bathing water samples with approved bathing quality	At least 94%	83%	Partial	The annual goal was not achieved due to the high levels of precipitation during this year's bathing season. When rain falls, runoff from the ground increases and more substances contained in the soil, such as bacteria, are carried out to the waterways
Percentage of construction contracts under the City's direction that meet the City's requirements of use of the Building Materials Assessment (BVB) or comparable systems	100%	87.2%	Partial	A small number of councils, committees and executive boards have not yet implemented procedures for using the Building Materials Assessment
Proportion of hazardous waste in waste bags	0.1%	0.1%	Full	
Proportion of purchased animals with requirements for animal welfare and restrictive antibiotic use in line with Swedish legislation	88%	91%	Full	
Proportion of organic meals and food purchased in the City in SEK out of the total value of meals and food purchased	70%	45%	Not achieved	The proportion fell slightly compared with 2022. There is a great deal of variation within the City. Reasons given for the low goal attainment are high costs, lack of products at suppliers, etc. To contribute to increased goal attainment, a City-wide food coordinator is being hired.
Proportion of chemical products in the City's operations that contain phase-out substances	15% reduction relative to 2020	0.1% reduction relative to 2020	Not achieved	The number of products has fallen slightly, but its relative proportion is smaller, which means that there is a decrease.
Proportion of water bodies that comply with environmental quality standards for ecological status	45%	14%	Not achieved	The physical measures that make a difference to goal achievement have not been implemented to a sufficient extent to reduce the impact on the City's water bodies. The effect of measures implemented takes time before they have an impact on water quality. The natural response time and consequent recovery of water is often a slow process, and the effect of measures takes time before it can be measured in the form of improved water quality.
Proportion of water bodies that comply with environmental quality norms for chemical status	45%	10%	Not achieved	The physical measures that make a difference to goal achievement have not been implemented to a sufficient extent to reduce the impact on the City's water bodies. The effect of measures implemented takes time before they have an impact on water quality. The natural response time and consequent recovery of water is often a slow process, and the effect of measures takes time before it can be measured in the form of improved water quality.
Number of 14 selected substances that indicate decreasing or unchanged levels in sludge	14	14	Full	
Number of days over the norm for the environmental quality goal for nitrogen dioxide in air	Max. 7 days	0 days	Full	
Number of days over the norm for the environmental quality goal for PM10 in air	Max. 35 days	29 days	Full	

A Stockholm with stable, sustainable finances that offers education, jobs and housing for all



A well-functioning city is founded on a strong economy. Having more Stockholmers in work creates both individual and collective prosperity. The City shall work consistently to ensure that Stockholm is a region with growth and that facilitates entrepreneurship and a growing labour market. It is fundamental to a strong economy that it has an effective skills supply, good infrastructure and an open, democratic society. Stockholm shall be an internationally competitive region with open trade. The City needs

essentially to have better preparedness through greater control over important societal functions and welfare. Requirements for the quality of operations shall be the same, regardless of the form of operation. The overall assessment is that this orientation goal was met in full during the year. This assessment is based on the fact that out of a total of seven underlying goals, five were met in full and one in part.

The Stockholm economy is strong, sustainable and creates the foundation for equal welfare

A strong economy in Stockholm guarantees a well-functioning operation. The starting point for the policy pursued is that welfare, public safety and climate change must have the resources necessary to ensure that the City of Stockholm's operations will function and develop.

The goal for the operational area is considered to be met in full in 2023, for the reasons set out below. The annual goals for nine out of ten of the City Council's indicators were met in full, and one was not met. 21 out of 29 of the councils and committees report that the City Council's goal for the operational area was met in full, and eight that the goal was met in part. Stockholms Stadshus AB reports that the goal was not met by the companies concerned in the Group. This assessment is based primarily on the fact that many property companies were affected by changes in yield requirements as a consequence of higher interest rates, which resulted in requirements for write-downs of property values, resulting in a negative impact on earnings.

Councils, committees and executive boards have largely carried out the activities they had undertaken to perform in their operational plans.

A challenging year for the City's councils and committees

The prevailing global situation with recession, higher interest rates and subdued demand affected the City's councils, committees and executive boards in 2023. Despite this, the City was able to deliver high-quality service with a balanced economy by such means as good cost control, efficient supply of premises and collaboration both internally and with external actors.

The City's councils and committees report a total surplus of SEK 367.5 million, which produces a budget compliance outcome of 99.3% after profit transfers, which means that the goal of 100% was achieved. It has been unusually difficult to achieve this result, and the general views of the councils and committees is that price increases, especially the high personnel and rental costs, have made it difficult to maintain a balanced budget.

In connection with the pandemic, residents changed their behavioural patterns; this change has partly persisted, and during the year it made it more difficult for the City's operations to predict the extent to which residents will make use of the City's services. The councils and committees have monitored developments closely and worked on forecast accuracy during the year, producing an outcome of 0.5%, meaning that the goal of +/- 1% was achieved.

The City's investment budget shows a surplus of approximately SEK 843 million. The change in the accounting rules, which was implemented in 2022, with demolition and remediation costs, evacuation costs and zoning costs being reclassified as operating costs, also affected the City in 2023. This means that the City Development Committee, the Real Estate Committee, the Cemeteries Committee and the Transport Committee have adjusted their investment expenses by a total of approximately SEK 423 million. Other surplus is attributable to time lags in projects, risk reserves that did not need to be utilised and notifications not received from stakeholders.

Indicators

Indicator	Annual goal	Total outcome	Goal attainment
Municipal Group's equity/assets ratio including pension commitments in the short term	30%	49%	Full
Municipal Group's equity/assets ratio including pension commitments in the long term	34%	49%	Full
Committee budget compliance before profit transfers	100%	99.9%	Full
Committee budget compliance after profit transfers	100%	99.3%	Full
Committee forecast accuracy T2	+/- 1%	0.5%	Full
City's surplus (minimum)	SEK 0.1 million	SEK 3,184 million	Full
City's capital costs as a percentage of net operating costs (max)	8%	8.4%	Not achieved
City's net operating costs as a percentage of tax income (max)	100%	94%	Full
City's equity/assets ratio including pension commitments in the short term	30%	36%	Full
City's equity/assets ratio including pension commitments in the long term	34%	36%	Full

In Stockholm, everyone shall be given the opportunity to have their own job

In Stockholm, everyone who can work shall have the opportunity to do so. This is the foundation for an equal city and for overcoming segregation. Long-term unemployment must be overcome. A good business climate is crucial for a growing city. Strategic business activities shall be developed and the business perspective shall form a natural element of the City's work.

The goal for the operational area is considered to be met in full in 2023, for the reasons set out below. The annual goals for eight out of nine of the City Council's indicators were met in full, and one was met in part. 26 out of 29 of the councils and committees report that the City Council's goal for the operational area was met in full, and three that the goal was met in part. Stockholms Stadshus AB reports that the goal was met in full by the companies concerned in the Group. Councils, committees and executive boards have largely carried out the activities they had undertaken to perform in their operational plans.

Reduced need for financial assistance

The outcome for those claiming assistance for the full year 2023 was at a record low, and the proportion of people receiving financial assistance in relation to the population was 1.28%. Furthermore, the proportion of adults in receipt of long-term financial assistance compared to all adult inhabitants (0.89%) and the proportion of children living in families in receipt of financial assistance (2.0%) was at low levels. The need for financial assistance has gradually decreased after the temporary peak that occurred at the end of 2021, a peak that could be attributed to the then ongoing pandemic.

The City's labour market measures provide more and more opportunities to go to work and study

The City's increased ambition for the year for the number of Stockholm and holiday jobs was achieved, as over 1,000 jobseekers had a Stockholm job and just over 11,000 young people, aged 16-19, had a holiday job in the City. Furthermore, almost 74% of Jobbtorget Stockholm's jobseekers moved on to work and study after completion, which exceeds the annual goal of 60% and is a higher proportion than during the corresponding period in 2022.

Business activities worked and developed well

The year saw weak economic performance, but at the same time a labour market in Stockholm that remained strong. It has been evident that the rate describing the number of new business startups fell during the year, but despite this, the number of companies has exceeded the City Council's annual goal of 200,000. The overall judgement from companies on the City's services and exercising of public authority increased from 70 to 76 on a scale of 100. In addition, the councils and committees exercising public authority focused in particular on streamlining the processing and coordination of licensing and supervisory processes. The results show that the City of Stockholm has improved its rating and that the City's entrepreneurs are the most satisfied among the country's metropolitan municipalities.

Reduced need for adult education

The number of students who studied in municipal adult education decreased by about 1,000 students compared with 2022. The fact that the decrease was no greater is partly due to an increase in numbers studying Swedish for Immigrants (SFI), which is in turn due to the fact that Ukrainians with residence permits based on the Temporary Protection Directive have been allowed to study SFI since the middle of the year. The volumes in municipal adult education are very much affected by the economic situation, and given the strong labour market that prevailed during the year, the City believes that this probably had a significant impact on the number of students who applied for and participated in the study programmes.

Indicators

Indicator	Annual goal	Total outcome	Outcome women	Outcome men	Goal attainment	Comments
Proportion of children growing up in families that receive financial assistance	2.7%	2.0%			Full	
Proportion of people receiving financial assistance in relation to the population as a whole	1.5%	1.28%	1.25%	1.32%	Full	
Percentage of adults receiving long-term financial assistance in relation to the adult population as a whole	1%	0.89%	0.91%	0.86%	Full	
Percentage of young people offered a job, education, a trainee position or preparatory measures within 90 days	100%	100%	100%	100%	Full	
Number of jobseekers who obtained Stockholmsjobb employment	1,000	1,063	456	607	Full	
Number of young people who obtained holiday jobs arranged by the City	11,000	11,139	5,681	5,458	Full	
Number of companies in Stockholm	200,000	206,000			Full	
Labour shortage in Stockholm (proportion of vacancies out of the number of employees)	1	1.1			Partial	The general labour shortage in Stockholm contributed to the outcome for 2023 exceeding the City Council's annual goal. Towards the end of the year, however, as the economy weakened, the vacancy rate moved towards the annual goal.
Business sector satisfaction in contacts with the City as an authority	72	76			Full	

In Stockholm, everyone shall have the right to good housing that they can afford

Long-term housing goals and housing supply shall be ensured through a high rate of construction, more rental apartments, more housing with multiple rooms, lower rents, mixed forms of housing, and eviction prevention and social housing initiatives. Homelessness shall be combated and overcrowding shall be reduced, especially for families with children. Urban development shall promote social and environmental sustainability.

The goal for this operational area is considered to be met in part in 2023, for the reasons set out below. The annual goals were met in full for one out of twelve of the City Council's indicators, one in part and ten were not met. 22 out of 27 of the councils and committees report that the City Council's goal for the operational area was met in full, and five that the goal was met in part. Stockholms Stadshus AB reports that the goal was met in part by the companies concerned in the Group. The year brought major socioeconomic challenges. The City has limited control over the outcome of most indicators and is dependent on other actors' decisions and positions regarding when plans are started, the progress of planning projects, the adoption/approval of local plans and when construction starts. The City worked actively to promote the progress of plans and development projects, and councils, committees and executive boards largely carried out the activities they set out in their operational plans.

Sharp slowdown in residential construction

Increased costs of building materials and financing, together with a reduced supply of capital, combined with a fall in demand for newly produced housing as both interest expenses and rental costs increased, resulted in a sharp slowdown in residential construction. The number of homes started was 2,892, representing a 40% drop compared with 2022, and is at the same time a relatively high figure based on the current market situation. Construction of tenant-owned apartments came to an almost complete standstill; 78% of homes started were rental apartments.

Focus on feasibility

To ensure the progress of plans and development projects, the City focused on feasibility at all stages of planning. Compared with 2022, a recovery can be confirmed for several key indicators, although the outcomes do not correspond to levels of previous years or the City Council's annual goals. *The number of homes for which land has been allocated* increased by 36%, *the number of rental apartments for which land has been allocated* increased by 27% and *the number of homes in approved/adopted local plans* increased by 51%, compared with 2022.

The City's planning preparedness remains good. Approximately 25,000 homes are in plans that have gained legal force, and it is believed that they can be started on the condition that the market conditions exist or are dependent on preparatory earthworks.

Municipal housing central to housing supply

During the year, the municipal housing companies were allocated land for a total of 1,000 apartments, in line with the City Council's goal. The executive boards, together with the councils and committees concerned, have further organised themselves in work with Stockholmshusen in order to put pressure on rents in new production.

Advanced needs analyses

The City is working actively to ensure that needs for housing with special services and social housing initiatives can be met in the short term and the long term, by such means as developing the client organisation and needs assessments. A review was conducted of homes under the Housing First scheme, trial, training and emergency apartments, together with apartments provided by SHIS Bostäder. The review shows that the initiatives need to be adapted based on the needs of the target group or supplemented with more support in cases where the individual's needs are greater than the initiatives can provide.

Collaborative work on eviction prevention

Social services and housing companies are working together to prevent evictions, with special priority being given to families with children, people with mental disabilities, victims of violence and elderly people in unsafe housing conditions. For 97% of the cases of which social services were made aware, it was possible to avert the threat of eviction.

Follow-up on the urban development strategies in the master plan

The strategies in the master plan are there to ensure that the City grows in a socially and environmentally sustainable way. During the year, the master plan was followed up by developing a planning strategy that replaces the previous statutory actuality review. A pooling of resources was initiated within the framework of Fokus Järva, around one of the four focus areas identified in the master plan, based on five goal areas.

Indicators

Indicator	Annual goal	Total outcome	Goal attainment	Comments
Number of homes for which land has been allocated	8,000	5,939	Not achieved	36% increase.
Number of rental units for which land has been allocated	4,000	3,540	Partial	27% increase.
Number of homes in approved/accepted local plans	8,000	5,314	Not achieved	51% increase.
Number of homes entering construction	10,000	2,892	Not achieved	40% decrease. Explained by changed market conditions.
Number of homes with land allocation in accordance with the 2013 Stockholm Negotiations	4,000	1,291	Not achieved	25% decrease.
Number of homes in approved/accepted local plans in accordance with the 2013 Stockholm Negotiations	5,000	216	Not achieved	31% decrease. Explained by delayed planning processes.
Number of permanent transitional homes added under the auspices of SHIS	150	0	Not achieved	The need corresponding to the annual goal set is not considered to exist at present
Number of homes under the Housing First scheme and trial and training apartments provided through Bostadsförmedlingen	600	407	Not achieved	Apartments have been provided based on orders from city district councils and SHIS, and are considered to meet the need.
Number of homes with land allocation for the City's municipal housing companies	1,000	1,000	Full	
Number of transitional homes with land allocation for priority groups	250	3	Not achieved	During the year, the City Development Committee confirmed implementing decisions regarding land preparation work for a total of 59 transitional homes; these were reported as land allocations in connection with T2
Number of homes with land allocation in order to reduce housing costs	600	366	Not achieved	96% increase.
Number of senior housing units with land allocations leased with tenancy rights	300	120	Not achieved	25% decrease. Explained by changed market conditions.

Employees in Stockholm shall be given good conditions to do a good job

The City shall be a highly valued employer offering secure employment, good employment conditions and great opportunities for vocational development. For operations that are sustainable in the long term and to retain and recruit employees, increased skills development efforts shall be implemented, a good work environment guaranteed and the number of hourly paid employees minimised.

The goal for the operational area is considered to be met in full in 2023. The annual goal for the City Council's indicator was met in part. 24 out of 29 of the councils and committees report that the City Council's goal for the operational area was met in full, and five that the goal was met in part. Stockholms Stadshus AB reports that the goal was met in full by the companies concerned in the Group. Councils, committees and executive boards have largely carried out the activities they had undertaken to perform in their operational plans.

Skills supply and skills development

Skills supply is central to the City's ability to offer high-quality services to Stockholmers. One important element of skills supply is to ensure that employees have the right skills, and that they thrive and develop in the City. Through the City's skills development initiative, the councils and committees were awarded almost SEK 97 million in 2023 to implement various skills development initiatives, including basic training for support assistants working with persons with certain functional impairments (LSS), training in dementia, geriatrics and mental illness in the area of elderly care, and training in Swedish in elderly care and preschool.

Skills development for managers was carried out in areas such as systematic health and safety work, rehabilitation, management of misconduct and skills-based recruitment. Also carried out during the year were the City's trainee programme, programme for future managers and development programme for unit managers in social services.

A long, sustainable working life

The City continues to develop its systematic health and safety work by providing system support and procedures to ensure that follow-up is documented systematically and uniformly.

A mapping of conditions for managers was carried out in the city district councils' elderly care services. A set of guidelines for the management structure was developed during the year. The guide-

lines provide support to ensure a structure that promotes sustainable organisational conditions for managers, and also indirectly for employees. The guidelines describe City-wide management levels and define a guideline value for the number of employees per manager.

During the year, councils, committees and executive boards worked to adapt schedules and flexitime agreements to the new rules on daily rest that came into force on 1 October 2023. The city district councils continue their work to increase the number of full-time employees and to reduce the number of hourly-paid employees. For example, many city district councils are working with staffing teams of permanently employed employees, in the areas of elderly care and preschool, to guarantee the need for replacements in the event of unplanned absence.

The City's goal is for full-time work to be the norm in all operations. The proportion of full-time employees now totals 90.9% for 2023. The proportion is 91% for women and 90.4% for men. The proportion of permanent employees has increased and now totals 91.8%. The proportion is 92.5% for women and 89.8% for men.

Sick leave, according to the City's own measurement method, measured using a rolling 12-month average, reports a level of sick leave of 6.5% for the period January to December 2023, a drop of 0.4 percentage points compared with 2022. It is short-term absence that has decreased, although it is still at a higher level than before the pandemic. Long-term absence shows a slight increase. The City's total sick leave according to the City's measurement method is presented in the table below

Sick leave 01/01/2023 – 31/12/2023

Sick leave as a percentage of agreed working hours	Total	Women	Men
Short-term absence, days 1-14	2.5	2.6	2.3
Long-term absence, day 15-	3.9	4.5	2.3
Total	6.5	7.1	4.5

The City's companies have lower levels of sick leave than the City's district council and committees. When companies are included, the figure for total sick leave stands at 6.3%, which is a decrease compared with 2022, when total sick leave was 6.8%.

Indicators

Indicator	Annual goal	Total outcome	Outcome women	Outcome men	Goal attainment	Comments
Active co-creation index	83	80	80	80	Partial	The outcome has been at a high and stable level for a long time. The total outcome for 2023 remains at the same level as in 2022.

High preparedness and strong resources shall prevail in all operational areas

The City shall have a high level of preparedness through control over important societal functions and welfare. Operations under municipal control shall be in place in all areas for which the City is responsible, and if a private actor fails, the City shall be prepared to assume responsibility. Requirements for the quality of operations shall be the same, regardless of the form of operation. Preparedness shall be enhanced, with a focus on aspects including the consequences of international conflicts.

The goal for the operational area is considered to be met in full in 2023, for the reasons set out below. The annual goal for the City Council's sole indicator was met in part. 25 out of 29 of the councils and committees report that the City Council's goal for the operational area was met in full, and four that the goal was met in part. Stockholms Stadshus AB reports that the goal was met in full by the companies concerned in the Group. Councils, committees and executive boards have carried out the activities they had undertaken to perform in their operational plans.

The City's work on purchasing and for enhanced resources

The City District Council of Hägersten-Älvsjö strengthened resources in its welfare operations through a mapping of the council's own operations and contracts in the areas of elderly care and social care. The mapping exercise contributes to strengthening resources through increased control and an improved overall picture of the capacity of the council itself and private providers to cope with crises and contribute to enhanced preparedness.

Northern Inner City has created a new purchasing category of staffing consultants. The purpose of this work is to develop supply strategies based on needs, purchasing patterns and market conditions that create greater resource availability and contribute to the City's orientation goals.

During the year, the Elderly Services Committee began work on revising tender documents and agreements for home care services, daycare activities, and care homes and nursing homes. One particular focus of the revision is strengthened requirements linked to work against welfare crime. Special labour law conditions already exist for home care services, and corresponding

conditions will be included in tender documents and agreements for daycare activities, care homes and nursing homes in connection with the revision.

Micasa AB is a member and active participant in the Rättvist bygande (*Fair Construction*) association. Its work aims to combat financial crime, illegal labour and irregularities in the construction industry. Stockholm Vatten och Avfall AB has strengthened its work on contract management for contracts that are either business-critical for the company or in industries where there is awareness of irregularities. The company regularly meets with suppliers concerned.

The City's work for increased preparedness

The City has been working for increased preparedness. Work has been carried out in areas including emergency stocks and the establishment of a wartime organisation for the City. There was a particular focus on continuity management within the framework of the City's risk and vulnerability process. Reviews have been conducted of City's stock of civil defence shelters, as well as work to increase the capability to transport people and goods in severe weather conditions. The City has taken a number of measures due to the increased terrorist threat level in Sweden, to four on the scale of five. Crisis exercises were conducted with varying themes during the year at several different levels in the City's operations. A new sector organisation for the City's overall work on civil preparedness has been developed. The purpose of the sector organisation is to create a clear delegation of responsibilities and resources in the City and for increased coordination.

The City's systematic work on information security

During the year, all councils, committees and executive boards produced local guidelines for information security, updated register lists and continuously implemented information classifications. The City has mandatory e-training courses in information security for all employees of the City's councils, committees and executive boards. Initiatives to boost knowledge have also been carried out in the City in the form of workshops, management seminars and skills-enhancing initiatives for the management team.

Indicators

Indicator	Annual goal	Total outcome	Goal attainment	Comments
Proportion of procured contracts where continuous follow-up was undertaken	80%	68%	Partial	Four committees (the City Development Committee, the Real Estate Committee, the Culture Committee, the Social Services Committee) and two executive boards (Familjebostäder AB and AB Svenska Bostäder) did not meet the annual goal. Two committees (the Service Committee and the City Executive Office) met the goal in part.

Public safety shall increase through preventive measures

The City's work on crime prevention shall be strengthened and rest on the two pillars of situational prevention and social prevention. Safety in public spaces shall increase, by such means as investments in public safety and Place Management. Lethal violence in criminal environments shall be combated. The urban environment shall be clean, well-maintained and accessible.

The goal for this operational area is considered to be met in part in 2023, for the reasons set out below. The annual goal for one out of three of the City Council's indicators was met in full, two in part. 22 out of 29 of the councils and committees report that the City Council's goal for the operational area was met in full, and seven that the goal was met in part. Stockholms Stadshus AB reports that the goal was met in full by the companies concerned in the Group. Councils, committees and executive boards have to a large extent carried out the activities they had undertaken to perform in their operational plans.

The perception of public safety in the City

Perceived public safety in the City as a whole has increased from 75% to 79%, and the annual goals set by the City were met.

As shown in the table below, the difference between the city district council area with the highest and lowest outcomes in terms of perceived public safety in the city district where people live is 37 percentage points, where city district council areas with generally lower socioeconomic challenges have significantly higher outcomes than the city district council areas with generally higher socioeconomic challenges. There is a difference in outcomes for women and men respectively, which also differs between the city district council areas.

Outcomes for perceived public safety per city district council area, 2023

City district council area	Total	Women	Men
City District Council of Kungsholmen	91%	89%	93%
City District Council of Northern Inner City	91%	91%	91%
City District Council of Bromma	86%	86%	87%
City District Council of Hägersten-Älvsjö	85%	85%	86%
City District Council of Södermalm	84%	79%	90%
City District Council of Skarpnäck	80%	78%	82%
City District Council of Enskede-Årsta-Vantör	78%	76%	80%
City District Council of Farsta	68%	67%	69%
City District Council of Hässelby-Vällingby	62%	56%	67%
City District Council of Järva	60%	57%	63%
City District Council of Skärholmen	54%	51%	59%
City total	79%	78%	82%

Work to create public safety and prevent crime

For the first time, the City conducted a regional public safety survey together with Police Region Stockholm and the other municipalities in the county. A new public safety programme that describes the structure of the City's work to prevent crime and create public safety has also been developed. The general agreement on collaboration with Police Region Stockholm has been revised.

All city district councils are working according to plan with the local agreements on collaboration with the respective local police area and with Place Management in priority locations. Within the city district council area Enskede-Årsta-Vantör, for example, there is the Östberga Place Management initiative, in which a number of actors have been working together on a regular basis. During the year, the police announced that Östberga has now been removed from the police's list of vulnerable areas, and the City District Council can see that success factors in this work have included working in a knowledge-based, experience-based way towards common goals and being responsive to the views of residents. The city district of Solberga in the Hägersten-Älvsjö city district council area has also been removed from the list. In the Järva city district council area, an evaluation of ongoing work with hub collaboration was conducted for further development of working methods, and in the Skärholmen city district council area, the council worked together with collaborating actors to set long-term goals based on the current situation and conditions in the city district council area.

Lethal violence and organised crime

During the year, problems relating to gang crime resulting in lethal violence were at a high level. The City can confirm that both shootings and explosions have decreased within the Järva city district council area, which was previously a city district council area with a relatively high concentration of shootings.

The City's work with the *Trefas* approach continued during the year, as did work to further develop follow-up on the method, which aims to stop lethal violence in criminal environments. A process evaluation has been completed and an impact evaluation is under way. In the city district council areas where there is a need, social intervention groups (SIG) are available, and people who are enrolled in an SIG can be offered basic support and study and career guidance within the Labour Market Committee's operations.

Investments in public safety

The City Executive Board's Finance and Public Safety Committee granted SEK 84.5 million in all to a total of twelve councils for measures to create public safety in the physical environment (as well as SEK 8.9 million relating to measures in 2024).

Work against welfare crime

During the year, the City enhanced the coordination of its work to combat welfare crime. For additional information about the City's work against welfare crime, see under *Operational risks, Irregularities*.

Indicators

Indicator	Annual goal	Total outcome	Outcome women	Outcome men	Goal attainment	Comments
Proportion of Stockholmers who feel safe in the city district where they live	79%	79%	78%	82%	Full	An increase on the previous year's outcome, which was 75%. In previous years, outcomes were in the 70-75% range. The difference in outcomes between women and men amounts to 4 percentage points, with men perceiving a higher level of public safety.
Stockholmers' satisfaction with cleanliness and tidiness	73%	63%	61%	65%	Partial	A drop of 1 percentage point from the previous year's outcome. The outcome is 10 percentage points lower than the annual goal. The highest historical outcome is 68%, which was achieved in 2012 and 2016. The difference in outcomes between women and men amounts to 4 percentage points, with men being more satisfied.
Stockholmers' satisfaction with the maintenance and cleaning of parks and green spaces	73%	68%	66%	70%	Partial	An increase on the previous year's outcome, which was 65%. The outcome is 5 percentage points lower than the annual goal. 2016 is the only previous year with a result as high as that for the current year. The difference in outcomes between women and men amounts to 4 percentage points, with men being more satisfied.

Stockholm shall be an open, equal and democratic city that collaborates internationally

Stockholm shall be a city for all adults and children that is characterised by openness, equal opportunity, gender equality and accessibility. The rights of national minorities shall be strengthened and racism shall be combated. The City shall promote the participation and influence of residents and civil society, and thus strengthen work with democracy. Citizen dialogues and the participatory budgets are examples of tools that are to be used. The City shall be characterised by international collaboration that contributes to increased trade, cultural exchanges, as well as knowledge and research.

The goal for the operational area is considered to be met in full in 2023, for the reasons set out below. 29 out of 29 of the councils and committees report that the City Council's goal for the operational area was met in full. Stockholms Stadshus AB reports that the goal was met in full by the companies concerned in the Group. Councils, committees and executive boards have carried out the activities they had undertaken to perform in their operational plans. The goal has no indicators.

Participation has increased through measures including citizen dialogues and participatory budgets

The City makes use of Stockholmers' views, suggestions and experiences about developing the local community, by such means as working with citizen dialogues and participatory budgets. This work was intensified during the year; for example, the City tested the implementation of participatory budgets in urban environment projects and linked to unsafe places.

The City also worked to increase participation in urban development processes, especially from groups that are currently underrepresented in consultation processes and dialogue-based activities, an approach that enhances democracy. In the focus area of Järva, area-based citizen dialogues were held in a number of places, to enable residents to influence the development of their city district.

Collaboration with local associations is also an important part of work to increase trust and confidence in the City and, by extension, in democracy. During the year, for example, the City was involved in Järva Week and Pride.

Working against disinformation and rumours

Disinformation is spread by actors, both inside and outside Sweden, with an agenda to damage trust in the open, democratic society. Combating this is therefore part of work to increase trust and confidence in the City and our operations. Increasing trust in the social services is one example of work that was carried out during the year. Newly arrived families have been a particularly prioritised target group for information about the role of social services and about the rights and obligations of guardians and children.

Work on increased equal opportunity in the range of leisure activities for children and young people

The City works to achieve a more even gender distribution among children and young people who play sports and exercise. Girls are physically active to a lesser extent than boys, especially in the outer suburbs, and targeted initiatives have been implemented. For example, the City collaborated with civil society and schools in Skärholmen on activities for secondary school girls in connection with the school day, and drop-in training was offered for teenage girls at swimming pools. Spontaneous sports areas also had targeted activities for teenage girls.

Staff at swimming pools and leisure activities underwent training courses on the rights of LGBTIQ people. All city district councils offered some form of activity or leisure activity that has been aimed at young LGBTIQ people, although not all yet have special meeting places for this target group.

Strengthening the rights of national minorities and continuing collaboration against racism

September saw the official opening of the Norrskenet preschool, a brand new preschool for children who speak the national minority languages Sami and Meänkieli. Work is under way to market this newly started operation to the target group; during the autumn, open activities were arranged, where families were invited to dance, creativity, group singing and reading aloud.

On the anniversary of the abolition of slavery in Sweden, a memorial stone was erected in honour of Gustaf Badin Couchi (1747-1822) at the Katarina kyrkogård cemetery. Couchi was taken to Sweden as a slave in 1760 and grew up at the royal court. He died in 1822 and is buried in Katarina kyrkogård, but his grave is not marked. The City collaborated with the National Organisation of Afro-Swedes in this work.

International partnerships enhance the quality of the City's operations

Good international relations contribute to the City's development and give Stockholm a strong voice and a clear context for sharing experiences, external monitoring and advocacy work. At the end of 2023, the City was a member of just over one hundred international organisations and networks. These memberships contribute to the City's long-term ambitions and strengthen the quality of the City's operations. One example is the organisations that work with issues relating to social inclusion, public safety, security and gender equality, such as the Strong Cities Network, the OECD Champion Mayors for Inclusive Growth and the City Hub and Network for Gender Equity (CHANGE).

Economic and financial information



This section presents the councils' and committees' management and investment accounts, as well as the Municipal Group's investments and financial position. There are also comments on deviations from the budget. See the City of Stockholm's Budget 2023 for more information on the structure of the City's operating and investment budget and on the most important principles of financial management and internal accounting for the management and investment accounts.

Management accounts

This section describes how the outcome of the operating activities relates to the budget established for day-to-day operations.

The management accounts present a total summary of expenses and income, and also include internal items, thus allowing a comparison against the final budget. The final budget is the total budget after the budget adjustments authorised during the year for the City's specialist committees, city district councils and operational areas. In contrast to the income statement, the management accounts also include the City's internal transactions. Income and expenses recognised in the management accounts also include items such as depreciation/amortisation, financial income and financial expenses. In the income statement, these items are recognised on separate lines with a partial summary of different profit levels. The Finance Department appropriation includes the total costs of pensions and employer's contributions, the City's tax revenues, income from property fees, etc. The Finance Department is credited with internal compensation for pensions and personnel overhead surcharges from the councils and committees. This includes financial profit/loss, dividends and internal interest payments from councils and committees for investments.

The management accounts are closed in a deviation from the budget, while the income statement is closed in the profit/loss for the year, i.e. the change in equity for the year.

The profit for the year amounted to SEK 3,322 million (2,568). Income from capital gains and the sale of development properties reflects major deviations from the budget and accounts for a significant part of the profit, amounting to SEK 2,286 million; these items are not budgeted, as they are uncertain by their nature.

Tax income, general government grants and equalisation show a positive budget deviation of just over SEK 1,557 million. This positive deviation is primarily due to higher than expected tax base growth.

During the year, the City incurred higher costs for projects that were stopped, which are not budgeted, and they are therefore reported centrally to the City's Finance Department. The projects that generated costs during the year primarily concern two types of projects. One relates to major urban development projects, such as the Slussen GC bridge, and the other is property projects, such as business premises, and projects that were interrupted or put on hold as a consequence of changes in population development. In total, these costs amount to approximately SEK 260 million.

In total, the city district councils and specialist committees report a surplus of SEK 367 million including settlement with profit centres, compared with a deficit of SEK 253 million in the previous year. The councils and committees transferred SEK 300 million from profit units in 2023, compared with the transfer of SEK 76 million in 2022.

The management accounts for the City are presented in the table below.

SEK million including capital costs after profit transfers	Outcome				Net cost		
	Income		Costs		Outcome	Budget	Budget deviation
	2023	2022	2023	2022	2023	2023	2023
City Executive Board	977	1,043	-2,482	-2,605	-1,505	-1,574	70
Audit Board	4	3	-36	-34	-32	-32	0
Service Committee	293	291	-306	-284	-13	-13	0
Election Committee	0	27	-7	-68	-7	-8	0
Labour Market Committee	500	504	-1,525	-1,437	-1,024	-1,018	-7
City Development Committee	3,267	3,102	-2,170	-2,568	1,096	1,075	21
Real Estate Committee	1,664	1,475	-1,572	-1,301	92	109	-16
Preschool Committee	16	0	-3,147		-3,130	-3,155	25
Sports Committee	361	309	-1,286	-1,113	-925	-942	17
Culture Committee: Culture Dept.	232	202	-1,369	-1,278	-1,137	-1,138	0
Culture Committee: City Archives	68	66	-141	-137	-73	-74	1
Cemeteries Committee	42	40	-285	-253	-242	-225	-17
Environment and Health Committee	134	150	-290	-287	-156	-162	6
Social Services Committee	539	467	-1,925	-1,850	-1,387	-1,404	17
City Planning Committee	335	365	-511	-523	-176	-171	-5
Transport Committee	1,917	1,795	-3,016	-2,633	-1,100	-1,097	-3
Education Committee	2,839	2,986	-21,703	-23,714	-18,864	-19,008	144
Elderly Services Committee	97	79	-365	-332	-267	-271	3
Public Trustees Committee	1	5	-96	-80	-95	-95	0
City District Council of Järva	411	400	-3,458	-3,331	-3,047	-3,048	0
City District Council of Hässelby-Vällingby	367	365	-2,555	-2,441	-2,187	-2,188	1
City District Council of Bromma	416	408	-2,163	-2,036	-1,747	-1,763	16
City District Council of Kungsholmen	414	396	-1,754	-1,618	-1,340	-1,346	6
City District Council of Northern Inner City	454	480	-3,515	-3,325	-3,061	-3,118	56
City District Council of Södermalm	435	405	-3,182	-2,956	-2,747	-2,795	48
City District Council of Enskede-Årsta-Vantör	526	533	-3,222	-3,093	-2,696	-2,670	-26
City District Council of Skarpnäck	167	167	-1,423	-1,372	-1,256	-1,282	26
City District Council of Farsta	282	273	-2,192	-2,099	-1,910	-1,909	0
City District Council of Hägersten-Älvsjö	571	537	-3,581	-3,374	-3,010	,2 995	-15
City District Council of Skärholmen	268	264	-1,602	-1,580	-1,334	-1,335	0
Total councils and committees	17,596	17,137	-70,877	-67,720	-53,281	-53,648	367
Finance Department	81,192	73,880	-24,589	-20,727	56, 603	53,648	2,954
City total	98,788	91,016	-95,466	-88,448	3,322	0	3,322
City total	98,788	91,016	-95,466	-88,448	3,322	0	0
Adjustment for items not included in the income and costs of the operation including deprecia- tion according to the income statement	-68,207	-63,205	13,419	5,230	-54,788		
Less internal items	-14,987	-12,939	14,987	12,939	0		
Operating income and costs including deprecia- tion according to the income statement	15,594	14,872	-67,060	-66,045	-51,466	-54,156	2,690
Tax income	60,838	57,007	0	0	60,838	59,545	1,293
General government grants and equalisation	3,763	4,234	-9,738	-8,270	-5,975	-6,240	264
Financial items	3,606	1,965	-3,681	-1,194	-75	851	-926
Extraordinary items				0		0	0
Profit/loss for the year	83,801	78,077	-80,479	-75,509	3,322	0	3,322

Explanation: The budget and outcomes are inclusive of capital costs and intra-Group balances. Deviations are after profit transfers.

The table below presents net costs, outcomes, changes in profit centres and deviations distributed by the city district councils' operational areas.

SEK million	Budget net costs	Net outcome excl. income funds	Change in income fund	Deviation outcome 2023
Council/committee and department administration	-790	-769	0	21
Individual and Family Care	-2,870	-2,943	-1	-74
of which social psychiatry	-583	-583	-1	-1
of which children and young people	-1,717	-1,826	0	-109
of which adults	-529	-516	0	13
of which new arrivals	0	67	0	68
Urban environment operations	-342	-390	0	-49
depreciation/amortisation	-195	-181	0	13
internal rates	-26	-37	0	-11
Preschool activities	-5,024	-5,071	67	20
Elderly Care	-8,594	-8,426	6	174
Support and services for people with disabilities	-4,728	-4,786	17	-41
Cultural and association activities	-454	-455	0	-1
Labour market measures	-194	-172	0	23
Financial assistance	-1,191	-1,194	0	-3
of which administrators	-340	-353	0	-12
Other operations	-40	0	0	40
Total operations	-24,448	-24,425	89	112

The amounts in the table are rounded, and therefore do not add up exactly Budgets and outcomes are inclusive of capital costs and internal transactions between the councils and committees Increase in profit/loss fund (-) Deviation is after appropriations

The tables below show the final budget, after the budget adjustments authorised during the year, for the City's specialist committees, city district councils and operational areas. The major items in connection with each adjustment are described below the tables.

SEK million gross	CC budget 2023 excl. budg. adj		CEB 08/03/2023 OP		CEB 05/04/ 2023 OR	CEB 21/06/2023 T1		CEB 25/10/2023 T2		CEB-FC 13/12/2023		CEB 05/04/ 2023	Balance sheet changes		CC budget 2023 incl. budg. adj.	
Council/committee	Income	Costs	Income	Costs	Costs	Income	Costs	Income	Costs	Income	Costs	Costs	Income	Costs	Income	Costs
City Executive Board	47.6	-1,588.1		9.8	-45.2		4.8		-3.0				792.6	-792.6	840.2	-2,414.3
Audit Board	3.5	-35.3					0.02								3.5	-35.3
Service Committee	0.0	0.0		-12.5			-0.4						299.3	-299.3	299.3	-312.2
Election Committee	0.0	-7.7													0.0	-7.7
City District Councils	734.4	-24,903.8		-59.8	-1.4		-46.0		-348.1	8.8	167.9		2,937.8	-2,937.8	3,681.0	-28,129.0
Labour Market Committee	168.3	-1,236.7				85.6	-1.0	5.1	-39.2						259.0	-1,276.9
City Development Committee	3,139.7	-1,502.4	6.7	-435.7			-0.3		-132.6						3,146.4	-2,071.0
Real Estate Committee	1,491.7	-1,357.9		-25.0			-0.2						149.1	-149.1	1,640.8	-1,532.2
Preschool Committee	0.0	-3,220.9									102.1	-36.0				-3,154.8
Sports Committee	310.5	-1,154.8		-81.3			-0.6	-15.4					29.0	-29.0	324.1	-1,265.7
Culture Committee: Culture Department	98.4	-1,212.0		-12.5		-8.2	-1.0	-2.1	-0.2				116.1	-116.1	204.2	-1,341.8
Culture Committee: City Archives	35.2	-108.9					-0.1						32.2	-32.2	67.4	-141.2
Cemeteries Committee	28.5	-241.8		-8.0			-0.2		-3.7				10.0	-10.0	38.5	-263.7
Environment and Health Committee	106.1	-260.9		-5.2			-1.8						27.8	-27.8	133.9	-295.7
Social Services Committee	335.1	-1,733.6		-1.5			-2.7		-0.9				180.8	-180.8	515.9	-1,919.5
City Planning Committee	270.0	-440.4					-0.4						53.1	-53.1	323.1	-493.9
Transport Committee	1,725.3	-2,519.6		-189.0			-0.6	-43.0	-70.0				162.9	-162.9	1,845.2	-2,942.1
Education Committee	532.8	-19,494.6				-3.2				14.8	-58.0		2,376.5	-2,376.5	2,920.9	-21,929.1
Elderly Services Committee	10.0	-275.5					-5.2						129.0	-129.0	139.0	-409.7
Public Trustees Committee	0.0	-79.6					-0.1		-15.3							-95.0
Total councils and committees	9,037.1	-61,374.5	6.7	-820.7	-46.6	74.2	-55.8	-55.4	-613.0	23.6	212.0	-36.0	7,296.2	-7,296.2	16,382.4	-70,030.8

In total, the councils' and committees' net costs were adjusted by SEK 1,311 million, of which approximately SEK 570 million are adjustments to the internal interest rate, which are financed via the Finance Department.

SEK million gross	CC budget 2023 excl. budg. adj		CEB 08/03/ 2023	CEB 05/04/ 2023	CEB 21/06/2023	CEB 25/10/2023	CEB-FPSC 13/12/2023		Changes in balance sheet total		CC budget 2023 incl. budg. adj.	
Council	Income	Costs	Costs	Costs	Costs	Costs	Income	Costs	Income	Costs	Income	Costs
City District Council of Järva	72.9	-3,124.7	-8.1	-1.4	-5.1	-44.0	0.6	62.1	242.2	-242.2	315.7	-3,363.4
City District Council of Hässelby-Vällingby	60.3	-2,220.1	-3.8		-4.4	-31.4	1.3	10.1	240.8	-240.8	302.4	-2,490.4
City District Council of Bromma	60.2	-1,782.8	-5.7		-2.9	-29.8	1.3	-2.9	323.0	-323.0	384.5	-2,147.1
City District Council of Kungsholmen	42.7	-1,372.0	-4.0		-1.8	-15.3	0.4	4.5	360.6	-360.6	403.7	-1,749.2
City District Council of Northern Inner City	96.9	-3,173.4	-7.8		-3.3	-34.9	1.7	3.3	319.7	-319.7	418.3	-3,535.8
City District Council of Södermalm	77.8	-2,839.8	-3.6		-4.1	-37.8	-0.2	12.3	314.0	-314.0	391.6	-3,187.0
City District Council of Enskede-Årsta-Vantör	84.1	-2,692.3	-7.7		-11.0	-59.4	1.6	14.6	401.8	-401.8	487.5	-3,157.6
City District Council of Skarpnäck	38.8	-1,315.2	-3.7		-2.6	-12.9	-0.2	13.9	108.9	-108.9	147.5	-1,429.4
City District Council of Farsta	59.6	-1,939.4	-5.4		-3.6	-33.3	0.7	12.0	164.8	-164.8	225.1	-2,134.5
City District Council of Hägersten-Älvsjö	111.1	-3,088.5	-6.0		-4.9	34.0	0.6	-26.4	309.4	-309.4	421.1	-3,416.4
City District Council of Skärholmen	30.0	-1,355.6	-4.0		-2.3	-15.3	1.0	11.6	152.6	-152.6	183.6	-1,518.2
Total city district councils	734.4	-24,903.8	-59.8	-1.4	-46.0	-348.1	8.8	167.9	2,937.8	-2,937.8	3,681.0	-28,129.0

SEK million gross Operation	CC budget 2023 excl. budg. adj		CEB 08/03/ 2023 OP	CEB 05/04/ 2023 OR	CEB 21/06/2023 T1	CEB 25/10/2023 T2	CEB-FPSC 13/12/2023		Changes in balance sheet total		CC budget 2023 incl. budg. adj.	
	Income	Costs	Costs	Costs	Costs	Costs	Income	Costs	Income	Costs	Income	Costs
Council/committee and department administration			-11.0		-13.2				12.1	-12.1	12.1	-36.3
Individual and Family Care	36.9	-2,781.1	-30.0			-0.7			448.8	-448.8	485.7	-3,260.6
Urban environment operations		-497.7	-9.8	-1.4	-0.3	-24.9			42.7	-42.7	42.7	-576.8
<i>of which depreciation</i>		-186.5				-8.3					0.0	-194.8
<i>of which internal interest rates</i>		-9.8				-16.6					0.0	-26.4
Preschool operations	375.1	-5,723.2	-8.0			-71.2	8.8	167.9	159.3	-159.3	543.2	-5,793.8
Elderly Care	235.5	-9,321.8			-0.6	-22.7			1,685.3	-1,685.3	1,920.8	-11,030.4
Support and services for people with disabilities	27.5	-4,671.4	-1.0		-4.5	-216.6			472.4	-472.4	499.9	-5,365.9
Cultural and association activities		-483.2			-27.4				42.2	-42.2	42.2	-552.8
Labour market measures	27.4	-223.1							38.7	-38.7	66.1	-261.8
Financial assistance	32.0	-1,202.3				-12.0			36.3	-36.3	68.3	-1,250.6
Other operations											0.0	0.0
Total operational areas	734.4	-24,903.8	-59.8	-1.4	-46.0	-348.1	8.8	167.9	2,937.8	-2,937.8	3,681.0	-28,129.0

In addition to this, the City's councils and committees had changes in balance sheet totals of SEK 7,296 million. The City Council's budget normally only reports costs and income for the councils' and committees' own operations. Changes in balance sheet totals as a consequence of the purchase and sale of services between committees and external parties are therefore not reported. The councils and committees must therefore report estimated changes in the balance sheet total during the year in the operational plan and tertiary reports.

For the decisions regarding the Reconciliation Case in 2023, it was primarily the city district councils that had their budgets adjusted for, among other things, chemicals-smart preschools, Place Management, biodiversity and nature reserves. These items also affect the table for operational areas, as the city district councils' budgets are allocated based on operational areas.

For the budget adjustments adopted in connection with tertiary report 1, the largest items consisted of the temporary increase in the wellness allowance of SEK 19.6 million, which was distributed among all councils and committees in the City. For the budget adjustments in tertiary report 2 that were adopted at the City Executive Board, a large proportion constituted depreciation/amortisation costs in the City Development Committee and the Transport Committee. In addition to this, the budgets of the Culture Committee, the Sports Committee and the Transport Committee were adjusted in respect of reduced income due to the pandemic. The city district councils' budgets were adjusted for performance changes in support and services for the disabled, high rents in preschool and extra child allowance boosted by financial assistance.

A decision was made at the City Executive Board's Finance and Public Safety Committee on 15 December on performance changes within schools and preschools, which affected the budgets of the Education Committee, the Preschool Committee and the city district councils.

Budget deviations

This section presents comments on material deviations from the adopted operating budget.

The City has a total surplus of SEK 367 million compared with the budget, with the city district councils reporting a surplus of SEK 112 million and the specialist committees a surplus of SEK 255 million.

Of the specialist committees, it is the Education Committee that has the highest deviation in terms of the amount. During the year, the committee allocated SEK 212 million from profit centres to cover its schools' deficits. In addition to this, income for government grants for asylum seekers was higher than budgeted, and the costs of school transport were lower than budgeted.

The Real Estate Committee had a high percentage deviation (-15.1%). This deficit is primarily due to costs of corrective maintenance on a small number of properties and increased overall costs.

Of the city district councils, Södermalm and Northern Inner City had the biggest deviations in terms of both SEK and percentages. The surpluses for both city district councils were primarily in the operational area of elderly care, where the costs of placements in care homes and nursing homes were lower than budgeted.

Investment accounts

This section describes the Municipal Group's investments and financial position, as well as how the City's investment activities compare with the adopted budget.

The Municipal Group's gross investments amounted to SEK 18,548 million (16,698). Gross investments include financial leasing. The corporate group's investments and the City's investments respectively are set out below.

The City's investments

The councils' and committees' total investment expenses amounted to SEK 7,079 million gross in 2023 (6,068). Gross investments include financial leasing. Investment income for public investment grants, street cost compensation and development grants for the year amounted to SEK 749 million (173), and including these, net investment expenditure amounted to SEK 6,329 million (5,896), a total of SEK 843 million lower than budgeted. The degree of implementation of the City's net investments was thus 94%, compared with 93% in the previous year.

Correction of the accounting policy in respect of investment expenses that are not to be included in cost have been converted to operating costs, which affects the City's total outcome regarding investments by SEK 423 million. The above correction of the accounting policy has not been adjusted in the investment budget, which means that the outcome and budget have not been prepared in accordance with the corresponding principle. The budget deviations are also commented on below, excluding transfers completed for increased comparability and clarity.

The tables below show which budget adjustments in investment activities were granted during the year, broken down by specialist committees and city district councils. The majority of the city district councils' investments are in the operational area of urban environment.

SEK million gross	CC budget 2023 excl. budg. adj		CEB and CEB Finance and Public Safety Committee 08/03/2023 OP	CEB O5/O4/2023 OR	CEB and CEB Finance and Security Committee 21/06/2023 T1	CEB 25/10/2023 T2	CC budget 2023 incl. budg. adj.	
Committee	Income	Expenditure	Expenditure	Expenditure	Expenditure	Expenditure	Income	Expenditure
City Executive Board	0.0	-2.0					0.0	-2.0
Audit Board	0.0	0.0					0.0	0.0
Service Committee	0.0	-1.0					0.0	-1.0
Election Committee	0.0	0.0					0.0	0.0
City District Councils	0.0	-230.0	-98.8	-17.8	-16.7	-4.1	0.0	-367.4
Labour Market Committee	0.0	-4.0					0.0	-4.0
City Development Committee	1,100.0	-4,500.0	-5.8	-1.7			1,100.0	-4,507.5
Real Estate Committee	0.0	-1,573.0	-53.1	-7.8	-4.3	0.1	0.0	-1,638.1
Preschool Committee	0.0	0.0				-2.2	0.0	-2.2
Sports Committee	0.0	-38.1					0.0	-38.1
Culture Committee: Culture Department	0.0	-16.8		-14.9			0.0	-31.7
Culture Committee: City Archives	0.0	-1.0					0.0	-1.0
Cemeteries Committee	0.0	-198.5		-9.7			0.0	-208.2
Environment and Health Committee	0.0	-1.3					0.0	-1.3
Social Services Committee	0.0	-2.0					0.0	-2.0
City Planning Committee	0.0	-3.0					0.0	-3.0
Transport Committee	30.0	-1,185.0	-170.6	-6.5	-7.2		30.0	-1,369.3
Education Committee	0.0	-100.0	-0.3		-2.7	-1.6	0.0	-104.6
Elderly Services Committee	0.0	-3.8				-12.7	0.0	-16.5
Public Trustees Committee	0.0	-0.1					0.0	-0.1
Total committees	1,130.0	-7,859.6	-328.6	-58.4	-30.9	-20.5	1,130.0	-8,298.0

SEK million gross	CC budget 2023 excl. budg. adj	CEB and CEB Finance and Public Safety Committee 08/03/2023 OP	CEB 05/04/2023 OR	CEB and CEB Finance and Public Safety Committee 21/06/2023 T1	CEB 25/10/2023 T2	CC budget 2023 incl. budg. adj.
Council	Expenditure	Expenditure	Expenditure	Expenditure	Expenditure	Expenditure
City District Council of Järva	-26.5	-3.6	-5.1	-7.0	-5.0	-47.2
City District Council of Hässelby-Vällingby	-22.3	-5.2				-27.5
City District Council of Bromma	-24.2	-0.2		-6.6		-31.0
City District Council of Kungsholmen	-15.8	-3.9	-0.3		-1.3	-21.3
City District Council of Northern Inner City	-31.1	-6.4	-9.1	-1.0		-47.6
City District Council of Södermalm	-24.4	-15.3	-2.0	-0.3		-42.0
City District Council of Enskede-Årsta-Vantör	-24.5	-10.5		-1.2	0.9	-35.3
City District Council of Skarpnäck	-12.7	-11.7				-24.4
City District Council of Farsta	-14.5	-9.8				-24.3
City District Council of Hägersten-Älvsjö	-23.3	-12.2	-0.6			-36.1
City District Council of Skärholmen	-10.7	-20.0	-0.7	-0.6	1.3	-30.7
Total city district councils	-230.0	-98.8	-17.8	-16.7	-4.1	-367.4

In total, budget adjustments in investment activities were granted to the order of SEK 438.4 million net during 2023.

Decisions regarding public safety investments are taken by the City Executive Board's Finance and Public Safety Committee for all matters except for re-budgeting from the previous year, which are taken in connection with the City's annual financial statements. SEK 328.6 million was distributed in connection with the reconciliation case for 2023. Of this, SEK 222.3 million related to climate investments and SEK 47.8 million to public safety funds, which were distributed to both specialist committees and city district councils. Other investments consisted of items including biodiversity, machinery and equipment as well as nature reserves, distributed among the city district councils.

In connection with tertiary report 1, SEK 31.2 million was distributed primarily to public safety investments, which were distributed to both specialist committees and city district councils. In addition to this, the city district councils were allocated funds for machinery and equipment as well as "Stockholm by the Water".

Investments, gross expenses per council/committee

The table below shows income, expenses and budget deviation broken down by council/committee.

SEK million Council/committee	Council/committee budget including budgetary adjustments		Council/committee outcome		Budget deviation
	Income	Expenditure	Income	Expenditure	Net
City Executive Board	0.0	-2.0	0.0	-2.2	-0.2
Audit Board	0.0	0.0	0.0	0.0	0.0
Service Committee	0.0	-1.0	0.0	-0.1	0.9
Election Committee	0.0	0.0	0.0	0.0	0.0
City District Councils	0.0	-367.4	0.0	-316.0	51.4
Labour Market Committee	0.0	-4.0	0.0	-2.4	1.6
City Development Committee	1,100.0	-4,507.5	649.2	-3,751.7	305.0
Real Estate Committee	0.0	-1,638.1	16.2	-1,318.0	336.3
Preschool Committee	0.0	-2.2	0.0	-1.5	0.7
Sports Committee	0.0	-38.1	0.0	-31.0	7.1
Culture Committee: Culture Dept.	0.0	-31.7	-0.1	-18.4	13.2
Culture Committee: City Archives	0.0	-1.0	0.0	-0.9	0.1
Cemeteries Committee	0.0	-208.2	0.1	-214.7	-6.4
Environment and Health Committee	0.0	-1.3	0.0	-1.2	0.1
Social Services Committee	0.0	-2.0	0.0	-1.5	0.5
City Planning Committee	0.0	-3.0	0.0	-0.3	2.7
Transport Committee	85.4	-1,424.7	78.5	-1,310.9	106.9
Education Committee	0.0	-104.6	5.3	-86.1	23.9
Elderly Services Committee	0.0	-16.5	0.0	-15.8	0.7
Public Trustees Committee	0.0	-0.1	0.0	-1.5	-1.4
Total investments	1,185.4	-8,353.4	749.2	-7,074.2	842.9
Finance leasing, vehicles				-4.3	
Total incl. finance leasing			749.2	-7,078.5	

The annual outcome for investments was SEK 843 million lower than budgeted, of which SEK 423 million relates to the transfer made as a consequence of the correction of accounting policy. The transfer affects the City Development Committee, the Real Estate Committee, the Transport Committee and the Cemeteries Committee.

The deviation in investment expenses from the budget is, in many cases, due to time lags in investment projects, which were implemented over a number of calendar years. It will only be possible to measure the outcome of the projects once they have been completed and final accounts have been prepared. In financial terms, a degree of delay means a lower load on the current year.

Investment deviations

Deviations from councils and committees with major investment activities are reported below. The outcome has taken into account the correction of the accounting policy, which means that certain investment expenses are to be transferred to operations and thus not included in cost.

City Development Committee

The City Development Committee reports net expenses that are SEK 305 million below budget. The outcome includes the transfer of certain investment expenses to operating costs, resulting in a reduction in expenses of SEK 446.3 million. Excluding the transfer, a deficit of SEK 85 million is reported, as a consequence of higher expenses that are not fully compensated by higher investment income. The major deviations from the operational plan for 2023 can be found in areas including the including Slussen, Hagastaden and Stockholm Royal Seaport projects.

Income from the sale of land in connection with development amounted to SEK 2,181.2 million. The outcome includes a correction of SEK 68.3 million relating to the sale of a vacuum waste collection facility that relates to previous years. Excluding this correction, income from the sale of land amounts to SEK 2,249.5 million. Development income, which consists of book values from land sales in connection with development, amounted to SEK 23.8 million.

Transport Committee

The Transport Committee reports net expenses that are SEK 106.9 million below budget. The outcome includes the transfer of certain investment expenses to operating costs, resulting in a reduction in expenses of SEK 27 million. Excluding this transfer, a surplus of SEK 80.3 million is reported. The difference compared with the budget is primarily due to delays in projects and increased grant income. The biggest single project deviation concerns the delay in the City Development Committee's construction of the pedestrian and cycle bridge at Slussen (which is being co-financed by the Transport Committee).

Real Estate Committee

The Real Estate Committee reports net expenses that are SEK 336.3 million below budget. The outcome includes the transfer of certain investment expenses to operating costs, resulting in a reduction in expenses of SEK 58.4 million. Excluding this transfer, a surplus of SEK 277.9 million is reported. The difference compared with the budget is primarily due to time lags in projects, unused risk reserves and appeals. Some of the larger deviations relate to the acquisition of tenant-owned apartments, the renovation of fire stations and the Vällingby indoor swimming pool and sports hall.

Cemeteries Committee

The Cemeteries Committee reports net expenses that are SEK 6.4 million higher than the budget, excluding the transfer of certain investment expenses to operating costs. The transfer is made directly to the committee's profit, affecting operating income by SEK 16 million. The deviation is primarily due to increased costs in the Järva cemetery project.

Co-financing

The City co-finances national and regional investments in infrastructure for road and rail traffic in Stockholm. Disbursements for 2023 amounted to approximately SEK 1.3 billion, of which the index accounts for approximately SEK 121 million. Disbursements during the year related primarily to co-financing of the expansion of the underground in accordance with the Stockholm Agreement and the bus terminal at Slussen, which between them account for SEK 1.27 billion. Disbursements for the Stockholm Agreement during 2023 included an advance payment to enable an earlier project start.

The forecast for the remaining payments for the City's total commitments after 2023 amounts to approximately SEK 8 billion net, including repayments of the City's advances under the Stockholm Agreement and the National Negotiation on Housing and Infrastructure.

Co-financing commitments have to be made with the City's own funds, and are financed from previous provisions in the financial statements. Payments are made against previous provisions and are not recognised as expenses. In accordance with generally accepted accounting practice, capitalised amounts have been valued by indexation at the amount that is expected to be paid out in accordance with the agreement on the balance sheet date. The amounts have been discounted to present value at a discount rate corresponding to the City's internal interest rate. After the completion of an analysis, the forecasted time lags do not justify an increase in the City's provisions.

Ongoing implementation projects

The table below presents ongoing implementation projects within the City adopted by the City Council.

Committee and project	Ref. no.	Total expend- iture	Total income	Investment expense, SEK million		Forecast net deviation	Accrued net until 31/12/2023
				Estimated total expenditure	Estimated total income		
City Development Committee							
Hammarby Sjöstad							
Påsen and Godsvagnen districts	123-2060/2015	-57.7	18.4	-78.9	30.3	-9.3	-48.5
Nordvästra Kungsholmen							
Hornsberg district, Kristineberg 11	KS 2020/421	-1,438.0	93.4	-1,487.6	181.4	-38.8	-867.2
Kristineberg, Krillans krog, housing	311-1873/2012	-69.0	0.0	-56.4	7.9	20.5	-48.5
Stadshagen	KS 2018/489	-693.0	48.0	-916.4	79.9	-191.5	-334.9
Stockholm Royal Seaport							
Västra and vacuum waste collection facility	302-0806/2010	-843.2	216.4	-775.9	262.4	-113.4	-665.6
Kolkajen-Ropsten	123-1339/2017	-722.3	0.0	-850.1	0.0	-127.8	-568.6
Revised implementation decision Bobergsgatan	123-1339/2017	-499.0	-18.7	-589.8	72.9	-36.6	-376.0
Gasverket, revised implementation decision	123-1339/2017	-1,071.5	110.4	-1,526.1	76.8	-488.2	-738.2
Ängsbotten, housing	302-1935/2013	-313.0	0.0	-380.5	49.9	-17.7	-270.8
Construction logistics centre in Hjorthagen, revised implementation decision	KS 2020/1761	-505.9	555.0	-460.8	433.1	-76.8	-127.6
Gasklocka 3 and 4	302-0284/2014	-99.0	0.0	-239.0	25.2	-114.8	-114.1
Gasklocka 2	KS 2021/767	-1,053.0	0.0	-1,081.7	0.1	-28.6	-151.2
Fokus Skärholmen							
Konduktören	KS2022/790	-98.1	24.5	-92.2	3.7	-14.9	-14.5
Mäläräng	KS 2019/743	-832.2	44.8	-1,031.1	103.2	-140.7	-97.1
Söderholmen	KS 2018/1656	-126.0	0.0	-138.6	0.1	-12.5	-26.3
Vårbergstoppen	123-1634/2017	-91.4	0.0	-87.3	8.6	-12.7	-61.3
Vårbergsvägen	KS 2020/1556	-518.4	6.9	-514.5	9.8	6.9	-63.4
Skärholmsdalen	KS 2022/124	-927.4	-229.3	-871.0	228.7	55.7	-39.4
Stångsholmsbacken	KS 2021-1256	-215.0	55.6	-226.3	25.4	-41.5	-20.2

Committee and project	Ref. no.	Investment expense, SEK million					
		Total expend- iture	Total income	Estimated total expenditure	Estimated total income	Forecast net deviation	Accrued net until 31/12/2023
Fokus Järva							
Kista Äng	KS 2020/1757	-602.5	0.0	-645.8	31.8	-11.5	-148.2
Odde	KS 2022/1424	-507.8	23.7	-519.4	24.9	-10.4	-29.1
Rinkeby Allé, housing	123-2065/2015	-124.0	0.0	-113.5	4.1	14.6	-108.8
Tenstaterassen	KS2022/672	-168.4	21.6	-194.9	26.3	-21.8	-77.2
Fokus Hagsätra-Rågsved							
Hagastaden, revised implementation decision	KS 2021/1095	-10,435.6	1,023.3	-10,570.2	838.7	-319.2	-6,348.7
Slussen – revised implementation decision	123-1103/2015	-20,770.0	8,140.0	-21,165.3	8,690.9	155.6	-9,745.2
Archimedes	KS 2018/746	-115.7	64.3	-140.7	61.3	-28.0	-35.3
Brandstegen/Bäckvägen, revised implementation decision	KS 2020/1286	-205.7	11.7	-183.2	14.6	25.4	-167.1
Bromma Blocks, revised implementation decision 2	KS 2022/980	-195.0	15.2	-220.0	16.0	-24.2	-165.2
Bromma, Västerled	123-0556/2016	-71.0	0.0	-64.7	2.3	8.6	-54.1
Bromstensstaden Tora distr. (stage 1), revised implementation decision	KS 2018/487	-910.2	65.3	-1,223.3	269.5	-108.9	-804.7
Bromstensstaden stage 2	KS 2018/487	-144.0	266.2	-114.1	302.9	66.6	205.9
Diabilden	KS 2018/1859	-95.8	0.3	-142.5	8.8	-38.2	-104.9
Fader Bergström	KS 2022/267	-132.6	28.5	-143.4	29	-10.3	-41.5
Gamla Tyresövägen	KS 2021/1093	-161.2	9.0	-219.7	42.2	-25.4	-24.2
Kabelverket stage 3 revised implementation decision	KS 2020/400	-126.8	16.1	-101.3	30.7	40.1	-51.2
Kabelverket stage 4 revised implementation decision	KS 2020/401	-58.8	0.2	-62.1	2.3	-1.1	-49.4
Nordmarksvägen stage 2	KS2021/1257	-184.7	0.0	-184.4	22.9	23.2	-35.2
Nykroppagatan	KS 2021/1094	-121.5	0.0	-125.8	0.0	-4.3	-7.5
Näskubben	123-1532/2016	-57.8	0.0	-63.9	0.2	-6.0	-63.8
Ordenskapitlet	KS 2018/1850	-61.8	0.0	-48.3	4.4	17.9	-30.6
Packrummet, revised implementation decision	KS 2021/1254	-535.4	54.0	-531.6	46.8	-3.4	-220.0
Persikan	123-2113/2016	-800.4	11.1	-759.6	34.5	75.2	-563.8
Perstorp	123-2111/2016	-105.3	0.0	-132.1	21.2	-5.6	-92.3
Primus Park (Primus 1, housing)	123-1633/2017	-531.0	177.9	-587.8	231.5	-3.2	-201.0

Committee and project	Ref. no.	Investment expense, SEK million					
		Total expend- iture	Total income	Estimated total expenditure	Estimated total income	Forecast net deviation	Accrued net until 31/12/2023
Rågsved nature reserve	KS 2018/652	-54.9	0.0	-62.4	0.2	-9.1	-27.6
Sandåkravägen, revised implementation decision	KS 2021/437	-94.4	0.0	-93.6	4.5	5.3	-60.5
Spångaviadukten	KS 2020/1772	-85.6	0.0	-91.3	6.5	0.9	-53.0
Södermalm, Mariagårdstjärnan, revised implementation decision	2017/002040	-199.1	0.0	-117.4	3.2	85.0	-103.7
Slakthusområdet stage 1	KS 2020/1558	-813.3	15.9	-950.2	202.9	50.2	-223.9
Tippen food waste facility	KS 2021/1362	-69.2	21.0	-70.6	21.3	-1.2	-27.4
Årstafältet, stage 1	123-151972015	-1,720.1	127.3	-2,196.5	442.2	-161.5	-866.7
Årstastråket, stage 1, housing	302-0481/2012	-170.0	0.0	-212.2	17.1	-25.1	-195.1
Årstastråket, stage 2, revised implementation decision	KS 2020/693	-307.4	7.6	-319.3	32.2	12.6	-252.1
Årstafältet, stages 2 and 3	KS 20227979	-1,996.0	377.5	-2,239.4	377.4	-242.9	-104.1

Real Estate Committee

Redevelopment of Tekniska nämndhuset	122-1830/2017	-1,094.0		-1,036.0	1.1	58.0	-1,008.0
Tekniska nämndhuset, external renovation works	KS 2018/1058	-116.0		-96.8	0.0	19.2	-85.8
City Library, maintenance	KS 2019/1120	-260.0		-265.4	0.7	-5.4	-217.0
Kristinebergs IP, upgrade	KS 2021/934	Confidential					
Farsta fire station	KS 2022/559	Confidential					
Kungsholmen fire station	KS 2021/1720	Confidential					
Uppkådet 1 Adaptn. adm. premises Älvsjö SDF	KS 2021/1678	Confidential					
Västberga 1:1 New ice rink Mälarhöjdens IP	KS 2022/756	Confidential					
Älvsjöbadet	KS 2022/560	Confidential					

Transport Committee

Reinvestment programme 2022-2026 traffic lights	KS 2021/796	-167.0		-385.6	0.0	-218.6	-72.6
Söder Mälarstrand, reinforcement and cycling measures	124-1097/2017	-130.0		-207.3	0.0	-77.3	-29.9
Cycling measures, Vasagatan, revised implementation decision	KS 2019/1013	-290.0	109.0	-256.7	101.2	25.5	-155.4
Cycle path, Ulvsundavägen (Kvarnbacksvägen – Airport approach road)	KS 2020/911	-57.0	0.7	-37.9	14.4	32.9	-22.2
New funicular in Skärholmen	KS 2019/1812	-135.0		-137.5	-2.5	-67.5	-26.1
Expansion of commuting routes and implementation of public safety and road safety measures along Västberga Allé	KS 2021/1101	-70.0	30.0	-62.3	22.7	0.4	-35.3
Energy-saving luminaire replacement programme, 2022-2026	KS 2021/1098	-204.0		-95.0	0.0	-109.0	-51.8
Construction reinforcement of Kungsgatan	KS 2021/1103	-300.0		-249.1	17.4	68.3	-94.0

Committee and project	Ref. no.	Investment expense, SEK million					
		Total expenditure	Total income	Estimated total expenditure	Estimated total income	Forecast net deviation	Accrued net until 31/12/2023
Västerbron, widening of pedestrian and cycle paths	KS 2021/1281	-68.0		-41.9	0.0	-26.1	-31.0
Norra Danviksbron, renovation	KS 2021/1698	-285.0	25.0	-365.9	41.1	-64.7	-64.6
Widening of cycle path along the Riddarholmen Canal	KS 2022/668	-86.0		-85.1	0.0	0.9	-11.6
Cemeteries Committee							
Järva cemetery	KS 2018/1495	-357.0	0.0	-465.0	0.0	0.0	-339.1

Explanation: Reference number refers to implementation decision.

The corporate group's investments

The investment volume amounts to SEK 11,468 million (10,983). Gross investments include financial leasing. The investment volume remains relatively high, but has been slightly lower over the past two years than in previous years, despite increases in both inflation and costs.

The housing companies are responsible for new residential production and undertake upgrading initiatives in existing properties. The housing companies' investments in new production and upgrading amounted to approximately SEK 4.2 billion. From 2023, the goal for new production has been changed to a four-year one; the goal is for 3,500 new apartments to be started by 2026. During the year, only Stockholmshem started construction of 291 new apartments, which is lower than new production started by the housing companies in 2022 (634).

SISAB's investments are significantly lower compared with previous years and amount to approximately SEK 1.1 billion. This drop is a consequence of a changed student base and reprioritisation decisions in scope and time.

Stockholm Vatten och Avfall's investments total approximately SEK 4.5 billion. These investments are attributable to measures in both existing networks and development areas, as well as the project Stockholm's Future Wastewater Treatment.

Ongoing implementation projects

The table below presents ongoing implementation projects within the Stockholm Stadshus AB Group adopted by the City Council.

Companies and projects	Total expenditure	Investment expense, SEK million		
		Estimated total expenditure	Forecast deviation	Accrued until 31/12/2023
Micasa Fastigheter AB				
Copenhagen ren. bldgs. 3 and 5	-433.0	-256.0	177.0	-185.0
Dalen 20 ren. to senior	-424.0	-424.0	0.0	-103.0
Skolfastigheter i Stockholm AB				
Brandstegen	-419.0	-550.9	-131.9	-550.9
Hästhagsskolan	-452.0	-428.0	24.0	-373.8
Lillholmsskolan	-308.0	-440.7	-132.7	-278.1
Rödabergsskolan	-679.0	-648.3	30.7	-636.1
Vasa Real	-464.0	-534.1	-70.1	-366.5
Skanskvarnsskolan	-334.4	-333.7	0.7	-303.2
Drivhuset stage 2	-319.0	-408.4	-89.4	-69.0
Vällingbyskolan	-418.1	-408.0	10.1	-33.7
Bäckahagens skola	-472.0	-472.0	0.0	-261.0
Nya Gröndal	-480.0	-502.0	-22.0	-11.2
Stockholm parkering AB				
Car park, Hagastaden	-570.0	-705.0	-135.0	-685.0
Hjorthagsgaraget	-680.0	-731.0	-51.0	-145.0
Stockholm Vatten och Avlopp AB				
Slussen	-776.7	-734.9	41.7	-674.2
Årstafältet (SVOA's stage 1)	-764.0	-1,136.0	-372.0	-714.0
Hagastaden	-566.0	-543.9	22.1	-364.1
NDS Norra	-350.3	-397.5	-47.2	-322.1
NDS Södra	-300.0	-401.4	-101.4	-99.7
Stockholm's Future Wastewater Treatment	-9,200.0	-19,500.0	-10,300.0	-8,675.0
Högdalen, sorting and food waste facility (Resource Extraction Stockholm - RES)	-955.0	-1,204.8	-249.8	-856.7
Trade fair tunnel	-1,061.0	-1,061.6	-0.6	-62.8
Mälarbanan Line	-795.0	-761.1	33.9	-464.4
Nya Östbergatunneln	-641.0	-641.8	-0.8	-251.9
Trekanten reservoir	-530.0	-530.1	-0.1	-210.5
Gladökvärn	-350.0	-344.5	5.5	-336.9
SFV-L Jeriko-Långsjön	-444.0	-444.6	-0.6	-31.6
New slow filters, Norsborg	-615.0	-615.0	0.0	-37.2
AB Svenska Bostäder				
Mangon (formerly Persikan)	-682.0	-569.9	112.1	-443.7
Dalen 21	-460.0	-460.0	0.0	-15.5
Albano	-2,395.0	-2,395.0	0.0	-2,319.0
Greken	-272.0	-222.2	49.8	-222.3
Kärrtorp Centrum	-215.0	-205.7	9.3	-205.5
Plankan	-928.0	-928.0	0.0	-772.4
Garagehusen, Husby	-453.0	-453.0	0.0	-8.5
Husby Centrum	-254.0		254.0	-175.1
Oslo 4	-218.0	-234.3	-16.3	-227.0

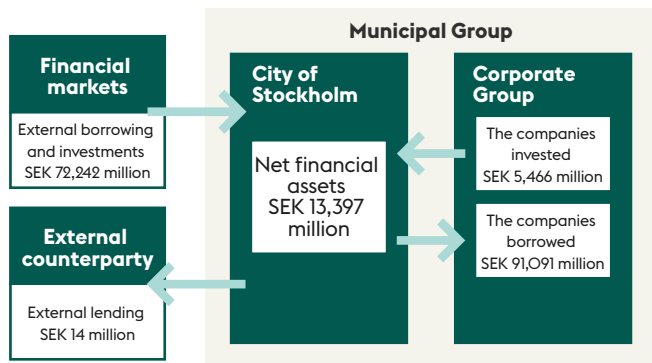
Companies and projects	Investment expense, SEK million			
	Total expenditure	Estimated total expenditure	Forecast deviation	Accrued until 31/12/2023
AB Familjebostäder				
Oldmästaren	-412.0	-405.0	7.0	-20.0
Jordkabeln 1 (formerly Distr. B)	-453.0	-457.0	-4.0	-109.0
Kraftcentralen 1 (formerly Distr. C)	-366.0	-370.0	-4.0	-142.0
Kabelverket 19 (formerly Distr. D)	-453.0	-453.0	0.0	-143.0
Lådkameran Filmen – Stockholmshus (Örby 4:1)	-477.0	-477.0	0.0	-293.0
Drevvikshöjden, Stage 4 (Källvreten 2)	-398.0	-420.0	-22.0	-66.0
AB Stockholmshem				
Linaberg	-1,130.0	-1,180.0	-50.0	-1,130.0
Persikan	-1,010.0	-1,010.0	0.0	-1,010.0
Måsholmen, New head office	-647.0	-676.0	-29.0	-647.0
Kabelverket 19 (formerly Distr. D)	-453.0	-453.0	0.0	-143.0
S:t Erik Markutveckling AB				
Renovation of brewery building and establishment of new sports centre within Gjutmästaren 6	-902.0	-902.0	0.0	-62.0
Stockholm Globe Arena				
Modernisation of Avicii Arena	-830.0	-830.0	0.0	-127.0
	-36,755.5	-47,807.5	-11,052.0	-25,240.6

Explanation: The amounts include investment expenses that cannot be capitalised

The Municipal Group’s financial position

On the balance sheet date, the Municipal Group the City of Stockholm had an external liability of SEK 73,281 million (66,850) and a net liability of SEK 72,228 million (65,829), representing an increase during the year of SEK 6,431 million and SEK 6,399 million respectively. This increased liability is due to the fact that this year’s investments are partly financed by loans.

The Municipal Group’s investments affect the City’s borrowing needs as shown in the figure below.



Executive Boards

This section presents certain financial information about the companies in the Municipal Group.

The table below shows, among other things, each company's turnover and profit for 2023.

Limited companies 2023	Turnover, SEK million	Profit after net financial items, SEK million	Balance sheet total, SEK million	Equity ¹ SEK million	Interest on tot. capital ² %	Equity/as- sets ratio ³ %	Investment, SEK million
Stockholms Stadshus AB (Group)							
Stockholms Stadshus AB, Parent Company	44.0	585.0	23,177.0	22,396.5	3.5	96.6	0.0
AB Svenska Bostäder, Group	3,482.0	-249.0	28,690.0	14,378.3	0.1	50.1	1,311.0
AB Familjebostäder, Group	2,546.0	107.0	21,257.0	11,090.2	1.5	52.2	1,657.0
AB Stockholmshem, Group	3,165.0	-40.0	26,239.0	12,138.7	0.9	46.3	1,314.0
Micasa Fastigheter i Stockholm AB, Group	1,112.0	-45.0	7,090.0	1,956.8	0.9	27.6	650.0
Bostadsförmedlingen i Stockholm AB	143.0	3.0	131.0	50.1	2.5	36.2	0.0
Skolfastigheter i Stockholm AB, SISAB	3,281.0	58.0	20,659.0	2,003.9	2.3	9.6	1,095.0
Stockholm Vatten AB, Group	3,603.0	-123.0	31,537.0	490.5	0.9	1.6	4,524.0
Stockholm Hamn AB, Group	729.0	-96.0	6,158.0	1,718.7	0.0	27.9	241.0
AB Stokab	837.0	256.0	1,766.0	258.1	15.5	14.6	154.0
Stockholms Stads Parkerings AB, Group	772.0	156.0	2,052.0	164.1	9.5	6.4	184.0
Kulturhuset Stadsteater AB	253.0	-370.0	182.0	526.4	Neg	2.9	18.0
Stockholm Globe Arena Fas- tigheter AB, Group	96.0	-153.0	4,139.0	969.9	Neg	23.4	151.0
S:t Erik Försäkrings AB	159.0	-3.0	377.0	266.9	Neg	39.0	0.0
Stockholm Business Region AB, Group	151.0	-2.0	221.0	26.9	-0.7	12.2	1.0
S:t Erik Markutveckling AB, Group	311.0	60.0	3,154.0	368.6	3.0	11.7	93.0
Mässfastigheter i Stockholm AB, Group	375.0	-135.0	833.0	149.2	Neg	17.9	22.0
Other companies, Associated company SSAB			13.6	13.6			
Stockholm Exergi AB	8,463.4	-62.5	30,719.0	11,107.8	34.6	36.1	1,800.0
Total, limited companies*	29,522.4	-53.5	208,394.6	80,075.2			13,215.0

* The associated companies' profit share is included in the Group's operating profit.

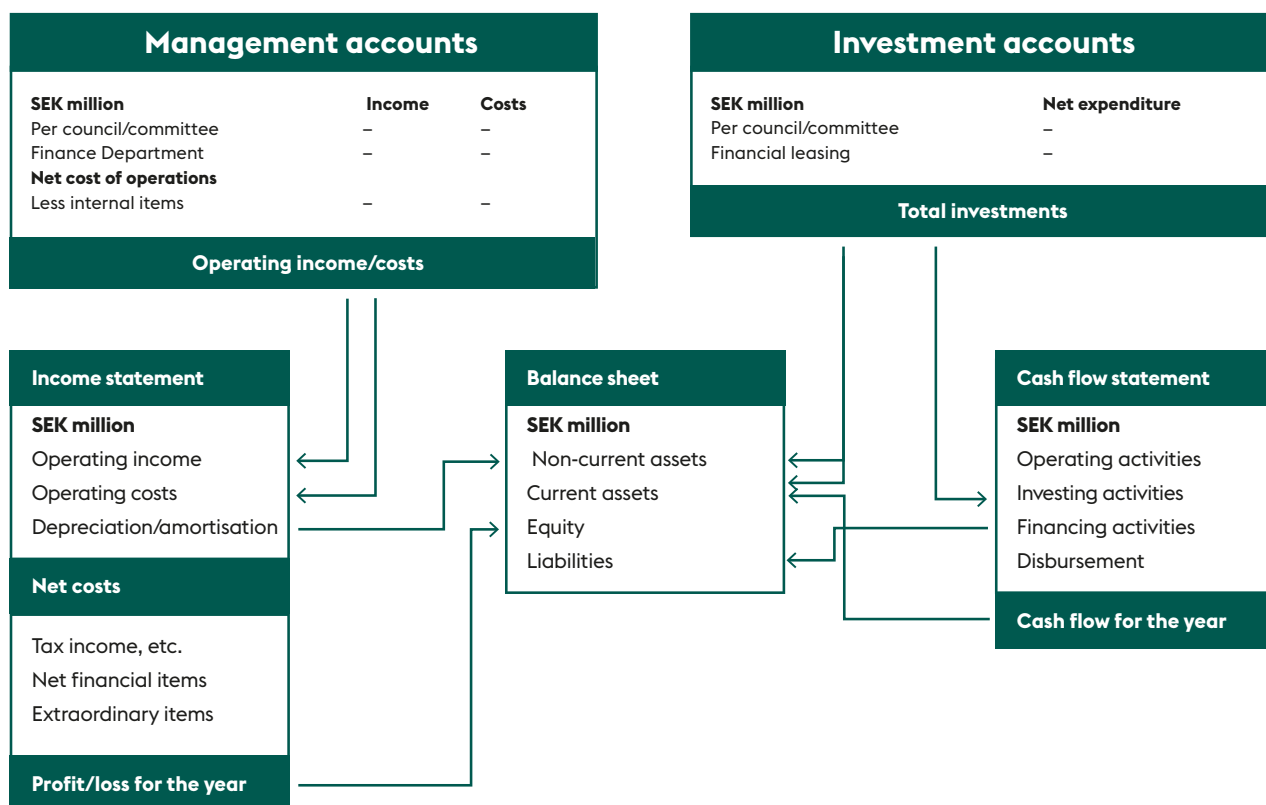
¹ Equity is expressed here as the sum of restricted and non-restricted equity according to the balance sheet, and 78.6% of the untaxed reserves.

² Interest on total capital is calculated as follows: Profit/loss after financial items plus financial expenses divided by average balance sheet total.

³ The equity/assets ratio is calculated as follows: Equity and 78% of the untaxed reserves divided by total assets.

How the operating and investment accounts relate to the other parts of the annual report

The figure below illustrates how the operating and investment accounts relate to the other parts of the annual report.



Explanation: The figure above is a simplified depiction of how the City's operating and investment accounts relate to the other parts of the annual report.

