

The Capital of Scandinavia



Stockholms  
stad



Annual Report

2015





The City of Stockholm's Annual Report gives you an overview of the City's finances and operations during 2015. The report covers both the City's committees and the operations carried out in limited company form. A separate Annual Report is also produced for Stockholms Stadshus AB and the companies which are part of the Group.

**Additional copies of the Annual Report may be ordered from the City Executive Office:**  
Finansavdelningen,  
Stadshuset,  
SE-105 35 Stockholm  
Telephone +46 (0)8-508 29 000  
Fax +46 (0)8-508 29 360  
E-mail [SLK-Finansavdelningen@stockholm.se](mailto:SLK-Finansavdelningen@stockholm.se)

**The Annual Report for Stockholms Stadshus AB may be ordered from:**  
Stockholms Stadshus AB  
SE-105 35 Stockholm  
Telephone +46 (0)8-508 29 000  
Fax +46 (0)8-508 29 080  
E-mail [info@stadshusab.se](mailto:info@stadshusab.se)

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#### **Editor**

Elin Andréasson and Eva Bowden (picture)

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Pär Olsson

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Sara McKey

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# A Stockholm for Everyone

Stockholm is the city of possibilities. People move here to work and study. Development and ambition exist side by side here. Stockholm has fantastic nature, a broad cultural life and creativity that makes the city grow. An equal-opportunity city that safeguards its residents grows strong.

In 2015, the Municipal Council adopted a new vision for Stockholm, Vision 2040. The vision is the City of Stockholm's goal for a socially, financially, ecologically and democratically sustainable development in the next few decades. The vision will be the foundation of our continued work on developing a Stockholm for Everyone.

Stockholm basically has a strong economy and sound finances. We should safeguard this. Despite a subdued global development, Sweden's and Stockholm's economy has developed positively in the past year. Among other things, the gross regional product in Stockholm County increased by almost 50 percent since the turn of the millennium. The corresponding development nationwide is around 31 percent. Stockholm's economy is strong.

The labour market in Stockholm is developing well. Unemployment among young people continues to drop. The rate of employment among those aged 15 to 74 is significantly higher in Stockholm than the rest of the country, as well as other metropolitan regions. The employment rate has been relatively constant in recent years. Several efforts have been made during the year to strengthen people who are outside the labour market. Among others, efforts are continuing for temporary employment in municipal operations, more holiday jobs, support and coaching through the Jobbtorgen resource programmes and for young people who neither work or study.

Local business efforts in the City have been developed, in part through the establishment of business councils in the city districts and greater cooperation with business associations and Stockholm Business Region AB. The proportion of business operators in the population of the City of Stockholm is higher than the county average and more than twice as high as the national average. The fact that the number of newly started companies increased by 12 percent compared with 2014 is very encouraging.

In 2015, Sweden's population grew by 103,662 people. This is the largest year-on-year increase measured to-date. The City of Stockholm's population grew by 11,527 people. The population growth is mainly attributable to the continuation of a high birth rate. At year-end, the City's population was 923,516.

Stockholm is and will continue to be an attractive city where people want to live and work. Stockholm is an open City that welcomes people from the whole world. The majority of those who move to Stockholm from abroad come from Europe. Of those from the rest of the world, most people come from India, Syria and China.

At the end of 2015, the number of refugees coming to Stockholm increased. Special efforts are being made to manage this unexpected situation. The City reinforced all of its reception functions, increased its presence at the central station, opened temporary housing facilities and streng-

thened the efforts of the social services. The situation that has arisen involving many refugees has put pressure on several of the City's operations. This is apparent in the activities of the Chief Guardian Committee in higher remuneration costs for trustees and personnel costs linked to the higher number of unaccompanied refugee children. Despite the strained situation, the City was able to present a strong, flexible organisation that relatively quickly adapted its operations to the situation that arose. The staff's efforts cannot be emphasized enough. Staff in the City of Stockholm, together with NGOs and volunteering Stockholmers, successfully maintained a good reception for the many people who came to our City in the autumn. Continued efforts are necessary in the next few years to enable establishment in the city and further work is necessary in schools, the labour market, housing construction and social services.

We note that the number of registrations and applications for support for children and young people increased in 2015. This is partly due to the higher number

» Staff in the City of Stockholm, together with NGOs and volunteering Stockholmers, successfully maintained a good reception for the many people who came to our City in the autumn. «



of unaccompanied refugee children. The child and youth units continue to recruit social workers to handle the higher influx of cases. Focus continues to be on prevention and early efforts for children and young people. The City has appointed a Child Ombudsman and a Social Sustainability Commission and established a fund for social investments, which creates good conditions for systematic work for equal and positive childhood conditions.

According to the City's method for in-depth quality follow-up in elderly care, good results are shown in the areas

### »» During the year, the City won two international awards for its work. ««

of meals, time outdoors and work on common values. Guidelines for processing in the social services' elderly care were adopted during the year as well as a strategy for elderly care staff in the City of Stockholm.

The number of children in the City's pre-schools is growing. At the same time, we see that there are differences between city districts. In both Rinkeby-Kista and Spånga-Tensta, the number of children is decreasing compared with earlier years. In areas with high new production of housing, the number of children in pre-schools is increasing. The childcare guarantee was fulfilled throughout the City and the City is continuing to expand pre-schools to be able to receive new pre-school children. Equivalence in pre-schools and schools was highly prioritised during the year.

Of a total of 90,000 compulsory school students in the City, 70,000 attend a municipal school. It is very pleasing to confirm that the grade point average in grade 9 had a strong upturn in 2015 and is the highest since the grade point average was introduced in the 1990s. There are, however, large differences between school results based on the students' socio-economic circumstances. The difference is the largest for boys and the results are generally the lowest for boys at schools with least favourable socio-economic conditions. Focus on the compensatory tasks of schools continues to be a central aspect of the long-term work to reduce the differences between Stockholm's schools.

As in compulsory school, there is a wide spread between upper secondary

schools. A number of special efforts have been made during the year, including the Stockholm Mathematics Improvement, efforts to promote an attractive and sustainable educational offering and efforts to make the vocational programmes more attractive.

Stockholm does well from an international perspective in terms of the environmental sustainability of cities. For example, Stockholm, together with Copenhagen, Oslo, Vienna and Amsterdam, tops the European Green City Index, which measures major European cities' environmental performance and commitment to reducing future environmental impact.

In 2015, funding from what is known as the Climate Billion programme began to be utilised. SEK 1 billion is allocated to contribute to reducing carbon dioxide emissions and having a high preparedness for future climate changes. In addition, several steps have been taken to achieve the requirements in the City's chemical's plan, mainly with a focus on toxin-free pre-schools. Stockholm's action plan for a good water status was approved during the year and the City also began more stringently requiring environmental consideration in its procurements.

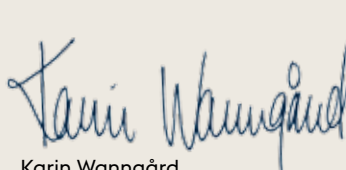
Proposals were prepared during the year on the City of Stockholm's environmental programme for 2016–2019, which advances the positions of the City's environmental efforts. Documentation has also been prepared for a new climate strategy for Stockholm, which will specify short and long term measures to achieve the goal of a fossil-fuel-free Stockholm by 2040.

During the year, the City won two international awards for its work. The City of Stockholm's fibre networks are future proof and of the highest quality according to the EU, which named Stockholm as the winner of the European Broadband Award 2015 competition. The organisation C40's award for the best sustainable urban development project went to Stockholm and the Stockholm Royal Seaport. The award was handed out during the COP21 climate summit in Paris where the City was represented.

Stockholm is a fantastic city to live and work in. We would like to direct a huge, warm thank you to all of our employees who contribute to Stockholm's development. The goal for Stockholm is to be a financially, ecologically, socially and democratically sustainable city.

**A Stockholm for Everyone.**



  
Karin Wanngård  
Mayor

  
Lars Rådth  
Chief Executive Officer

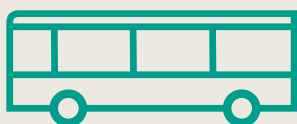


# Administration Report



# Important events and decisions during the year

## Decisions



- ▶ Approval of the vision for the City of Stockholm, Vision 2040 – A Stockholm for Everyone.
- ▶ A revised implementation decision for the renovation of Slussen.
- ▶ Revision of the county-wide guidelines for the handling of matters at the social services regarding unaccompanied refugee children.
- ▶ Surface water strategy – Stockholm's road to sustainable surface water handling.
- ▶ City of Stockholm's action plan for good water status.
- ▶ Agreement on the expansion and financing of a bus terminal solution for the Eastern Sector between Stockholm County Council, the City of Stockholm, the Municipality of Nacka and the Municipality of Värmdö.
- ▶ Improvement and development of Medborgarhuset at Medborgarplatsen in Södermalm with premises for the Sports Committee.
- ▶ Processing guidelines in social service elderly care.
- ▶ Strategy for elderly care staff in the City of Stockholm.
- ▶ Decision to host the Eurovision Song Contest 2016.
- ▶ A number of City-wide programmes are being circulated for comment, including the "City of Stockholm's Environmental Programme 2016–2019" and "Procurement and Purchasing Programme".

## Events



- ▶ The childcare guarantee was met throughout the City during the year.
- ▶ A 12-point programme for vulnerable EU citizens has been adopted.
- ▶ The grade point average in grade 9 had a sharp upturn and is the highest ever for the year.
- ▶ The trend of a decreased need for financial assistance continued during the year.
- ▶ Establishment of a social investment fund was approved by the City Council and work is under way to establish the guidelines for this.
- ▶ The City of Stockholm's commission for social sustainability presented its first report, the Stockholm of Differences.
- ▶ The sharply rising number of asylum seekers during the year placed major demands on the City's operations. Above all, the reception of unaccompanied refugee children claimed time and resources. Major focus has been on the work of offering housing for both unaccompanied refugee children, adults and families.
- ▶ A housing function is being established with responsibility for strategic governance and coordination of housing construction under the management of the City's housing coordinators.
- ▶ The first housing units according to the "Snabb Hus" (Fast Housing) concept began to be built.
- ▶ The City became a member of the European Coalition of Cities Against Racism (ECCAR) network.
- ▶ Municipal home-help services are now offered by every District Council.
- ▶ AB Svenska Bostäder won two out of three awards in the Customer Crystal competition, where private and municipal property companies throughout Sweden compete in customer satisfaction, service and quality.
- ▶ Stockholm.se was named Sweden's best website by the magazine Internetworld.
- ▶ In competition with other urban development projects in the world, Stockholm and the Stockholm Royal Seaport won an award for the best sustainable urban development project. The award was handed out at the UN climate conference by C40, the Cities Climate Leadership Group, a network of large, committed cities around the world.
- ▶ The City of Stockholm was ranked by the news magazine Fokus as Sweden's best place to live.
- ▶ In August, the library in Kista was named the world's best library when it received the "Public library of the year Award 2015".
- ▶ Out of 107 participating municipalities, Stockholm and Botkyrka was the winner of the Miljöfordonsdiagnos 2014 award, which is an evaluation of energy and climate work with regard to the vehicle fleet.
- ▶ The sibling pre-schools Nicolai-gården and Egalia in Södermalm was named one of the world's most innovative schools by the magazine TECH Insider for its work with gender and gender equality.
- ▶ The City of Stockholm won the EU's "European Broadband Award 2015" for IT infrastructure. The jury motivated its choice by noting that Stockholm has acted on the long-term, has been pioneers and has built a sustainable network.
- ▶ The City's possibilities of offering weddings were developed with a higher number of wedding officiators.





PHOTO: SOPHIA HOGMAN STUDIO/EMMA SVENSSON

# Stockholm in the world

From an international perspective, Stockholm is doing well and tops several international rankings. According to Monocle's Quality of Life Survey, which measures welfare and quality of life, the City was ranked sixth in 2015. The City's welfare system and access to a vibrant art and culture scene are pointed out as reasons for the City's ranking.

**T**he European Digital City Index ranks various European cities based on how well they support digital entrepreneurship. The study includes all major cities in the EU as well as seven other capital cities that constitute important hubs for digital entrepreneurship. In the 2015 European Digital City Index, Stockholm came third.

The Urban Audit Perception Survey (UAPS) is an interview survey done by Eurostat in which the trust between residents of European capitals is investi-

gated among other aspects. In the study, people were asked if they feel that they can generally rely on other people in their hometown. In the survey, Stockholm is ranked third.

The level of education in terms of higher education has increased over time in the Stockholm region. Compared with other cities with similar conditions, the proportion of the population with at least a university education in Stockholm County is a bit above the average. The level of education is, however, lower in Stockholm than in

the Nordic capitals Oslo, Copenhagen and Helsinki.

Internationally, Stockholm performs well in terms of indexes that measure the cities' environmental sustainability. The Economist has developed the European Green City Index, which measures the environmental performance of major European cities and their commitment to reducing their future environmental impact. The index is topped by the capitals Copenhagen, Stockholm, Oslo, Vienna and Amsterdam.

Indexes that measure information and communication technology show that the City is competitive, but that the competition with other cities is becoming tougher. Continued high-quality, cost-effective social service is a prerequisite for the City of Stockholm's future attractiveness and development and in order for Stockholm to continue to compete for attractive labour and be able to remain a knowledge-intensive hub.



# General economic analysis

## Subdued global economy, but fast growth in Sweden

In recent years, the recovery of the global economy has slowed. This is mainly attributable to weak growth in the emerging markets, mainly Brazil and Russia, which are undergoing deep recessions as a result of falling commodity prices. Weaker growth in China is also holding back global growth. The International Monetary Fund (IMF) assesses that global growth amounted to 3.1 percent in 2015 and is expected to amount to 3.4 percent in 2016. The Euro zone is expected to have a growth of 1.7 percent.

Despite subdued global growth, Sweden's economy has developed positively in the past year and at the beginning of 2016, the picture brightened even more. For 2015, GDP growth is assessed to have amounted to 4.1 percent. The Swedish labour market strengthened in 2015 and above all, higher employment, but also some decrease in unemployment.

## The Stockholm economy is strengthening

The economy in Stockholm is developing positively. This is apparent in part from other statistics on the gross regional product (GRP), which increased almost 50 percent in Stockholm County between 2000 and 2014. Nationwide, the volume growth was around 31 percent during the corresponding period.

The labour market in Stockholm is developing well even if the strong employment growth of recent years has slowed somewhat. In the fourth quarter of 2015, the number of people employed in the City of Stockholm (ages 15–74)

increased by 0.9 percent compared with the corresponding quarter in 2014, which is a lower growth rate than before. The employment rate in Stockholm County as a whole was, however, higher and amounted to 1.9 percent. As presented by the table below, various indicators, such as the openly unemployed, the number of recently registered vacancies, start-up companies and termination notices, also show a positive development.

Unemployment among young people continues to decline both counted in the number and proportion of those registered as unemployed. At the end of December, unemployment among young people in the City of Stockholm

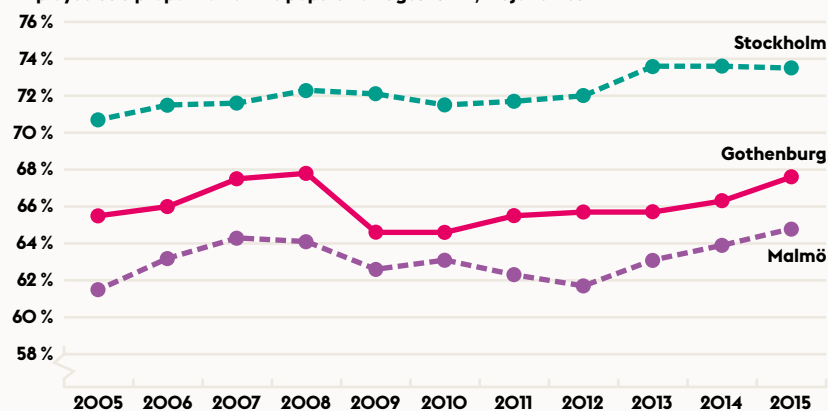
(aged 18–24) was 7.0 percent of the workforce. This is more than 5 percentage points lower than the national average (13.1 percent). Stockholm accordingly has Sweden's lowest unemployment among young people according to the Public Employment Services.

The employed proportion of the population aged 15–74 is significantly higher in Stockholm than in the rest of the country and other major cities, as shown in the diagram below. It is worth noting, however, that the employment rate has been relatively constant in Stockholm in recent years while an upward trend can be noted in both Gothenburg and Malmö.

## Key economic figures in the City of Stockholm

Key figures	2014	2015	Change
Employment rate, age 15-74 (Q4)	73.8%	73.5%	-0.3 p.p.
Openly unemployed (December)	19,368	18,859	-3%
Recently registered vacancies (December)	12,588	16,173	+28%
Start-up companies	12,835	13,996	+8.8%
Termination notices	6,281	6,008	-4.3%

Employed as a proportion of the population ages 15–74, major cities

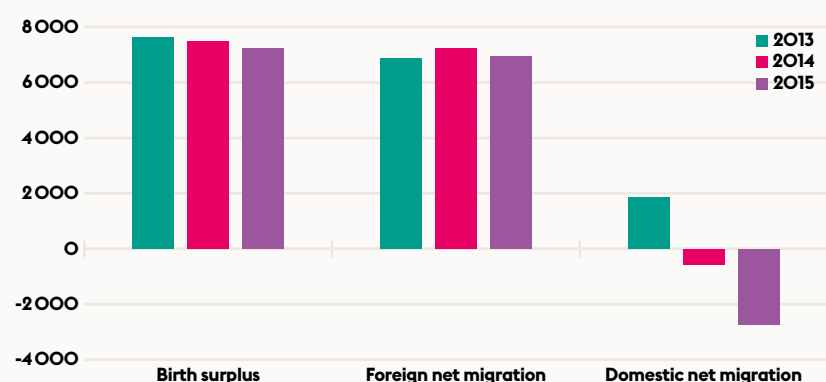


Source: Statistics Sweden/LFS



PHOTO: LIESLOTTE VAN DER MEUS

Population increase in the City of Stockholm 2013–2015, broken down by sub-components



Source: Statistics Sweden

# 923,516

people lived in the City of Stockholm at year-end.

The number of residents in the City grew by

# 11,527

people in 2015.

## Strong population growth continues

In 2015, Sweden's population grew by 103,662 people to 9,851,017. This is the largest year-on-year increase measured to-date. Stockholm County grew most by 33,395 people to 2,231,439. This means that Stockholm County accounted for one third of Sweden's total population increase. The City of Stockholm's population increased by 11,527, which is somewhat lower than previous years. At year-end, the City's population was 923,516.

The population increase in the City of Stockholm is attributable mainly to a continued strong net birth rate, meaning more are born than die (accounting for 63 percent of the increase), and to a positive net relocation from abroad. During the year, the net relocation domestically was negative, however, with 2,723 people less, which is primarily attributable to an increase in people moving to neighbouring municipalities

within Stockholm County. Solna, Huddinge and Nacka were the most common relocation municipalities. More than 53,000 people from the other municipalities in Sweden moved to the City of Stockholm in 2015, but at the same time even more chose to move from the City.

## Higher number of asylum seekers

In 2015, a total of 162,877 people sought asylum in Sweden, which can be compared to 81,301 the year before. The Swedish Migration Board does not publish statistics over new asylum seekers by municipality. However, they present statistics on the number of those registered by municipality at the respective year-end. At year-end 2015, 180,651 were registered in the Swedish Migration Board's reception system, of which 8,191 had their residence in the City of Stockholm without being registered in the City. 5,091 of these people have their own housing. Of those registered in the City of Stockholm, around 2,000 were unaccompanied refugee children.

The three largest groups of asylum seekers were from Syria, Afghanistan and Iraq, respectively. Of the unaccompanied refugee children, 66 percent came from Afghanistan. The asylum process is expected to take up to two years and the increase in the number of municipal receptions will therefore probably not have an impact on the statistics until 2017.

## Stockholm an increasingly attractive tourist destination

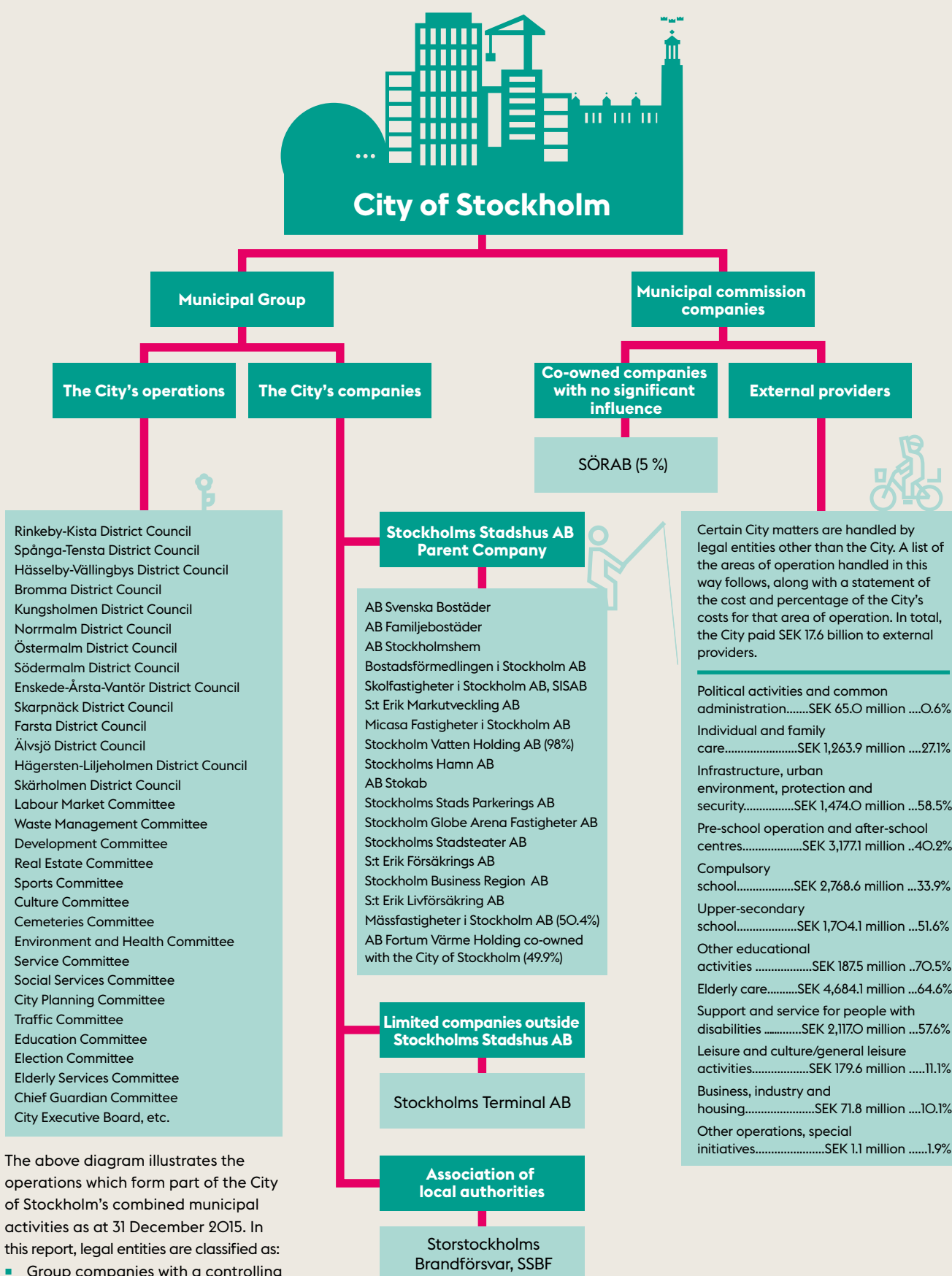
A clear measure of Stockholm's positioning as an attractive City is the development of the tourism industry. In the third quarter of 2015, there were 4.4 million commercial overnight stays in Stockholm County, of which 2.9 million were in the City of Stockholm. This is an increase of 12.2 percent compared with the corresponding quarter in 2014. For both the county and the City, the number of foreign visitors and the number of domestic visitors both increased.



PHOTO: LENNART JOHANSSON



# Organisation and governance



The above diagram illustrates the operations which form part of the City of Stockholm's combined municipal activities as at 31 December 2015. In this report, legal entities are classified as:

- Group companies with a controlling or significant influence
- Commission companies of the other co-owned company or municipal contracts type

# 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 committees and the City's wholly and partially owned limited companies. As part of its supervisory duty, the City Executive Board has examined the committees' operational plans, including risk and materiality analyses for 2015. In cases

where committees had set annual targets for indicators which were too low, they were urged to come up with more ambitious targets with the aim of achieving the City Council's annual targets. The supervisory duty was also exercised through the City Executive Board's follow up of the four-monthly reports and the annual report for the City of Stockholm. 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. The City Executive Board considers that the City's wholly-owned and part-owned companies have carried on their respective operations in conformity with the law.

## Sound financial management

### Integrated management system – ILS

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

In the annual budget, the City Council establishes orientation goals and targets for the operational areas, indicators and activities that together measure goal attainment. For each indicator, the City Council establishes an annual target. The committees and boards set out the City Council's goals for the operational areas in concrete form through administration/company targets.

### The City's vision

The City of Stockholm's vision, Vision 2040 – A Stockholm for Everyone, was adopted by the City Council in October 2015. The vision is divided into four sections with the same starting points as the City Council's orientation goals.

### City governance according to ILS

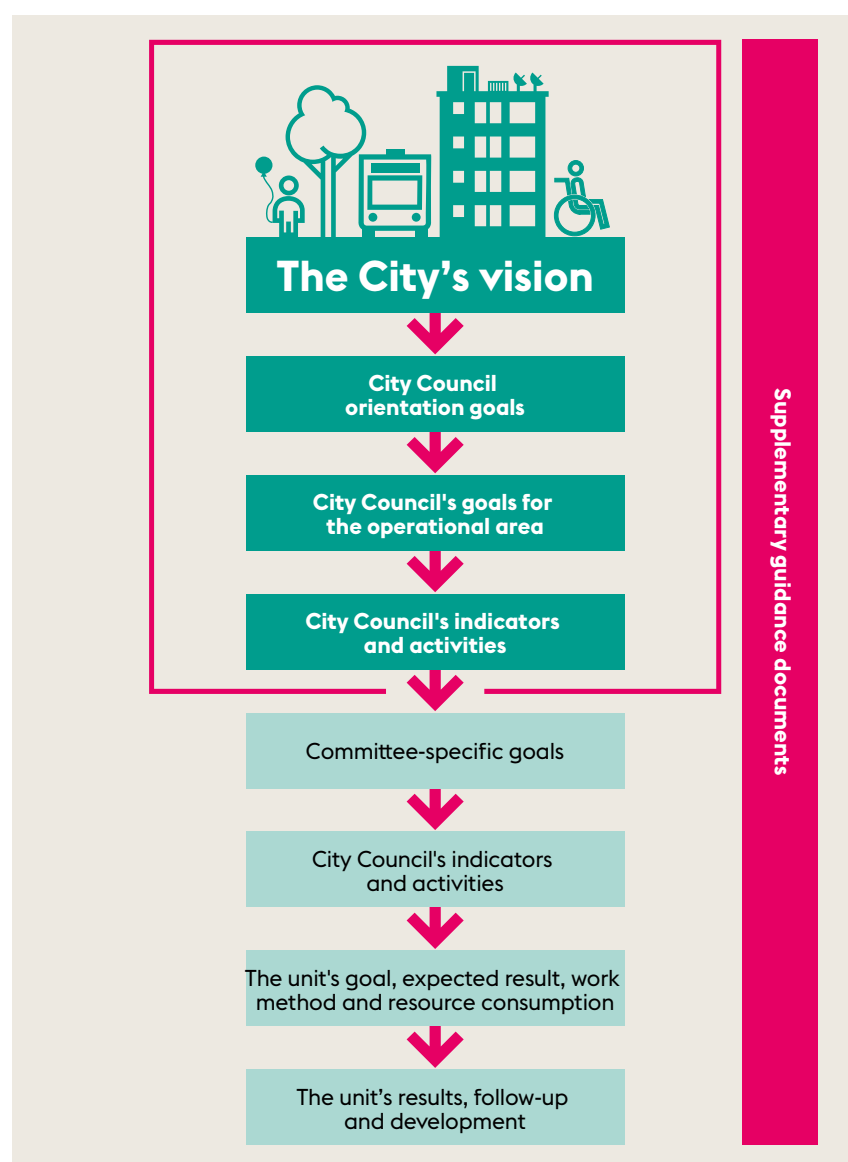






PHOTO: FREDRIK PERSSON

## City Council orientation goals

The City Council decided on the following four orientation goals in the 2015 budget:

- A Stockholm that stands united
- Eco-smart Stockholm
- Financially sustainable Stockholm
- Democratically sustainable Stockholm

The orientation goals provide the framework for the City's management of its operations. How well the City achieves the orientation goals is vital to the achievement of sound financial management for the City.

For every goal, there is a number of indicators and for every indicator, an annual target is set. Annual targets for the indicators are set based on the situation, conditions and level of ambition and based on what level should be achieved for the respective year.

An assessment of goal attainment for the year is based on the outcomes of the indicators, whether or not the committees have met their own committee goals, committee indicators and the extent to which they conducted the activities they stipulated in their operational plans. Based on the above, an assessment of all of the City Council's operational targets has been done. The collective assessment is that the City has partially met the requirements for sound financial management in 2015. The summary of the goal assessments is presented at right.

City Council's orientation goals/operational targets	Municipal Group's goal attainment for the year
<b>A Stockholm that stands united</b>	<b>Met in part</b>
All children in Stockholm have equal childhood conditions	Met
Education is of high quality and students get time to learn	Met in part
All children have equal opportunities in pre-school and school	Met in part
Early social efforts create equal chances in life for all	Met in part
Stockholm is a city that stands united, with secure and vibrant city districts	Met in part
Stockholm is a city with a high level of housing construction where all can live	Met
Stockholm has a rich offering of sports and leisure activities accessible to all	Met
All elderly have a safe old age and receive good quality elderly care	Met in part
<b>Eco-smart Stockholm</b>	<b>Met</b>
Stockholm is climate neutral	Met
Transports in Stockholm are sustainable	Met in part
Stockholm has clean air and clean water	Met
It is easy to choose an environmentally friendly lifestyle	Met
<b>Financially sustainable Stockholm</b>	<b>Met</b>
Stockholm is a world-leading knowledge region	Met
Companies choose to establish business in Stockholm	Met
More people work, have secure employment and support themselves	Met
In Stockholm, it is easy to acquire education throughout life	Met
The City of Stockholm's finances are sustainable on the long term	Met
<b>Democratically sustainable Stockholm</b>	<b>Met in part</b>
Stockholm is free from discrimination	Met in part
The City of Stockholm is a good employer with good working conditions	Met in part
Stockholm is a city that respects and lives up to human rights and the Convention on the Rights of the Child	Met in part
Stockholm is a city where nobody needs to fear violence	Met in part
Stockholm is an accessible city for everyone	Met
Stockholm is a democratic city where the citizens have influence	Met
Culture and personal creativity are readily accessible to all Stockholmers	Met
The City develops public procurement in a sustainable direction	Met



## Attainment of orientation goals

### A Stockholm that stands united

The overall assessment is that this orientation goal was partially achieved during the year. This assessment is based on the fact that three out of eight underlying targets were achieved in full and three were achieved in part.

The social work for children and young people is focused on prevention and early intervention. During the year, the City appointed a Child Ombudsman and a Social Sustainability Commission, which creates good conditions for continued systematic work for equal and positive conditions in childhood.

»During the year, the City appointed a Child Ombudsman and a Social Sustainability Commission, which creates good conditions for continued systematic work for equal and positive conditions in childhood.«

The number of children in the City's pre-schools is continuing to grow. Even if the rate of increase has slowed somewhat, the strong expansion is continuing in order to be able to accept new pre-school children, and the childcare guarantee was fulfilled throughout the City.

The grade point average in grade 9 had a strong upturn in 2015 and is the highest since the measurements began in the 1990s. The proportion of students in grade 9 who achieved the proficiency targets in all subjects is higher than it has been in the past ten-year period. The grade point average also increased in grades 6–8.

The work on prevention and early intervention was developed during the year. The field assistant's outreach work and the work with social intervention groups that aims to help individuals at risk of ending up in a criminal lifestyle and help young people leave criminal networks have been expanded. In addition, the development work to strengthen the child and parent perspective in addiction and dependence care continued during the year.

In 2015, the number of unaccompanied refugee children to Stockholm increased sharply, and the City worked during the year to meet these children's needs for safe housing through own housing, on-call homes and foster homes. There was extensive demand for on-call homes, but there was also extensive interest from families and individuals who want to welcome these children and young people into their homes. The strong increase in the number of unaccompanied refugee children during the autumn consumed a large part of the City's resources in social child and youth care.



The proportion of students in grade 9 who achieved the proficiency targets in all subjects is higher than it has been in the past ten-year period.

The long-term goal is for 140,000 new homes to be built between 2010 and 2030. To ensure construction on the shorter term, the goal is for 40,000 new homes to be built between 2014 and 2020. During the year, important steps were taken to enable more housing at a reasonable cost. A few important steps are the adoption of a new land allocation policy, Svenska Bostäder beginning the first projects under the Fast Housing concept with the aim of reducing construction costs and the launch of the Stockholm Houses, a collaborative project for the City's housing companies. The majority of the annual targets for the City Council's indicators were achieved with a wide margin, including homes and rental units entering construction.

In accordance with the City Council's budget for 2015, all District Councils ensured during the year that they can offer municipal home-help services. In recent years, the City has developed a



PHOTO: LIESELOTTE VAN DER MEUS



method, called quality observation, for in-depth quality follow-up in elderly care. In nursing and care facilities, the observations in 2015 showed good examples in the areas of meals, time outdoors and work with common values.

### Eco-smart Stockholm

The overall assessment is that this orientation goal was achieved in full during the year. The assessment is based on three out of four underlying goals for the operational area being achieved in full and one being achieved in part.

Proposals were circulated for comment regarding the City of Stockholm's environmental programme for 2016–2019, which advances the positions of the City's environmental efforts. During the year, the City also prepared documentation for a plan of approach to make Stockholm fossil fuel free by 2040 and a strategy for achieving the climate target of 2.3 tonnes of carbon dioxide equivalents per resident per year, which will be joined into one steering document in 2016.

The City Council allocated SEK 1.0 billion for measures to contribute to the City's possibility of achieving the long-term targets, reducing the climate-impacting carbon dioxide emissions and having a high level of preparedness for future climate changes. During the year, the funds began to be utilised. In addition to the previously adopted SEK 1 billion investment in bicycle promotion, another SEK 300 million was added to the investment plan for 2015–2018 for improved bicycle infrastructure. The expansion of the highest priority sections is underway.

An action plan for good water status was adopted, with a focus on preparing local programmes of measures. The action plan's implementation is promoted by the establishment of a good and suitable organisation in the City. A new water run-off strategy was adopted by the City Council and concrete manuals have been prepared as support for how sustainable surface water management should be applied in the city planning and property development process.

The City's measurements show that air quality is steadily improving. In both 2014 and 2015, the environmental quality norms for PM10 particulates were met throughout the City of Stockholm. Several efforts for follow-up of the requirements in the City of Stockholm's chemicals plan for 2014–2019 were implemented, mainly with regard to products for pre-schools. The City has also worked on developing a list of approved materials for playground equipment and a guide for a chemicals-smart pre-school.

### »» The District Councils began extensive work in 2015 on developing local democracy. ««

#### Financially sustainable Stockholm

The overall assessment is that this orientation goal was achieved in full during the year. This assessment is based on all five underlying targets having been achieved in full.

Local business efforts in the District Councils have been developed, in part

with the establishment of business councils and greater cooperation with business associations and Stockholm Business Region AB.

According to the Confederation of Swedish Enterprise's measurement of entrepreneurship in those aged 16–74, 16 percent of the City of Stockholm's population are business operators, which is higher than the county average and more than twice as high as the national average. This year's outcome for the number of start-ups was 23,521, which is an increase of 12 percent compared with 2014. The City of Stockholm seeks to be a popular meeting place that attracts investment. In the third quarter of 2015, the number of guest nights in the county increased more than 14 percent compared with the same quarter in 2014.

During the year, the City of Stockholm hosted several exciting events that help put the City on the map. Two examples are the EuroGames and Stockholm's Festival of Culture, which both took place in August. The City of Stockholm's fibre networks are future proof and of the highest quality according to the EU, which named Stockholm as the winner of the European Broadband Award 2015 competition.



PHOTO: PETRA SUNDSTRÖM



PHOTO: SARA MC KEY

During the year, the course Swedish for Immigrants (SFI) was offered to those on parental leave at two locations in the City. The objective is to strengthen women outside the labour market in particular. The course was held one afternoon per week where the children were able to be with in the classroom. During the year, the City also took stock of professions in short supply where the employers in the region assessed their recruitment needs for the next few years and the professions require a maximum of upper secondary qualification. The number of students in upper-secondary vocational programmes leading to such professions increased by 8 percent in 2015.

The committees generally displayed good budget discipline and present a total surplus of SEK 519 million after surplus transfers. All financial annual targets were met during the year. The Sports Committee and the Real Estate Committee continued to develop common processes for rents, investments, maintenance and energy-efficiency enhancements. The work of the Service Committee on improving the efficiency of the City's administrative services was conducted according to plan.

### Democratically sustainable Stockholm

The overall assessment is that this orientation goal was partially achieved during the year. This assessment is based on the fact that four out of eight underlying targets were achieved in full and four were achieved in part.

In 2015, the City of Stockholm became a member of the European Coalition of

Cities Against Racism (ECCAR) network. The network offers cities/municipalities a forum where experiences are exchanged to improve the local work against racism and discrimination.

In the 2015 budget, the City Council decided to appoint a Human Rights Advisory Board and a Child Ombudsman. The Municipal Executive Board's work on a City-wide programme for gender equality issues and the preparation of an LGBT programme progressed during the year.

A new programme for procurement and purchasing was prepared. The programme is based on the City's overall orientation goals and aims to use procurement as a strategic tool to develop the City in a sustainable direction.

During the year, the City further developed the City-wide approach to combating violence in close relationships. The City's guidelines for the handling of matters concerning violence in close relationships is under revision.

The District Councils began extensive work in 2015 on developing local democracy. This includes, for example, strengthening Stockholmers' influence through the development of various forms of local advisory boards and work is now under way in every District Council to increase the participation and influence of young people.

This year, the factors which measure important preconditions for active participation at work are measured in the active co-creation index (AMI). The outcome

» In the 2015 budget, the City Council decided to appoint a Human Rights Advisory Board and a Child Ombudsman. «

was 80, which is a very stable result compared with other municipalities. The work of lowering sickness absence continued as a high priority. The third round of the City's trainee programme for university graduates began in September 2015.

On 1 October, the City began providing municipal healthcare in housing facilities and day activities according to the Act concerning Support and Service for Persons with Certain Functional Impairments (LSS). Assignment descriptions for the District Councils' own activities in support and service for people with disabilities including social psychiatry were prepared during the year.

The Stockholm City Museum was closed for renovations in January and will open with a new exhibition in 2018, but a large amount of the museum's work is still under way throughout the City. Under the banner "Stockholm City Museum out and about", Stockholmers have been able to participate in city tours in both the city centre and the suburbs. The Medieval Museum had no entrance fee and increased its visitor statistics by 70 percent. A greater presence on social media and good reviews on Trip Advisor are believed to have contributed to the increase.



## Financial targets

The City has set financial targets to guarantee a favourable financial development over time.

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

This measure establishes that the City's operating income and expenses may not exceed tax income, general government grants and equalisation over a long-term perspective. The net financial items can also be used in one year to finance the net operating expenses. The target for 2015, where net financial items was also permitted to finance operating consumption, was met and amounted to 99 percent. The net operating costs account for 101 percent of tax income, general government grants and equalisation. In the latest five-year period, the value increased from 98 to 101 percent. On the long term, net expenses must be adapted to the income limits excluding net financial items.

### Equity/assets ratio

The equity/assets ratio measures how much of the City's assets are financed by equity. The measurement is calculated including pension liabilities, which according to applicable rules are partially off the balance sheet. The target is for the equity/assets ratio to not go below 34 percent. The value may drop to 30 percent one single year. The target for 2015 is 34 percent, which was met. The equity/assets ratio has been stable at between 34 and 35 percent for the past five years.

### 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 excessively large part of the City's total net operating costs, a target has been set up that these costs may constitute a maximum of 7 percent of the City's net costs. In 2015, the capital cost share of net operating costs amounted to 6 percent and the target is thereby met.

In 2015, component depreciation was introduced in the City. Among other things, this means that maintenance costs are viewed as investments and not as operating costs. On the long term, this will mean that the costs for maintenance are moved from other net operating costs to capital costs. The effect will impact the measurement in future years, but is assessed to be minor at present.

### Budget compliance before and after technical adjustments

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 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 target for budget compliance is that it must not exceed 100 percent, both before and after technical adjustments. As the outcome for the year was 99 percent, the target was met.

### Goal regarding forecast accuracy of the committee's second four-monthly report

Forecast accuracy is a measure of the ability to assess deviations and to take action to keep to a set budget. Forecast accuracy is measured as the deviation between the year's forecasts and out-

# 99%

of tax income including net financial items, represents the net expenses of operations for the financial year.

comes, including capital costs, results of the profit centres and the City Executive Board's technical adjustments.

The goal is a maximum deviation in forecast accuracy in the second four-monthly report from actual outcome of  $\pm 1$  percent. The target was achieved, as the forecast accuracy was  $-1$  percent.

### Profit for the year for the Municipal Group

After eliminating intra-Group balances, including dividends, the profit for the Municipal Group after taxes and net financial items amounted to SEK 2,606 million (4,087). The profit figure for the Municipal Group includes the results for the City, the Stockholms Stadshus AB Group and the City's other companies which are not part of the Stockholms Stadshus AB Group. The profit for the year for Stockholms Stadshus AB amounted to SEK 1,086 million (733).



PHOTO: LENNART JOHANSSON

## Appropriations within the Municipal Group

The profit for the year after net financial income/expense for the Stockholms Stadshus AB Group amounted to SEK 1,411 million (1,105). In the financial statements for the Stockholms Stadshus AB Group, losses in certain subsidiaries are covered by corresponding Group contributions totalling SEK 499 million (518). The dividend to the City in 2015 amounted to SEK 500 million of the budgeted dividend of SEK 1,000 million.

Appropriations for the Stockholms Stadshus AB Group are shown in the table below. In summary, it may be noted that the Group utilised available results to strengthen the equity of subsidiaries as well as to free-up funds for future distribution to the City in an amount of SEK 1,000 million according to the City Council's budget for 2016.



PHOTO: LIESELOTTE VAN DER MEUS

## Balance requirement result for the year

SEK 000s	Group contributions paid	Group contributions received	Shareholders' contribution paid	Shareholders' contributions received	Dividend from Stadshus AB Group	Dividend, City of Stockholm
<b>Parent Company</b>						
Stockholm Stadshus AB	-180,531				-1,000,000	1,000,000
<b>Subsidiaries</b>						
AB Svenska Bostäder*					10,049	
AB Familjebostäder*					869	
AB Stockholmshem*					995	
Bostadsförmedlingen i Stockholm AB						
Skolfastigheter i Stockholm AB (SISAB)						
Micasa Fastigheter i Stockholm AB						
S:t Erik Markutveckling	-45,218					
Stockholm Globe Arena Fastigheter AB		199,000				
Stockholm Vatten AB						
Stockholms Hamn AB	-9,000					
AB Stokab	-205,000					
Stockholm Stads Parkering AB	-105,000					
Stockholms Stadsteater AB		345,750				
Stockholm Business Region AB						
S:t Erik Försäkring AB						
S:t Erik Livförsäkring AB						
Other companies						
Group adjustments						
<b>Total</b>	<b>-544,750</b>	<b>544,750</b>	<b>0</b>	<b>0</b>	<b>-988,087</b>	<b>1,000,000</b>

\* The dividend is attributable to Section 3 of the Public Municipal Housing Companies Act



## Surplus for the year for the City

The surplus for the year for the City amounted to SEK 1,924 million (3,450). Capital gains and sales of development properties constitute the largest part of the surplus, SEK 1,426 million. Sales of development properties took place primarily in Hagastaden and Stockholm Royal Seaport. The City's operations provide a surplus of SEK 520 million, of which SEK 51 million pertains to the District Councils and SEK 469 million pertains to the specialist committees.

The lower surplus compared with the preceding year is due to lower capital gains and less share dividends. No additional dividend was provided under the Swedish Municipal Housing Companies Act. The dividend from AB Fortum Värme Holding co-owned with the City of Stockholm went to Stockholms Stadshus AB in that ownership was moved there in 2014.

The change in equity for the year amounted to SEK 1,924 million. The surplus has contributed to financing the City's investments in 2015. Sales income and depreciation and other non-flow-impacting items jointly cover 74 percent of investments made. The corresponding level for 2014 was 108 percent. The tax rate was raised by SEK 0.35 in 2015 and the burial fee was raised by SEK 0.01.

## Reconciliation with the balanced-budget requirement

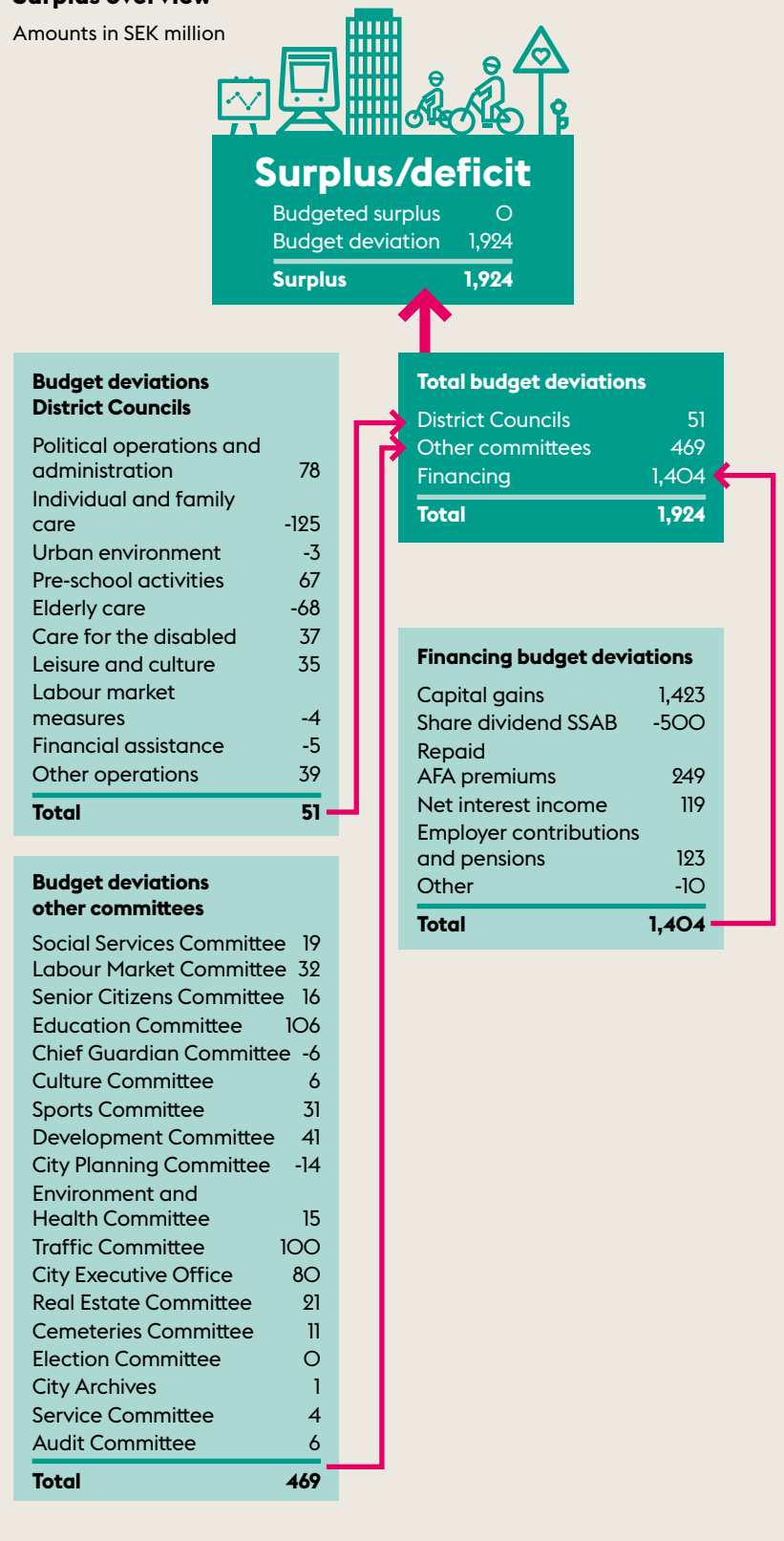
A reconciliation with the balanced-budget requirement must be performed in accordance with Chapter 8, Section 4 of the Local Government Act. The aim of the balanced-budget requirement is to show that a municipality is not living beyond its means. Capital gains and other income affecting comparability of a non-recurring nature should not be used to finance operating activities. These items should therefore be subtracted from the surplus when a reconciliation is done against the balanced-budget requirement. Capital losses shall be included in the costs. The City's surplus adjusted in accordance with the Local Government Act requirements is presented in the table at right and shows that the City meets the requirement for a balanced budget as there is a balance requirement result of SEK 1,560 million (729).

## Balance requirement result for the year

SEK million	
Profit/loss for the year	1,924
Less income affecting comparability	-364
Surplus for the year after balance requirement adjustments	1,560
Balance requirement result for the year	1,560

## Surplus overview

Amounts in SEK million



## Budget settlement

In total, the District Councils and specialist committees report a surplus of SEK 520 million including settlement against surplus reserves. For 2014, the corresponding surplus was SEK 434 million.

The District Councils present a total surplus of SEK 51 million (58).

Total personnel costs for the City increased by 6.3 percent compared with the preceding year. The number of full-time equivalents increased by more than 1,300. The average salary also increased. Despite this, the employer's contribution for the City's personnel reported a positive deviation from the budget. The principal cause is that, as in 2014, no premiums were claimed for occupational sickness insurance.

Of the budgeted dividend from Stockholms Stadshus AB of SEK 1,000 million, the City Council has decided on a repayment of SEK 500 million, which yields a budget deviation of SEK -500 million.

Tax income, equalisation and general government grants show a surplus compared to budget of SEK 34 million. Tax income was lower than expected due to a somewhat lower growth in the tax base. The cost equalisation fee had an outcome that was SEK 115 million below budget. The change in the cost equalisation fee is attributable to the population's size and composition in the City relative to Sweden as a whole. The City received unbudgeted general government grants of almost SEK 100 million as compensation for higher employer contributions for young people and for costs related to recently arrived refugees. Two large unbudgeted cost items in 2015 impacted the result. A decision was made to not complete the Coordination Centre, Park 1, which entailed a cost of project planning in vain of SEK 159 million. The City has had an on-going dispute for a number of years, which was concluded unfavourably for the City in 2015. Part of the cost of the dispute impacted 2015.

## Pensions

Pension costs in the income statement amounted to SEK 2,119 million including financial items (1,955). The personnel increase entails that the pension fees for the active personnel are SEK 46 million higher than the previous year. Payment of pensions, however, increased moderately by 2.2

City's net financial assets  
amounted to

**SEK 11,364  
million**

percent. The pension liability change is lower than budgeted, but larger than the outcome for 2014. As of 2015, a latent survivor's pension is recognised in the liability in an amount of SEK 15 million and in the contingent liability in an amount of SEK 322 million. Pension commitments for elected representatives that have begun to be paid out are recognised as a liability. The budget deviation for pensions totalled SEK +70 million. The pension provisions are secured in the City's assets.

Contingent liabilities for pension liabilities earned through the end of 1997 amounted to SEK 17,792 million including payroll tax, a decrease of SEK 28 million compared with 2014. The latent survivor's pension was included in the liability while the comparison year 2014 could not be adjusted, which is why the decrease was limited. A continued decrease in the contingent liabilities in accordance with the earlier trend is

expected in the years ahead. A new pension agreement, AKAP-KL, entered into effect as of 2014 for employees born after 1985. The new agreement is a defined-contribution plan. The impact on costs of the new agreement is expected to be moderate over the next few years, given that the group who will be involved initially is limited. For other groups of personnel, the old agreement, KAP-KL, remains in force.

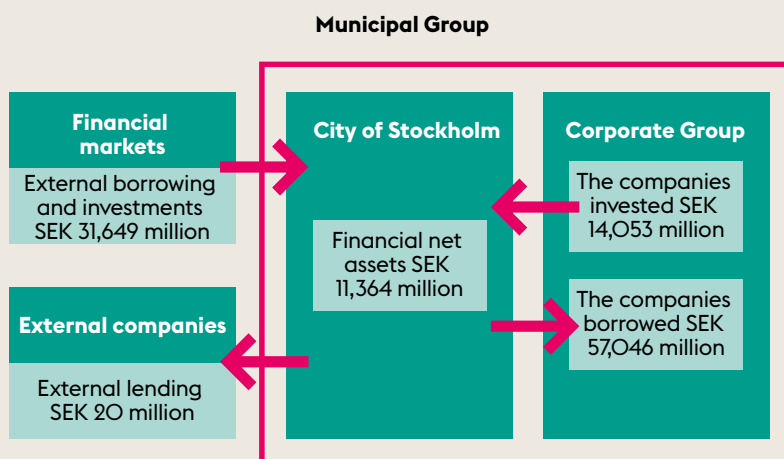
## The Municipal Group's investing activities

The Municipal Group's gross investments in 2015 amounted to SEK 15,525 million (15,456). The gross investments of the Stockholms Stadshus AB Group in 2015 totalled SEK 10,769 million (10,552).

The gross investments consist primarily of new housing construction, infrastructure such as ports and water/sewage works and acquisition of land and properties. The term "new construction in progress" means investments in non-current assets of significant value which are under construction, but not yet completed.

The City's investments in 2015 amounted to SEK 4,923 million (4,314), which is an increase of 14.1 percent over last year. Investment income for the year amounted to SEK 51 million (13).

## Municipal Group's financial position



## Municipal Group's internal dealings

SEK million	Internal purchases which have been eliminated	Internal sales which have been eliminated	Internal receivables, excluding the Group account, which have been eliminated	Internal liabilities, excluding the Group account, which have been eliminated
Municipal Group	5,091	5,091	1,934	1,934



## Employees

### Sick leave continues to grow

The City uses two methods to measure sick leave. Sick leave is measured both in accordance with the statutory requirement, and in accordance with the City's own definition of the indicator of Sick leave. The qualities of the measuring methods differ. Sick leave measured in accordance with statutory requirement provides a good overview of the level of sick leave, which is comparable with that of other municipalities and county councils. Sick leave measured using the City's own methods provides a better picture of trends and, consequently, provides a better basis for follow-up and analysis.

Unless otherwise stated, the information on sick leave in the City's reports has been produced using the City's own measurement method. The statutory reporting of sick leave is based on somewhat different assumptions than the City's own measurement method. The City's method compares sick leave with contracted working hours. The statutory reports compare sick leave with ordinary working hours, which means that unpaid absence, such as parental leave or leave of absence, is not included. The fact that unpaid absence is excluded means that the regular working hours are slightly less than the working hours used in the City's own measurement method. Consequently, the statutory reports will show a sick leave level above that of the City's sick leave indicator.

Total sick leave measured in accordance with statutory requirements increased by 0.6 percentage points, from 6.7 percent to 7.3 percent, during the period 2014 to 2015. Out of the total sick leave, 51.3 percent lasted 60 days or more. The corresponding figure for 2014 was 48.6 percent. This was an increase of 2.7 percentage points.

### Staff in figures

In December, a total of 41,040 people were employed by the City of Stockholm. Of these, 38,325 worked in the City's District Councils and 2,715 were employed in the City's companies. Nearly three out of four employees were women. This table presents the number of employees by operational area.

# 41,040

people were employed by the City of Stockholm in December 2015.



About three out of four employees in the City of Stockholm are women.

#### Sick leave in accordance with statutory requirements 1 Jan 2015 – 31 Dec 2015

	Total	Women	Men	Age groups		
				-29	30-49	50-
Sick leave as a percentage of regular working hours	7.3	8.2	4.8	5.7	7.2	8.0
Proportion of total sick leave that lasted 60 days or more	51.3					

#### Sick leave in accordance with the City Council indicators 1 Jan 2015 – 31 Dec 2015

Sick leave as a percentage of contracted working hours	Total	Women	Men
Short-term absence, day 1–14	2.0	2.1	1.7
Long-term absence, day 15–	4.6	5.2	2.6
<b>Total</b>	<b>6.6</b>	<b>7.3</b>	<b>4.4</b>

The City's companies have a somewhat lower sickness absence than the City District Councils. The total sick leave for the City's committees and companies is 6.5 percent, which is an increase compared with 2014, when total sick leave was 5.9 percent.

#### Number of employees (salaried) by operational area

Operational area	2015		2014		Year on year change
	Women	Men	Total	Total	
Political operations and joint administration	1,120	461	1,581	1,457	124
Individual and family care	2,776	823	3,599	3,376	223
Infrastructure, urban environment, safety/security	624	482	1,106	1,035	71
Pre-school operation and school child care	9,838	1,631	11,469	11,081	388
Education	8,314	3,357	11,671	11,371	300
Care for the elderly	4,092	880	4,972	4,472	500
Support and services for people with disabilities	1,334	475	1,809	1,654	155
Leisure and culture/general leisure activities	961	775	1,736	1,673	63
Business, trade and industry, and housing	167	153	320	304	16
Other operations	38	24	62	50	12
Stockholms Stadshus AB Group	1,195	1,520	2,715	2,608	107
<b>Total</b>	<b>30,459</b>	<b>10,581</b>	<b>41,040</b>	<b>39,081</b>	<b>1,959</b>
Full-time employees for the year	29,347	10,251	39,598	37,597	2,001

In addition to these employees, employees paid per hour worked an equivalent of 2,846 annual full-time jobs. Compared with 2014, there has been a drop of 9 percent in the hours worked by hourly-paid staff. This information only refers to the District Councils, not the company boards.



# How the City is governed



## How the City is governed

## 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 County Council elections. At the most recent election in September 2014, the Social Democrats, the Green Party, the Left Party and the Feminist Initiative Party secured 53 seats in the City Council, giving them a majority over the 48 seats won by the opposition parties.

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 committees and boards. The City Council sets tax rates, tariffs and fees, budgets and performance requirements, as well as objectives and visions for the City's committees and limited companies. The political decisions are implemented by the City Executive Board, the City committees and companies, or by others on their behalf.

As a rule, the City Council convenes every third Monday. The meetings are open to the public. The City Council has its own auditors, the City Audit Office, which audits all municipal operations.

### 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. General responsibilities include managing and coordinating the administration of the City's affairs, and supervising the operation of other committees and companies.

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 has a Finance Committee, a Personnel and Equal Opportunities Committee, a Human Rights Advisory Board and a Suburb and Democracy Committee.

The City Executive Board has an administrative unit, the City Executive Office,

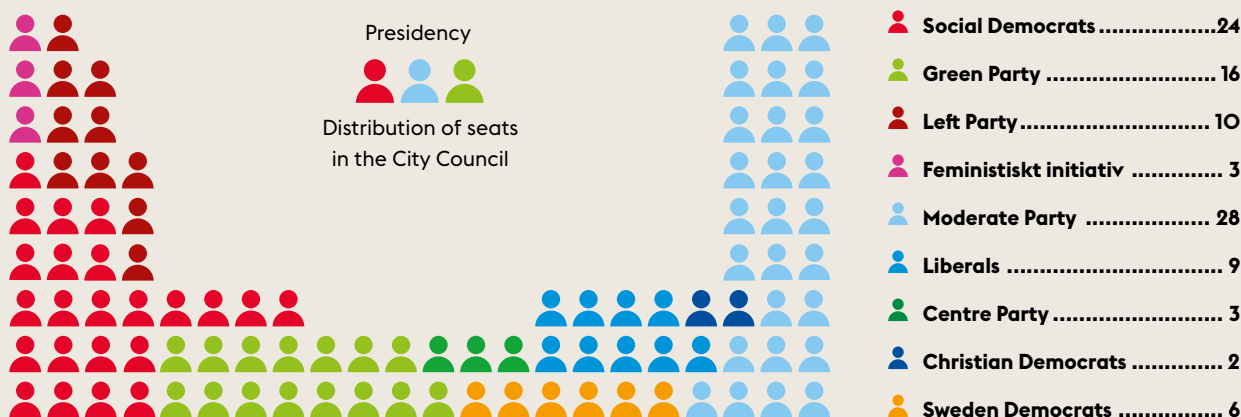
On 31 December 2015, 50 of the 101 councillors were women, and 51 men.

to support it in its mission. The City Executive Office plays a central, strategic role in the governance of the City. It is responsible for controlling, following up and developing the City's finances and operations, and for ensuring that political decisions are implemented. It also fills a secretariat role 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 Chief Executive Officer, assisted in managerial functions by two Assistant Chief Executive Officers.



PHOTO: LIESELOTTE VAN DER MEUS

### Seats on the City Council following the election in September 2014





# Mayor, Vice Mayors and Divisions

The political organisation comprises one governing Mayor and eight governing Vice Mayors. They are full-time elected representatives and are elected by the City Council. The Mayor and Vice Mayors are each responsible for a division. A division 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 also four Vice Mayors representing the opposition parties. The Mayor and Vice Mayors jointly form the Council of Mayors. The joint work is lead by the Mayor of Stockholm, Karin Wanngård (Social Democrats), who chairs both the Council of Mayors and the City Executive Board.

## Mayor's Office

The City Executive Board, the Finance Committee, the Development Committee, the Real Estate Committee, Stockholms Stadshus AB, Stockholms Hamn AB, Mässfastigheter i Stockholm AB, Stockholm Business Region AB, the Council for Protection of Ecological and Aesthetic Matters, the Greater Stockholm Fire Brigade and other companies not assigned to one of the Vice Mayors. The Mayor's Office manages and plans the political work.

► *Mayor of Stockholm: Karin Wanngård (Social Democrats)*

## City Planning and Culture Division

The City Planning Committee, the Culture Committee and Stockholms Stadsteater

AB. The City Planning and Culture Division is responsible for directing the committees and boards that report to the Vice Mayor.

► *Vice Mayor for City Planning and Culture: Roger Mogert (Social Democrats)*

## Labour Market and Sports Division

The Labour Market Committee, Sports Committee, SGA Fastighets AB, social sustainability and the Human Rights Advisory Board. The Labour Market and Sports Division is responsible for the governance of the committees and boards organised under the Vice Mayor.

► *Vice Mayor for Labour Market and Sports: Emilia Bjuggren (Social Democrats)*



## Schools and Education Division

The Education Committee, Skolfastigheter i Stockholm AB (SISAB) and District Councils – Pre-school. The Schools and Education Division is responsible for directing the committees and boards that report to the Vice Mayor.

► *Vice Mayor for Schools and Education: Olle Burell (Social Democrats)*

## Environment Division

Environment and Health Committee, Stockholm Vatten AB, Waste Management Committee, Service Committee. The Environment Division is responsible for directing the committees and boards that report to the Vice Mayor.

► *Vice Mayor for the Environment: Katarina Luhr (Green Party)*

## Social Affairs Division

The Social Services Committee, the Chief Guardian Committee, the Disability Issues Advisory Board, the Senior Citizens Advisory Board, Stiftelsen Hotellhem i Stockholm, District Councils – Individual and Family Care, Financial Assistance, Support and Service for Persons with Disabilities. The



**Majority Mayor and Vice Mayors:** Åsa Lindhagen (Green Party), Vice Mayor for Social Affairs, Olle Burell (Social Democrats), Vice Mayor for Schools and Education, Sissela Nordling Blanco (Feministiskt initiativ), Majority Vice Mayor for Human Rights Issues, Daniel Helldén (Green Party). Vice Mayor for Traffic, Karin Wanngård (Social Democrats), Mayor, Roger Mogert (Social Democrats), Vice Mayor for City Planning and Culture, Emilia Bjuggren (Social Democrats), Vice Mayor for Labour Market and Sports, Clara Lindblom (Left Party), Vice Mayor for the Elderly and HR, Ann-Margarethe Livh (Left Party), Vice Mayor for Housing and Democracy, Katarina Luhr (Green Party), Vice Mayor for the Environment.

Social Affairs Division is responsible for directing the committees and boards that report to the Vice Mayor.

- *Vice Mayor for Social Affairs:*  
*Åsa Lindhagen (Green Party)*

### Traffic Division

The Traffic Committee, Stockholms Stads Parkerings AB, Cemeteries Committee, District Councils – Urban Environment. The Traffic Division is responsible for directing the committees and boards that report to the Vice Mayor.

- *Vice Mayor for Traffic:* *Daniel Helldén (Green Party)*

### Elderly and HR Division

The Senior Citizens Committee, Micasa Fastigheter i Stockholm AB, District Councils – Care for the Elderly, City Executive Board Personnel and Equal Opportunities Committee. The Elderly and HR Division is responsible for directing the committees and boards that report to the Vice Mayor.

- *Vice Mayor for the Elderly and HR:*  
*Clara Lindblom (Left Party)*

### Housing and Democracy Division

Bostadsförmedlingen i Stockholm AB, the housing companies, the Suburb and Democracy Committee, Human Rights Advisory Board. The Housing and Democracy Division is responsible for directing the committees and boards that report to the Vice Mayor.

- *Vice Mayor for Housing and Democracy:* *Ann-Margarethe Livh (Left Party)*



PHOTO: OLA ERIKSSON

**City Executives:** Ingela Lindh – Vice CEO, Lars Råd – CEO, Anders Carstorp – Vice CEO.



PHOTO: LIESELOTTE VAN DER MEUS

**City Council:** Second Vice President Mats Berglund (Green Party), President Eva-Louise Erlandsson Slorach (Social Democrats), First Vice President Margareta Björk (Moderate Party).



PHOTO: OLA ERIKSSON

**Oppositional Vice Mayors:** Cecilia Brinck (Moderate Party), Lotta Edholm (Liberals), Joakim Larsson (Moderate Party), Anna König Jerlemyr (Moderate Party).





PHOTO: NIKLAS DANIELL

## Day-to-day operations

Day-to-day operations are carried out by the City's administrations and companies. These are led by politically appointed committees and boards, the proportionate political distribution of which reflects the distribution of seats on the City Council. The members of these committees and boards are appointed by the City Council. Information about meetings is published in local newspapers, and minutes and documents relating to the meetings are available from [www.insyn.stockholm.se](http://www.insyn.stockholm.se).

Some City of Stockholm operations are conducted as companies. Most are coordinated through the Group Board of Stockholms Stadshus AB. The City is also part of a statutory joint authority with nine municipalities in the Stockholm region through the Greater Stockholm Fire Brigade. A number of operating foundations also cooperate with the City and carry out operations for the benefit of the City and its residents. The City's specialist committees have a City-wide responsibility for their respective operations. Each committee has an administration with officials who carry out the day-to-day work. The members of the committees are politicians who have ultimate responsibility for the operation.

### District Councils

Stockholm's 14 District Councils are responsible for a large part of the municipal services within their geographical areas. While the City Council allocates funds and issues overall goals and guidelines, each individual District Council determines how funds should be allocated to meet the needs of its own

catchment area. The funds allocated to the District Councils amount to approximately half of the City's budget. Activities are financed mainly through local taxation and government grants, and, to a lesser extent, through fees.

### Resource allocation models

In the budget, funds are allocated to the District Councils using a system adopted by the City Council. The resource allocation system is based on the operational responsibility of the District Councils and on demographics. The District Councils are allocated resources on the basis of the estimated need for municipal services, rather than the actual costs involved. This gives District Councils the freedom to organise their own activities, provided that they comply with the guidelines adopted by the City Council.

#### The specialist committees are:

- Labour Market Committee
- Waste Management Committee
- Development Committee
- Real Estate Committee
- Sports Committee
- Culture Committee
- Cemeteries Committee
- Environment and Health Committee
- Service Committee
- Social Services Committee
- City Planning Committee
- Traffic Committee
- Education Committee
- Election Committee
- Elderly services Committee
- Chief Guardian Committee

## City of Stockholm's District Councils

How the City is governed

- 1 Rinkeby-Kista
- 2 Spånga-Tensta
- 3 Hässelby-Vällingby
- 4 Bromma
- 5 Kungsholmen
- 6 Norrmalm
- 7 Östermalm
- 8 Södermalm
- 9 Hägersten-Liljeholmen
- 10 Skärholmen
- 11 Älvsjö
- 12 Enskede-Årsta-Vantör
- 13 Skarpnäck
- 14 Farsta

### The District Councils' areas of responsibility include the following:

- Municipal pre-school
- Activities for children, culture and leisure
- Elderly care services
- Support and services for people with disabilities
- Individual and family care including social psychiatry
- Urban environment operations
- Financial assistance and labour market measures



# The City's international work

Stockholm is a part of a global context and in order to realise the socially, ecologically, financially and democratically sustainable city, Stockholm needs to conduct active international work; learn from others, act proactively and be visible, be compared and collaborate internationally.

## Important international contexts during the year

In 2015, the City maintained its extensive international attractiveness and the City chose to participate in various international contexts with the aim of strengthening the view of Stockholm as an equal and sustainable city and to hear how other cities work successfully with challenges that the City is facing.

Several of the arenas that the City participated in internationally in 2015 were a part of the process that led to the UN's 21st climate meeting (COP21) in Paris, France in December. During the actual COP21 meeting, the City participated with a delegation including the Mayor and the Vice Mayor for the Environment that represented the City in a number of contexts.

In the month of May, the City participated with a broad political delegation at the conference of Nordic capitals, which was held in Reykjavik, Iceland on the theme of Resilient Cities. The City also

participated in the meetings with migration, racism and discrimination as the themes. During the year, the City became a member of ECCAR, the European coalition of cities against racism and a new network for cities against violent extremism, Strong Cities Network.

## International visits to the City

In 2015, the City arranged 63 international visits with the aim of positioning Stockholm, developing international networks and strengthening operations. The visits spanned from the employee level to discussions between our Mayors and foreign government and parliament representatives. Special interest in environmental, city planning and integration issues was noted. Among others, the Prime Minister of France visited an upper-secondary school class with refugee youths who arrived alone. The City hosted a lunch for the President of Brazil where the Prime Minister, members of the government and significant representatives from Swedish society

participated. Lunches were also arranged in connection with the state visits by India and Tunisia.

## International awards

In 2015, the City won two international awards for its work. The City was awarded the European Commission's newly founded European Broadband Award for the work on the "Stockab

»In 2015, the City arranged 63 international visits with the aim of positioning Stockholm, developing international networks and strengthening operations.«

model", as well as the organisation C40's award for the sustainability work in the Stockholm Royal Seaport.

## Collaboration in international organisations and networks

By getting involved in international organisations and networks, the City can be involved in driving important processes forward. At the end of 2015, the City was a member of eight international networks and a member of the boards of two of them.

The City's committees and companies are members of 80 international organisations and networks in total. This is an increase over 2014 when 78 memberships were reported.

## EU policy

The City's operations are extensively affected by various EU initiatives and the City therefore continued to conduct active lobbying work towards the EU in 2015, most often in the scope of the Stockholm region's European association and EURO CITIES.

## EU funding

A socially, ecologically, economically and democratically sustainable society demands new approaches and methods to develop. Participating in EU projects is also a way of developing the skills of the City's personnel, by revising and developing approaches and work methods. Around half of all specialist committees, District Councils and companies took part in an EU-funded project in 2015.



Prime Minister of France Manuel Valls visits an upper secondary class with refugee youths who arrived alone.

PHOTO: OLA ERIKSSON

# The City's quality improvement efforts – quality for Stockholmers

Throughout their lives, the residents of the City of Stockholm have the right to expect excellent service for their tax money. The quality-related work carried out by the City is aimed at developing and improving the quality of all operations. All development work focuses on ensuring that users/customers are satisfied.

## Quality development programme

The City's quality development programme sets out the main points of the development work. The quality development work shall be characterised by:

- The views of Stockholmers are appreciated and taken into account, and form an important basis for quality development.
- Management at all levels must exercise clear and accountable leadership, and prioritise a systematic approach to quality which puts results for Stockholmers at its core.
- All members of staff are responsible for quality and quality development within their area of responsibility.
- All committees and boards systematically distribute and use good examples to improve their operations.

## The Quality Award

The aim of the Quality Award is to stimulate and encourage all operations financed by the City to improve their quality. The award is also an opportunity for the City to highlight and share best practice. Those who participate in the Quality Award answer a number of questions that shed light on the operations' quality efforts. The Quality Award is not just a competition. The questions in the award can also be used as a basis for developing the operations. The questions have a clear focus on the benefit for Stockholmers, analysis of results for continuous improvement, and the distribution and use of good examples. In 2015, the Quality Award celebrated 20 years!

Those who assess the operations' contributions are the City's examiners. As part of their work, examiners acquire highly-developed skills in operational analysis and assessment. The work

also gives them a broad knowledge and understanding of the City's various operations. Every year, the City Executive Office trains new examiners in the evaluation methods used. In 2015, 84 examiners received training. As well as carrying out their assignment as examiners with respect to the Quality Award, they will also act as effective ambassadors for development work within their own operations.

## A lot of good examples

The City's fair with good examples is a forum for experiential exchange and collegial learning. The size of the organisation and the breadth of the City's operations offer unique opportunities to learn from each other's experiences. The fair was held in May and all committees and several companies took part and presented around 200 good examples of successful operational development in exhibitions and seminars.

The fair is a way to facilitate information sharing between committees and company boards about the results of work on new development models, successful methods and approaches in the City's operations. The fair is also a forum to find new areas of collaboration and cooperation partners, and for municipal, independent and other private operations to learn from each other's activities.

The evaluation of these exchanges shows that the possibility of learning more about the work in committees and company boards gives many employees a clearer picture of the whole and a sense of pride over being a part of the City's operations and seeing how their own work contributes to the development of the City.

The City's Renewal Award was handed out at the fair.

## The 2015 Renewal Award was presented to:

- ▶ *The Result and Analysis Group in Elderly Care, Kungsholmen District Council.* For the systematic approach and breadth in follow-ups and continuous dialogue with implementers regarding improvement and development.
- ▶ *The Energy Agents, SISAB.* For the method to develop understanding of energy consumption in pre-schools among children, parents and staff.

The City also handed out awards to reward teachers and teaching teams in compulsory and upper secondary school for the second time. A new aspect in 2015 was that awards were also given to the best teachers and teaching teams in municipal adult education and Swedish for Immigrants (SFI).

## The St. Julian Prize

The St. Julian Prize is the City's prize to reward work that is done to include people with disabilities in society. The prize is awarded in four different categories.

## Winner of the St. Julian Prize 2015

- ▶ *The Skansen Foundation in the category Physical Accessibility*
- ▶ *SF Bio AB in the category of Accessible information and communication,*
- ▶ *Stockholm Vatten in the category of Employer characteristics*
- ▶ *Eolshälls 4H farm in the category of Participation.*



PHOTO: ANDERS WIRSTRÖM

Älvsjö's stand at the trade fair with good examples.



# Winners of the Quality Award

## The pre-school category



► *Saga Pre-school, Södermalm District Council*

## The education category



► *Sturebyskolan, Education Committee*

## The social services and support and services for people with disabilities category



► *Södermalm Group and Service Housing, Teckentullen Daytime Activities, Prima LSS*



► *Unit for Financial Assistance, Skärholmen District Council*

► **Commendation:** *Relationship Violence Team, Skärholmen District Council.*

## The other activities category



► *Unit for Operational Development, Spånga-Tensta District Council*

► **Commendation:** *Loflet Recreation Unit, Loflet Parents Association.*



► *Contact Centre Stockholm, Service Committee*

PHOTO: LENNART JOHANSSON

## The elderly care category



► *Sätra Nursing and Care Facility, Skärholmen District Council*







# City Council orientation goals

In 2015, the City worked according to the City Council's four orientation goals: A Stockholm that stands united, Eco-smart Stockholm, Financially sustainable Stockholm and Democratically sustainable Stockholm.



# A Stockholm that stands united

The City's operations should give all Stockholmers the possibility to grow based on their own potential. Good working conditions and good professional knowledge among the City's employees lays the foundation for good quality in the City's operations.



# Equal and positive conditions during childhood and adolescence

The starting point for the City's operations is that all children shall have equal opportunities regardless of background. This requires high quality in schools and pre-schools, good access to play, culture and sports, good environments for children to spend time in and a large offering of meeting places. The City should actively work to reduce child poverty and to safeguard children's rights.

## Work on reducing child poverty

The City works actively to reduce child poverty with both general efforts and social work. Financial assistance constitutes society's utmost protection net to ensure that everyone has a reasonable standard of living. The intention is for the assistance to be temporary and designed so that it strengthens the recipient's possibilities of living an independent life. The position of the Convention on the Rights of the Child should be strengthened and children's needs shall receive particular attention when adults apply for financial assistance. The percentage of children living in families that receive on financial assistance decreased during the year.

## Prevention and early intervention

Work on children's rights is an important starting point in the work of the

social services. The social work for children and young people is focused on prevention and early intervention. The City has appointed a Child Ombudsman and a Social Sustainability Commission and established a fund for social investments, which creates good conditions for continued systematic work for equal and positive childhood conditions. The Social Sustainability Commission focuses on equal conditions in childhood in Stockholm and one of the Commission's four development areas is Childhood conditions and education. During the autumn, the conditions for equal education in all of the City's schools were analysed and independent researchers were engaged to provide their views and submit proposals on measures.



## Goal for the operational area

All children in Stockholm have equal and positive childhood conditions.

## Goal attainment for the year

The annual target for the City Council's indicator is achieved in full. Of 20 committees, 18 assess that the goal is achieved in full. In addition to this, the committees have generally achieved their own committee goals and indicators and largely conducted the activities they had undertaken in their operational plans. Considering the above, the operational goal is assessed to have been achieved in full in 2015.

## Newly established role of the Child Ombudsman

During the year, the City appointed a Child Ombudsman, who should support and drive the development of the work with the UN Convention on the Rights



PHOTO: SARAH MC KEY



PHOTO: YANAN LI

of the Child in the City of Stockholm. The Child Ombudsman should ensure that the children's rights and interests are addressed in the City's steering documents and examine how children's rights are implemented. The work of preparing an action programme for children's rights and influence based on the Convention has begun.

### Equal pre-schools and schools

An especially prioritised area in the work of promoting equal childhood conditions is equality in pre-schools and schools. There are still large differences between school results based on the students' socio-economic circumstances. The difference is the largest for boys

and the results are generally the lowest for boys at schools with least favourable socio-economic conditions. The City has begun a long-term systematic development effort to achieve effective school development, and this work will continue. The compensatory mission continues to be important for increasing equality between the schools and between students, and the socioeconomic supplement for schools was therefore increased by SEK 70 million for the 2015 financial year.

### Reception of unaccompanied refugee children

In 2015, the number of unaccompanied refugee children to Stockholm increased sharply, and the City worked during



All recently arrived students in the City receive a school placement. All compulsory schools shall contribute to the reception by receiving or having preparedness to receive newly arrived students.

the year to meet these children's needs for safe housing through own housing, on-call homes and foster homes. There was extensive demand for on-call homes, but there was also extensive interest from families and individuals who want to welcome these children and young people into their homes. The strong increase in the number of unaccompanied refugee children during the autumn consumed a large part of the City's resources in social child and youth care.

All recently arrived students in the City receive a school placement. All compulsory schools shall contribute to the reception by receiving or having preparedness to receive newly arrived students. During the year, preparation classes were organised at schools that have not previously received recently arrived students and additional new preparation classes are planned.

### Increased opportunities for sports in children's local environment

During the year, the City worked particularly to offer opportunities for sports and exercise, primarily to prioritised groups who are less physically active than the average. During the autumn, the City's efforts for more physical activity in the Järva area were begun and in Rågsved and Östberga, citizen dialogues and discussions were held with residents on how the sports opportunities can be developed. The work of creating readily available sports possibilities has resulted, among other things, in test-out activities, collaboration with NGOs, possibilities for open activities in sports halls and inspiration days.

Indicator	Annual target	Outcome	Goal attainment	Comments
Percentage of children growing up in families that receive on financial assistance	3.6%	3.1%	Met in full	





# High-quality education

The City of Stockholm prioritises schools and pre-schools. Stockholm's schools shall maintain a high level of quality and give all students a solid foundation for continued studies and working life. Children and students shall be given opportunities to learn where time is given for the teachers to see to their individual needs.

## Pre-school

The number of children in the City's pre-schools is continuing to grow (see table below). In 2015, more than 54,000 children were registered in the City's pre-schools. This is an increase of around 400 children over the previous year. Even if the rate of increase has slowed somewhat, the strong expansion is continuing in order to be able to accept new pre-school children, and the childcare guarantee was fulfilled throughout the City. Among the City's District Council areas, the number of children decreased mainly in Rinkeby-Kista and Spånga-Tensta compared with earlier years while the number of children is increasing in the District Council areas with new housing production such as Hägersten-Liljeholmen, Bromma and Östermalm.

## Still very satisfied parents

Parents in Stockholm are consistently positive to the activities conducted in the City's pre-schools. The percentage of parents who say that they are satisfied with the pre-school was 87 percent in the 2015 user survey, which is an improvement over last year's already high results. The results are high in both municipal and independent pre-schools. Among the municipal pre-schools, the Östermalm and Norrmalm District Councils distinguish themselves with 90 percent satisfied parents. An area that has indicated

marked improvements in recent years is development and learning. In two years, the proportion of parents who feel that the pre-school's pedagogical environment encourages play, development and learning increased by 7 percentage points.

## Greater expertise in the City's pre-school operations

In 2015, the City of Stockholm worked in various ways to increase the proportion of pre-school teachers over the long term based on a high level of ambition. The efforts for the education of child minders to become pre-school teachers are continuing. In 2015, 285 people participated in the further education, an increase of more than 50 percent compared with 2014, of which around 40 graduated with pre-school teaching degrees in the scope of the efforts.

During the year, the Education Committee together with Stockholm University arranged the largest conference for pre-schools held in Northern Europe, the Pre-school Summit 2015. The objective was to get practice and research to meet in a way that contributes to development of the City's pre-school operations.

## Compulsory school and special-needs compulsory school

During the autumn semester, around 70,000 students attended compulsory schools under the direction of the City



## Goal for the operational area

Education is of high quality and students get time to learn.

## Goal attainment for the year

The annual targets for six out of 14 of the City Council's indicators were achieved in full and eight were achieved in part. In addition to this, the committees have generally achieved their own committee goals and indicators and largely conducted the activities they had undertaken in their operational plans. Considering the above, the operational goal is assessed to have been achieved in part in 2015.

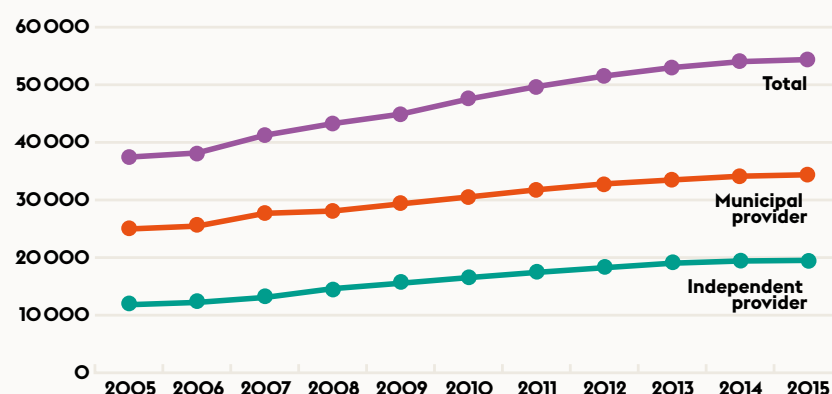
of Stockholm, of around 90,000 compulsory school students in total. This is an increase of around 2,300 students compared with the year before. The increase consisted mainly of students in grades P-3 and 7-9, respectively. The number of students enrolled in after-school recreation centres increased by around 1,100 students to 31,800, the number of students in special-needs compulsory school is at the same level as the previous year, 820 students.

The grade point average in grade 9 had a strong increase in 2015 and is the highest ever since the figure began to be calculated in connection with the introduction of a new grading system in the middle of the 1990s. The proportion of students in grade 9 who achieved the proficiency targets in all subjects is higher than it has been in the past ten-year period. The grade point average also increased in grades 6-8.

## Increase equivalence and decrease school segregation

The spread of results between schools based on the students' socioeconomic circumstances continues to increase. The Swedish National Agency for Education also points out the differences between the results of schools at a national level. According to their analyses and available research, the significance of family

Number of children enrolled in pre-school, public pre-school and educational care

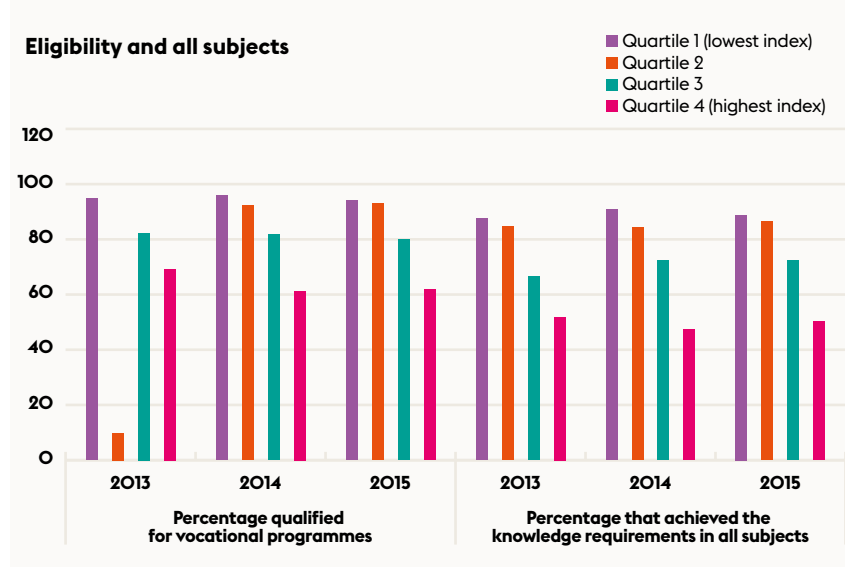


background to school results continues to be large, but it has not increased since the end of the 1990s. In the City of Stockholm, the analyses show that the largest differences in results are between boys and girls in schools with the least favourable socioeconomic circumstances. An important focus area is consequently the work of improving the results for boys in particular in these schools.

The follow-up of the differences between schools is done in four quartiles that group the schools from the lowest (quartile 1) to the highest socioeconomic index (quartile 4). The differences in results is the largest between quartile 1 and quartile 4. At the same time, development in the past three years is not unambiguous as quartile 4 shows a positive results development between 2014 and 2015 while the results decreased in the first quartile. See table at right.

Focus on the ability of schools to compensate for different students' potentials and backgrounds, the compensatory assignment, continues to be a central aspect in the long-term work of reducing the differences and results spread. One of the most important efforts is the work with the 21 focus schools in total that continued in 2015 with an implementation of action plans, close contact between compulsory school managers and schools, etc. A positive development is also the beginning of new activities with Adolf Fredrik's music classes placed at the Farsta compulsory school.

At the end of 2015, work was highly affected by the sharp increase in refugees and thereby recently arrived



children and young people. During the autumn semester, the City of Stockholm received around 400 unaccompanied refugee children. A unit with the compulsory school division was established to better systematise the reception of recently arrived students. The Start Järva programme was made permanent and expanded to Start Stockholm, with a mission to meet recently arrived families and map the children's knowledge prior to school placement.

#### Development of teachers and other educators

Teachers, recreation instructors and other professions and their time with each individual student are the most important success factors for creating conditions for a good education and knowledge development. Within the scope of the government career ladder reform for teachers, the City of Stock-

holm focused on quality assuring the reform's objectives and intentions and the connection to educational/didactic career paths. Special teaching coaches conducted coaching at a total of 14 compulsory schools to develop leadership in the classroom, didactic issues, etc.

»» The grade point average in grade 9 had a strong upturn in 2015 and is the highest ever. ««

#### Upper secondary school and upper secondary school for students with special needs

In autumn 2015, around 15,500 students in the City's upper secondary schools and 360 students in upper secondary school for students with special needs. At the same time, around 17,800 students



PHOTO: LIESELOTTE VAN DER MEUS



Number of children enrolled in the City's pre-schools, compulsory schools and upper secondary schools autumn 2015

Pre-schools

54,000

Compulsory schools

70,000

Upper secondary schools

15,500

attended independent upper secondary schools. Through the agreement on a common upper secondary school region, it is possible for young people who live in other municipalities in Stockholm County, as well as Håbo and Gnesta Municipality, to apply to the national programmes in the region on equal terms.

The proportion of students graduating is essentially at the same level as the corresponding result nationwide. It is positive that the proportion of students with vocational degrees increased by nearly 4 percentage points compared with 2014. With regard to the grade point average and the proportion of students meeting the general entry requirements to university, the City has a higher result than the national average.

### Increase equivalence and decrease school segregation

As in compulsory school, there is a wide spread of results between the upper secondary schools, depending in part on differences in socioeconomic conditions. The compensatory work is accordingly central here as well and the upper secondary schools need to develop this in instruction and support efforts.

The three prioritised areas for the development work are and continue to be improving the student results, developing the systematic quality work and creating attractive and sustainable educational offerings. Some of the efforts during 2015 for achieving this were the work on the competence hubs that among other things provide consulting educational support to compulsory schools regarding introduction programmes and participated during the year in the work on the transition between compulsory school and upper secondary school. A mapping with positive results of the vocational programmes' conditions for on-the-job teaching was done and three advisory boards were introduced for special-needs upper secondary schools, the introduction programmes and the vocational programmes, respectively.

The Stockholm Mathematics Improvement programme is the City's own model of the Swedish National Agency for Education's development effort, the Mathematics Improvement, in which 24 upper secondary schools and 115 compulsory schools participated. The effort has promoted the teachers' ability to reflect on their own teaching and created

opportunities for the development of teaching together with colleagues.

A feedback of the results for the introduction programmes to upper secondary school based on the students' school certificates was done for the first time and it shed light on important areas for development. As a part of the systematic quality-related work, two annual results dialogues will be carried out between various levels in the organisation.

»»The three prioritised areas for the development work are and continue to be improving the student results, developing the systematic quality work and creating attractive and sustainable educational offerings. ««

An attractive and sustainable educational offering shall be achieved through long-term planning of the educational offering, among other efforts. Documentation and statistics were prepared during the year for continued work. A number of efforts were initiated to improve the attractiveness of the vocational programmes, in part to attract more young people to the healthcare and nursing sector.

Upper secondary schools were also faced with an increase in the number of recently arrived students in the autumn semester, and an additional school unit for language introduction (Sprint High School) opened to meet the need for places.

Indicator	Annual target	Outcome	Goal attainment	Comments
Percentage pre-school teachers of the number of employees	39%	38%	Met in part	The outcome pertains to municipal providers.
Number of pre-school children per employee (full-time equivalent)	4.9	4.7	Met in full	Pertains to municipal providers.
Proportion of satisfied parents of pre-schoolers	85%	87%	Met in full	
Staff assessment of "the pre-school's ability to promote children's learning and development"	3.7	3.6	Met in part	Same outcome as 2014.
Number of children per group	16	15	Met in full	Pertains to municipal providers.
Proportion of pre-schools with less than 25% staff with a teaching degree	0%	6%	Met in part	7 out of 14 District Councils say that their annual targets were achieved.
Percentage of pupils in year 9 who achieved the targets in all subjects	78%	77.9%	Met in part	Has increased since 2012 and is the highest in 10 years.
Percentage of pupils who are qualified for national programmes	88%	85.3%	Met in part	Large differences between schools. In schools with a low socioeconomic index, the percentage is 94%
Percentage of pupils in year 6 who achieved the targets in all subjects	81%	82.1%	Met in full	
Percentage of pupils in year 8 who feel safe at school	88%	82%	Met in part	The outcome is on a par with 2014.
Percentage of licensed teachers in compulsory school	61%	72.3%	Met in full	
Percentage upper-secondary students graduating	90%	89%	Met in part	The outcome is on a par with 2014. Difficult to make comparisons over a longer time as the Swedish National Agency for Education changed the definition.
Percentage of licensed teachers in upper secondary school	60%	76.8%	Met in full	
Percentage of upper secondary pupils who feel safe at school	94%	89%	Met in part	The outcome has been at 90–91% since 2011 and was lower in 2015 than 2014.





PHOTO: CALLE HEDRÉN

# Equal opportunities in pre-school and school

In Stockholm, all children and school students, regardless of their potentials and social background, shall have equal opportunities in pre-school and school. The possibilities of every child are safeguarded and the quality of the activities shall be high throughout the City.

## Pre-school

In 2015, the City conducted a number of activities for a pre-school operation that provides equal opportunities to the children. An initial lecture series was held on LGBT issues for pre-school staff both under City direction and private direction. Gender equality work is continuously conducted based on the operation's democracy mission with gender equality representatives and the training of teachers in gender perspectives.

The Education Committee together with the District Councils prepared a language strategy during the year for pre-schools as well as updated support

materials for language development work in the City's pre-schools. Action plans were updated during the year and prepared for the handover of future school students to the reception classes. Work on providing children with special needs the right support is continuously under way in ordinary operations. Finnish pre-school operations in the form of new groups were begun during the year for children with Finnish-speaking families.

In 2015, the City Council adopted new guidelines for childcare during uncomfortable working hours. Through the guidelines, the City of Stockholm clarifies what applies for childcare during



**Goal for the operational area**

All children have equal opportunities in pre-school and school.

**Goal attainment for the year**

For this operational goal, there are no indicators set by the City Council. The goal assessment is therefore based on the committees' own goals and indicators and implemented activities. Based on this, the operational goal is assessed to have been achieved in part in 2015.

evenings, nights and weekends for families in the various District Councils where such care needs are considered to exist.



## Compulsory school and special-needs compulsory school

The committee indicators that form the basis for the target assessment for compulsory schools and special-needs compulsory schools are essentially based entirely on the annual student and parent surveys. Two out of 13 committee indicators are met in full, ten are met in part and one is not met at all.

Several of the committee indicators indicate, however, an increase compared with 2014 and total unauthorised absence has decreased, which indicates that implemented action plans and measure ladders for absence have been successful.

### Greater security and a better study atmosphere for all

An important effort to address the students' perceived satisfaction and sense of security in school is the student health services' illness prevention and health promotion work. During the financial year, the Student Health Team assignment was concluded and all schools have prepared student health plans.

Management groups from around 70 compulsory schools underwent continued education that, among other aspects, addressed the schools' relationship to the guardians and the Education Act's chapter concerning security and the study atmosphere.

In 2015, 25 school units were granted funding for efforts in LGBT, common values and norm criticism and, during the autumn, both school staff and students participated in various courses and the process began of certifying the schools in LGBT issues.

» In 2015, 25 school units were granted funding for efforts in LGBT, common values and norm criticism and, during the autumn, both school staff and students participated in various courses and the process began of certifying the schools in LGBT issues. «



# 54

The student safety representatives' task is to contribute to all students feeling safe at school and to be able to influence student's daily lives for the better. In the autumn, 54 students participated in the student safety training to gain a good basis for the task.

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### Upper secondary school and upper secondary school for students with special needs

Of the six committee indicators, which are also largely based on student surveys for upper secondary and special-needs upper secondary schools, none are met in full, but all are met in part.

### Greater security and a better study atmosphere for all

Besides the compulsory schools, the Student Health Team assignment was also directed at eight upper secondary schools and the work continued to strengthen the teams' mission of

supporting the teachers to be able to meet students in need of special support. Proposed efforts and measures that can improve security and the study atmosphere in the City's schools have been defined. At an organisation level, it is a matter of working with participation and good communication in the whole school and using the student health team proactively. At the classroom level, a good and accessible learning environment with the possibility of participation and taking responsibility by the students is of major importance. The social climate, the relationships, the teacher's clear leadership and instruction being varied, structured and challenging are other areas of central importance.

In 2015, the network of upper secondary special educators and special teachers focused on extra adaptations and special support, and in 2016, these groups will undergo training with a focus on special education student health work.



PHOTO: CALLE HEDRÉN





PHOTO: LIESELOTTE VAN DER MEUS

# Social intervention and equal opportunities in life

The social services in Stockholm shall be sustainable, equal, accessible and equivalent. To prevent social problems, focus shall be on the prevention work and early intervention and measures. The social child and youth care is focused on creating childhood conditions that provide all children the same chances. People with problems of substance abuse or mental illness shall receive support and help.

## Focus on prevention and early intervention

An important part of the prevention work is the cooperation between social services and schools. During the year, pilot projects to develop the collaboration between schools and the social services continued in 16 schools and eight District Councils. The target group for the pilot projects is pupils in years 7–9 with low goal fulfilment, high absences and no qualification for upper secondary school. In total, around 200 students received support in the scope of the project.

School results are an important protective factor for children. The SchoolFam project, which aims to improve school

results for children placed in foster homes, continued during 2015. The project's work resulted in an improvement in the achieved proficiency targets for children on full-time placement compared with earlier years, both for boys and girls. Other examples of prevention and early intervention that were developed during the year are the expansion of the field assistant's outreach work and the work with social intervention groups that aims to help individuals at risk of ending up in a criminal lifestyle and help young people leave criminal networks. Parental support programmes such as ABC (Alla Barn i Centrum – all children in focus) and Komet (parent training programme for conflict management, etc.) are offered



## Goal for the operational area

Early social efforts create equal chances in life for everyone

## Goal attainment for the year

Of 20 committees, 13 assess that the goal is achieved in full. The annual targets for two of seven of the City Council's indicators were achieved in full, two were achieved in part and there was no outcome in 2015 for three indicators. In addition to this, the committees have generally achieved their own committee goals and indicators and conducted the activities they had undertaken in their operational plans. Considering the above, the operational goal is assessed to have been achieved in part in 2015.




**156**

Of the District Councils' 524 trial apartments have transitioned into own contracts, which means that the City Council's target was achieved by a wide margin.

**84%**

of children and young people did not require further intervention within 12 months of the completion of intervention, which shows that the vast majority of the interventions decided on and achieved the intended outcomes.

prepared, containing measurable targets and activities, as well as the principle that no child should be evicted without alternative housing being available. Most District Councils have housing coordinators or housing teams with the task of conducting outreach work and supporting individuals to prevent evictions and homelessness. Families with uncertain housing situations received particular attention. The homeless were offered help and assistance measures and a way to stable, independent housing.

to parents with the aim of promoting children's positive development by strengthening the relationship between parents and children.

### Measures adopted provide results

The District Councils work to get children and young people more involved in the investigations since greater participation lead to the efforts approved providing the desired results to a greater extent. During 2015, 84 percent of children and young people did not require further intervention within 12 months of the completion of intervention, which shows that the vast majority of the interventions decided on and achieved the intended outcomes.

### Efforts to reduce the use of narcotics

Three indicators under the operational area goal are based on results from the Stockholm Survey carried out every two years. The last Stockholm Survey was conducted in 2014 and indicated a continued decrease in tobacco and alcohol use. However, narcotics abuse remained at the same level and the earlier trend of less use has stalled. The City's drug prevention and outreach work continued to be prioritised in 2015. Among other measures, the Social Services Administration, in collaboration with the

District Councils' prevention coordinators, has initiated efforts to prevent and reduce cannabis abuse.

### Development in addiction and dependence care

The development work to strengthen the child and parent perspective in addiction and dependence care continued during the year. A project on stronger parental support was initiated. In addition, work was begun during the year to implement the National Board of Health and Welfare's national guidelines for care and support in the event of substance abuse and dependence. The indicator of the proportion of intervention(s) concluded according to plan in adult substance abuse is new beginning in 2015 and did not reach the City Council's target. To ensure that matters are concluded according to plan to a higher degree, the operations will work further on getting the client more involved in his or her own planning.

### Prevention of homelessness

A number of different projects are being conducted to reduce homelessness in the City. An implementation plan for the City of Stockholm's programme against homelessness 2014–2019 was

In total, the District Councils have 524 trial apartments and of them 156 have transitioned into own contracts, which means that the City Council's target was achieved by a wide margin.

### Increased participation in social psychiatry

In social psychiatry, the District Councils continued to focus on further development of individual follow-up and in 2015, a new version of the follow-up instrument DUR was developed. The operations work to increase the users' participation and motivation for various activities. Among other things, the method of motivational interviewing (MI) is used with the aim of increasing the individual's participation and independence. Satisfaction with the investigation of the need for support amounted to 79 percent, which is an increase over the previous year.

»»The development work to strengthen the child and parent perspective in addiction and dependence care continued during the year.««

Indicator	Annual target	Outcome	Goal attainment	Comments
Percentage of children and young people requiring intervention under individual and family care who do not need to have their cases reopened within 12 months of the end of the intervention	84%	84%	Met in full	
Percentage of intervention(s) concluded according to plan in adult substance abuse	35%	28%	Not met	The majority of the District Councils do not achieve their annual targets. This indicator is new as of 2015 and there are therefore no comparative figures. To ensure that matters are concluded according to plan to a higher degree, the operations will work further on getting the client more involved in his or her own planning.
Percentage of trial apartments transferred to the tenant's own contract in relation to the total number of trial apartments in the District Council	25%	30%	Met in full	
Percentage of people undergoing intervention within social psychiatry who were satisfied with the manner in which their needs for support were assessed	80%	79%	Met in part	Half of the District Councils achieve their annual targets in full and the others in part. The outcome was somewhat higher than the previous year's 77%.
Percentage of children and young people who stated in the Stockholm Survey that they did not use tobacco	-	-	No measurement was done	The Stockholm Survey is conducted every two years. The next survey will be in 2016.
Percentage of young people who stated in the Stockholm Survey that they did not use alcohol	-	-	No measurement was done	The Stockholm Survey is conducted every two years. The next survey will be in 2016.
Percentage of young people who stated in the Stockholm Survey that they did not use narcotics	-	-	No measurement was done	The Stockholm Survey is conducted every two years. The next survey will be in 2016.



# Safe and vibrant city districts

Stockholm shall focus on efforts that promote a cohesive city. By cooperating with Stockholmers, associations and other important stakeholders, the strength that exists in the local community will be utilised. The high level of ambition for cleaning, graffiti removal and safety creation measures will continue and efforts will be made to increase the quality of the City's parks and green spaces.

## **Socially sustainable urban development in focus**

With the aim of developing Stockholm towards a more cohesive city, where the gaps between the city districts and various groups of people decrease, the City has appointed a Social Sustainability Commission with the task of analysing differences in living conditions in Stockholm and proposing measures for an equal and socially sustainable city.

In its first interim report, the Commission confirmed that the differences in living conditions in different parts of the City are large and growing to some extent. The indicator of the proportion who feel safe in the city district in which they live confirms this view through the wide spread in outcomes presented; 40–50 percent in part of the suburbs and more than 80 percent in the inner city.

In the autumn, the City Council approved guidelines for local development efforts to provide stable conditions for long-

term development work in the District Councils that face special challenges. Local development programmes shall be prepared after a dialogue with residents, associations, business operators and other local stakeholders. All city districts shall be developed based on their own potentials and unique qualities with a starting point in the City's vision and budget, where resources should be guided to areas with the greatest need. Special resource allocation can take place through the social investment fund that was established with the aim of counter-acting exclusion and social disadvantage.

An example of a development project with a socially sustainable emphasis that was begun is the Östberga Collaboration Project, which is a collaboration between the Enskede-Årsta-Vantör District Council, several specialist committees and municipal property companies as well as the police. Overall programme work aims to contribute to make Östberga a more attractive and sustainable city district.



### **Goal for the operational area**

Stockholm is a city that stands united, with secure and vibrant city districts

### **Goal attainment for the year**

Of four indicators, three met the City Council's annual target in full and one in part. The assessment is based on the outcome of the City Council's indicators and a qualitative evaluation of the operations conducted by the District Councils. Considering the above, the operational goal is assessed to have been achieved in part in 2015.

More housing, technical improvement of the district centre and better connections to the surrounding city districts are a few of the targets. The actions taken in the area will be based on what residents in the city district have expressed as wishes and opinions at various occasions in recent years, and continued dialogue and participation will take place in the course of the work. Moreover, a distinct child and youth perspective should permeate the entire process.



PHOTO: LENNART JOHANSSON





PHOTO: SKYFALLET PLAYGROUND

Another example of projects with a socially sustainable emphasis is Bagarmossen Smart-Up, which is being conducted by AB Stockholmshem. The project focuses on three areas: local interest in urban cultivation, creativity and entrepreneurship, and the development of the offering of local service at Bagarmossens Centrum. A local project office has been established that should invite direct dialogue with the residents and business operators in Bagarmossen. Concrete steps taken to-date include creating gardening space on roofs of parking garages and hosting a Nordic innovation programme for start-ups with a focus on sustainable urban lifestyles.

### Investments in the park environment

During the year, an effort was made to reinvest in park environments with the aim of extending the park facilities' life expectancy. Funds have been used for technical improvement of stairways and park paths and the renovation of splash-

ing pools, playgrounds, benches, ramps and much more.

The indicator that measures Stockholmers' satisfaction with the care of parks and green spaces remains at an unchanged level, but the spread in the outcome between the District Councils decreased compared with 2014 and is now in the interval from 60 percent in Skärholmen to 75 percent in Östermalm.

### Greater security through collaboration

A City-wide agreement between the Stockholm Police Region and the City of Stockholm has been entered into with the aim of jointly developing and strengthening the activities that concern the areas of responsibility of both parties. By coordinating resources, favourable conditions are created to achieve lower crime and greater security. Each District Council shall sign a sub-agreement with its local police authority. The local collaboration will thereby be improved

regarding the areas that are important with the aim of getting closer to the residents and increasing security.

The Traffic Committee has established a collaborative forum for a dozen suburban centres where the Committee, together with property owners, District Councils, the police and businesses repeatedly collaborates on the various stakeholders' operating activities from a security perspective, preferably in southern Stockholm and Järva.

During the year, the Brödkaveln playground in the Skarpnäck District Council was awarded the City of Stockholm's security award for its innovative and structured efforts to increase children's and young people's feeling of security. The playground is a part of a conscientious, long-term security creation effort in the local area. The goal of the activities is to serve as a meeting place for children ages 7 to 13 who are not enrolled in after-school recreation activities.

Indicator	Annual target	Outcome	Goal attainment	Comments
Percentage that feels secure in the district where they live	74%	74%	Met in full	
Stockholmers' satisfaction with cleanliness and tidiness	56%	57%	Met in full	
Stockholmers' satisfaction with the care of parks and green spaces	62%	66%	Met in full	
Proportion of steps taken in the scope of the Risk and Vulnerability Analysis (RVA)	100%	98%	Met in part	23 of 30 committees and 12 of 15 company boards reported 100 percent goal attainment.



# Housing construction for everyone

The long-term goal is for 140,000 new homes to be built between 2010 and 2030. To ensure construction on the shorter term, the goal is for 40,000 new homes to be built between 2014 and 2020. The City will plan housing for young people, students and groups with a weak position in the housing market. To be able to increase construction with good quality and at a reasonable cost, collaboration between the City's committees and companies must be improved.

## Housing function established

During the year, a housing function was established, consisting of representatives from the City Executive Board, the Development Committee, the City Planning Committee, the Traffic Committee and the Environment and Health Committee. The housing function, which is led by the City's housing coordinator, is responsible for strategic governance and coordination, and preparing and developing a joint project portfolio for the City. The organisation enables a flexible and efficient approach. Focus in the work is on coordination, identification of strategic success factors and communication and development.

## Greater housing construction

The objective for the number of homes entering renovation and new construction was 5,000. The outcome amounted to 5,779. Compared with 2014, this is an

increase of 22 percent. The number of homes completed amounted to 6,219. Compared with 2014, this is an increase of 58 percent.

City districts with the most homes entering construction are Liljeholmen with 638, followed by Stockholm Royal Seaport with 483 and Mariehäll with 346. City districts with the most completed homes are Stockholm Royal Seaport with 376, followed closely by Fruängen and Stadshagen with more than 350 completed homes each.

The City Council's target for the number of rental units entering construction, 1,500, was also achieved by a wide margin. In total, 2,218 rental units entered construction during the year. Compared with 2014, this is an increase of 31 percent. AB Svenska Bostäder, AB



### Goal for the operational area

Stockholm is a city with a high level of housing construction where everyone can live.

### Goal attainment for the year

The annual targets for six out of nine of the City Council's indicators were achieved in full, two were achieved in part and one was not achieved. The committees have generally achieved their goals and committee indicators and chiefly conducted the activities they had undertaken in their operational plans. Considering the above, the operational goal is assessed to have been achieved in full in 2015.

Stockholmshem and AB Familjebostäder jointly report that 1,584 municipal rental units entered construction during the year.

The number of student accommodations completed was 400. This is an increase of 28 percent compared with 2014, but the annual target of 600 was not fully



PHOTO: LENNART JOHANSSON



# 58%

increased the number of completed homes through renovations and new construction compared with 2014.

achieved. In total, 822 student accommodations entered construction during the year, which is the highest number since 2005.

## High ceiling in planning

The number of homes for which land has been allocated as increased sharply in recent years as a result of the higher ambitions for housing construction. In 2015, the target was 8,000 homes. The outcome of 8,181 was an increase of 19 percent compared with 2014. The target with regard to the number of homes in approved/adopted local plans was achieved by a wide margin, 6,900 compared with 5,000. The outcome is on a par with 2014, when the annual target was also 5,000.

## The first homes in accordance with the 2013 Stockholm Negotiations entered construction

According to the 2013 Stockholm Negotiations, 45,900 homes are to be built in the influence area of the new Metro in Söderort, Hagastaden and Södermalm by 2030. This new housing will relate to local plans that are accepted/approved beginning in 2014, except for the local plan for Hagastaden, which was accepted in 2010. During the year, the first homes with bearing on the agreement entered construction, in Hagastaden and Sköndal, 331 homes in total.

For 2015, the goal was that the number of homes in approved/accepted local plans in the new Metro's influence area would reach 1,700. The goal was achieved by a wide margin. The outcome was 2,773. The Development Committee allocated land for a total of 2,302 homes in the influence area, which means that the Committee's own target of 2,300 was met.

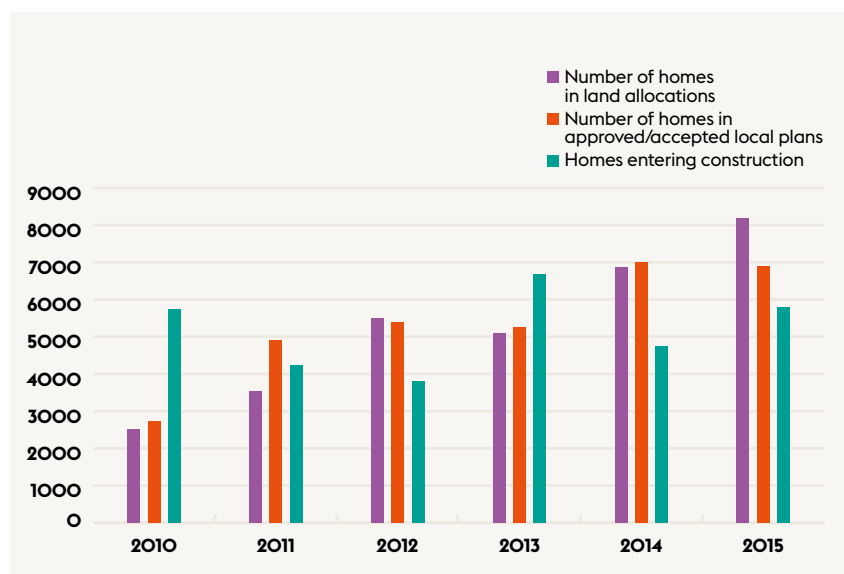
## A city where everyone can live

During the year, important steps were taken to enable more housing at a reasonable cost. The adoption of a new land allocation policy is one of these. The first projects according to the Fast Housing concept began to be built during the year, 280 homes in Västberga. During the year, the Stockholm Houses collaboration project was also launched, which aims to enable the construction of energy-efficient buildings of good quality at reasonable cost through standardisation

and economies of scale. The City Planning Committee has begun the detailed planning work for a total of 735 homes according to the concept. During the year, the first friend contracts were also signed in one of the City's housing companies. This is a new form of tenancy where people between the ages of 18–25 can sign a lease together with a friend.

## Satisfied tenants

The collective goal for the housing companies' tenants' satisfaction with housing, common spaces and outdoor environments was achieved in full. The index that measures this amounted to 77.9, which was the target for the year. The index that measures the housing companies' tenants' satisfaction with the companies' service amounted to 82.5, which is just below the target for the year. A clear proof of the tenants' satisfaction is that Svenska Bostäder won two Customer Crystal awards in February.



Indicator	Annual target	Outcome	Goal attainment	Comments
Number of homes for which land has been allocated	8,000	8,181	Met in full	
Number of homes in approved/accepted local plans	5,000	6,900	Met in full	
Number of homes in approved/accepted local plans in the new Metro's influence area	1,700	2,773	Met in full	
Number of homes entering construction	5,000	5,779	Met in full	
Number of rental apartments started	1,500	2,218	Met in full	
Number of homes completed	600	400	Not met	The trend is increasing. The number is 28% more than in 2014
Number of trial and training apartments distributed and First Home apartments through the Housing Service (IoF)	400	394	Met in part	The City's housing companies prepared 409 apartments, but not all have been distributed yet.
The housing companies' tenants' satisfaction with the companies' service	82.8	82.5	Met in part	
The housing companies' tenants' satisfaction with housing, common spaces, outdoor environment	77.9	77.9	Met in full	



# Accessible sports and leisure

The City of Stockholm's activities contribute to an accessible and inclusive sports life characterised by quality and a diversity of expression, actors and practitioners. A good facility structure should create conditions for integration, public health and an equal society.

## Collaboration to meet facility needs in the growing City

The need for sports areas and facilities is growing in pace with the City. The City is therefore deepening the collaboration between committees that have a key function in securing the expansion and needs for new facilities, functions and areas throughout the City. The Sports, Real Estate, City Planning and Development Committee together with the Education Committee and SISAB are aware of the joint responsibility to meet the City Council's target.

Besides the continuous completion of sports halls and facilities within the budget for sports investments, the cooperation between the committees has led to school yards being inventoried for artificial grass fields and school gyms being made available for association life by expanding use of card locks. Through the City's area planning, an activity path was secured for sports and leisure in the programme for Hammarbyhöjden-Björkhamnen.

## Active association life

Getting children and young people involved in association life is the most important strategy for laying the foundation for young Stockholmers to be physically active.

The rules regarding grants have been adjusted to further encourage activities for teenagers and for activities that do not have competition participation at the highest possible level as the main objective.

The City is also involved in association life through educational efforts for both existing leaders and new, young leaders. Especially important are courses against bullying and offensive treatment. A special LGBT course was also held.

The City also takes special responsibility for people with disabilities having conditions to participate in and make use of leisure time activities. The activity offering increased during the year and good examples from the project "Active



### Goal for the operational area

Stockholm has a rich offering of sports and leisure activities accessible to all

### Goal attainment for the year

All annual targets for the indicators have been met in full. Together with the committees' reported activities done and committee goals achieved, the operational goal is assessed to be achieved in full.

free time and health in group housing" have been distributed.

## Good opportunities for outdoor life and exercise

In Stockholm, good conditions are provided for an active outdoor life. The City is surrounded by large natural areas and has one of the world's most beautiful archipelagos.

Interest in skiing is growing strongly in Stockholm. In cooperation with the Swedish Ski Association, Gärdet's sports



PHOTO: FREDRIK PERSSON





PHOTO: PETRA SUNDSTRÖM

field has been the subject of a major skiing effort including a new snow groomer and snow canons. Ski paths are also arranged with discarded snow at Ågesta, Gubbängen sports ground, Spånga sports ground and Stockholm Stadium. The City also ploughs the ice to keep the lake ice usable for the active outdoor life.

During the year, the lighting at the Hammarby ski slope was upgraded to provide the slope a world cup status prior to the Parallel Slalom World Cup to be held in February 2016.

In the group exercise offering at the City's aquatics centres and sports halls, Stockholmers have been able to participate in leader-led outdoor exercise in the form of running groups and the diverse exercise form called Multi outdoors. Two aquatics centres also offer Multi outdoors to mothers with baby carriages. The City's investment in outdoor gyms

is much appreciated and several new outdoor gyms were added in 2015.

### Events bring the City to life

Events contribute to bringing the City to life and presenting both the City and various sports to Stockholmers and visitors. Events held in 2015 included the Ice-skating Day at Östermalm sports ground, the Sunshine Days, Eken Cup, Stockholm Bauhaus Athletics, Sports Day in Hagaparken and the Finland-Sweden Athletic Competition.

» Events held in 2015 included the Ice-skating Day at Östermalm sports ground, the Sunshine Days, Eken Cup, Stockholm Bauhaus Athletics, Sports Day in Hagaparken and the Finland-Sweden Athletic Competition. «



The City has conducted special efforts aimed at swimming skills and preventive safety activities to reduce the number of drownings in Stockholm.

Eurogames, an international sports event primarily aimed at LGBT individuals, was held for the first time in Stockholm with around 5,000 participants from 68 different countries. In connection with Bauhaus Gala, young people had the chance to test track and field activities at various places in the capital and its surroundings.

The City's surveys show that 90 percent of the organisers are satisfied with the City's support and service and 88 percent found it easy to get a hold of the right person at the Sports Administration and that they had received good information about the Administration's service in connection with the event.

### More can swim

Stockholm is rich with water, which is also a part of the City's identity, and many activities are tied to or take place next to open water. Not being able to swim or not feeling safe in water can be social obstacle and can also put oneself or others in danger.

The City has conducted special efforts aimed at swimming skills and preventive safety activities to reduce the number of drownings in Stockholm.

Intensive swim school courses were held at the beginning of the summer break for students in grades 6–9 who did not meet the target in the subject of sports and health. 71 percent of the students who did not meet the requirements participated in the course – an increase from the previous year by 30 percent.

Indicator	Annual target	Outcome	Goal attainment	Comments
Stockholmers' satisfaction with the City of Stockholm's sports offering	60%	72%	Met in full	
Satisfaction among young people with access to opportunities in sports	71%	73.5%	Met in full	
Percentage of young people (10–17) who feel that they have access to meaningful free-time activities	77%	79%	Met in full	



# Secure old age

Stockholmers should be able to feel secure about old age. Elderly care shall be sustainable, equal, accessible and equivalent. Every elderly person has the right to secure housing and a high quality of daily life. The right to self-determination is fundamental. The elderly should be able to influence both the content of care and the provider. Secure conditions for the staff are a prerequisite for secure elderly care. All elderly care shall be good and reliable.

## Development work for higher quality in home-help services

Based on the assignment in the City Council's budget for 2015, the City began an investigation into how the home-help services can be developed to meet the needs of the elderly people of the future. The objective is for the home-help services to be person-centred, both in the assessment of individual needs and in the formulation of the implementation. Staff continuity should be high and greater freedom of action should be given to the home-help service staff to formulate efforts based on the individual's current daily needs and wishes.

In accordance with the City Council's budget for 2015, all District Councils ensured that they can offer municipal

home-help services. For example, Älvsjö District Council began home-help services under municipal direction in September. Elderly Direct at the Service Committee provides clear information that the municipality is the default alternative for home-help services.

In 2015, considerable importance continued to be placed on the follow-up of the home-help services to ensure good quality for the users. Newly established home-help service providers have been followed up on site to identify deficiencies early on. The special contractual review that was begun in 2014 continued in 2015. During the year, 25 providers were covered by the review, which resulted in seven contracts being cancelled.



### Goal for the operational area

All elderly have a safe old age and receive good quality elderly care.

### Goal attainment for the year

The annual targets for three out of nine of the City Council's indicators were achieved in full, three were achieved in part and three were not achieved. In addition to this, the committees have generally achieved their own committee goals and indicators and largely conducted the activities they had undertaken in their operational plans. Considering the above, the operational goal is assessed to have been achieved in part in 2015.

### Stimulus funding for greater staffing in elderly care

The government has decided on a temporary effort for greater staffing in elderly care 2015–2018. Stimulus funding is intended to increase staffing



PHOTO: LIESLOTTE VAN DER MEUS



in healthcare and nursing for the elderly. The objective is to create greater security and quality for the individual. For 2015, the City was allocated SEK 87.8 million. All providers within the City's elderly care, regardless of management form and activities, were offered the opportunity to apply for stimulus funding for more staffing. In total, funding was allocated to 206 units.

### In-depth quality follow-up through observations

In recent years, the City has developed a method, called quality observation, for in-depth quality follow-up in elderly care. In nursing and care facilities, the observations in 2015 showed good examples in the areas of meals, time outdoors and work with common values. At the nursing and care facilities where assistant nurses specialised in dementia, known as Silvia sisters, work, there is a noticeable quality improvement with regard to personal treatment and stimulation in dementia care. At the observations, it has come forth that there is development potential regarding social stimulation in connection with meals. Good examples brought up after the observations in the home-help services are that the staff are committed and sensitive and that active work is being done on common values. An area for development in the home-help services is making the implementation plans more individually oriented.

### Security and quality in special housing

In spring 2015, the City Council adopted revised guidelines for handling in social

service elderly care. The new guidelines clarify that special consideration shall be taken of advanced age and loneliness in an assistance-assessment of the need for a care and nursing facility. In the assessment for service block living, the individual's perception of insecurity and age shall be taken into account.

Several District Councils actively conduct work to develop the mealtime situation for the residents at the nursing and care facilities. Food and meals have, for example, been in focus in elderly care in the Hågersten-Liljeholmen District Council. The Council's dietician has provided support and guidance in the work and all units have a dietary representative. The mealtime situation remains a development area for all District Councils.

»» Staff continuity should be high and greater freedom of action should be given to the home-help service staff to formulate efforts based on the individual's current daily needs and wishes. ««

During the year, the Senior Citizens Committee and the District Councils worked to prepare a clear right to outdoor time for residents at nursing and care facilities. The District Councils have also taken concrete steps to secure implementation of the right to time outdoors. For example, Håsselby-Vällingby District



In 2015, considerable importance continued to be placed on the follow-up of the home-help services to ensure good quality for the users. Newly established home-help service providers have been followed up on site to identify deficiencies early on.

Council conducted an effort for time outdoors and a pleasant outdoor environment at the Koppargården Nursing and Care Home.

### Skills development for nurses in elderly care

During the year, an effort was conducted for nurses in elderly care. The nurses who have an older education and lack certain skills were given the opportunity of additional study to bring their degree up to the bachelor's level. Six nurses from the City's own operations attended the specialist nursing programme in elderly care. An investment in the training of Silvia nurses, meaning nurses specialised in dementia, was also made.

Indicator	Annual target	Outcome	Goal attainment	Comments
Percentage of satisfied care recipients – Nursing and care facilities (elderly care)	85%	80%	Not met	Decline by 2 percentage points compared with 2014. The District Councils' result development is very mixed; some have seen a clear improvement, others a decline.
Percentage of satisfied care recipients – home-help services in ordinary housing (elderly care)	85%	84%	Met in part	Unchanged outcome compared with 2014. The District Councils that do not meet the City Council's annual target are close or relatively close to the target.
Percentage of satisfied care recipients – Social assistance day care service (elderly care)	95%	95%	Met in full	
Care recipients' perception of security – home-help services in ordinary housing (elderly care)	86%	80%	Not met	Unchanged outcome compared with 2014. A wide spread in the District Councils' outcomes where some are further away from the City Council's annual target.
Care recipients' perception of security – Nursing and care facilities (elderly care)	90%	88%	Met in part	Unchanged outcome compared with 2014. A majority of the District Councils have improved their results compared with 2014. Some have seen a worse result.
Care recipients' perception of how they can influence how help is provided – home-help service in ordinary housing (elderly care)	77%	85%	Met in full	
Mealtimes are a pleasant time during the day – Nursing and care facility (elderly care)	77%	67%	Not met	Improvement by 1 percentage point compared with 2014. The mealtime situation is a prioritised development area for all District Councils.
Continuity in care – home-help services in ordinary housing (elderly care)	Maximum 10 people	9.3	Met in full	
Percentage with outdoor time for residents – Nursing and care facilities (elderly care)	95%	93.4%	Met in part	





# Eco-smart Stockholm

Stockholm's climate emissions from heating and transports shall decrease and the proportion of renewable energy shall increase. Energy, transport and city planning are to promote sustainable development where walking, bicycling and public transport are prioritised. The City's operations should work in every component based on the goal of the smallest environmental impact possible.



# A climate-neutral city

The City of Stockholm shall take responsibility for reducing climate-impacting emissions. The goal is that Stockholm shall be fossil fuel-free by 2040. The City aims to reduce energy consumption in both existing and new buildings. The City's emissions are to be reduced at the same time that the City's long-term costs decrease.

**T**he City Council has set aside SEK 1,000 million for the period 2015–2018 for climate improvement measures. The measures have contributed to achieving the City's long-term climate targets and reducing the climate-impacting carbon dioxide emissions or contributed to a high preparedness for future climate changes. The measures also have a clear connection to the City's current steering documents in the climate and environmental area.

## Proposal of a new environmental programme 2016–2019

The City's environmental programme has been revised and a proposal on a new environmental programme is being circulated for comment. The proposal on the new environmental programme advances the positions for the City's environmental efforts. In the environ-

mental target of sustainable energy use, sub-targets have been made more stringent in that the emissions of greenhouse gases are to decrease per person from 3.0 tonnes to a maximum of 2.3 tonnes by 2020. A new sub-target that the City's own energy production based on solar energy should increase has been added to strengthen future goal attainment. The sub-targets regarding energy-efficiency enhancement in renovations have been clarified. The development of recent years with growing numbers of people travelling by bicycle and public transport is to be strengthened.

## Strategy for a fossil-fuel free Stockholm by 2040

The City's goal is for Stockholm to be fossil fuel-free by 2040. The City has prepared documentation for a plan of approach towards a fossil fuel-free Stockholm by 2040 and a strategy for



### Goal for the operational area

Stockholm is climate neutral

### Goal attainment for the year

All annual targets for the indicators have been met in full. Together with the committees' reported activities done and committee goals achieved, the operational goal is assessed to be achieved in full.

achieving the climate target of 2.3 tonnes of carbon dioxide equivalents per resident and year. The documentation will be joined into one steering document in 2016.

## Work for reduced energy consumption

The City of Stockholm has begun a pre-study on the possibility and potential of recovering waste heat from refrigeration machines at Tele 2 Arena and to reduce the energy consumption when the consumption is at its highest. The City has



PHOTO: JOHAN PONTÉN



Half of the amount of food waste arising in the City of Stockholm comes from restaurants.

worked in support of construction companies planning solar cells into development projects by referring to the City's solar map in land allocations. The City has also allocated land to a strategically located property in Stockholm Royal Seaport for the establishment of a server hall that will guide its surplus heat to Stockholm's district heating network. The City is also setting energy requirements of 55 kWh per square metre in new land allocations. A stock-taking of the City's roofs for finding suitable roof space for solar cells was done during the year.

### Collection strategy for food waste 2016–2020

The City of Stockholm has worked in support of increasing the number of businesses that sort out food waste as well as the amount of packaging that goes to recycling and decreasing the amount of waste. Stockholm Vatten AB has prepared a Collection Strategy for Food Waste 2016–2020. Half of the amount of food waste that arises comes from restaurants. In October 2015, the City began to provide information about food waste collection to the target group with a scope of around 4,000 restaurants.



PHOTO: PAR OLSSON

Indicator	Annual target	Outcome	Goal attainment	Comments
Percentage of land allocations with the maximum energy consumption requirement of 55 kWh/m <sup>2</sup>	100%	100%	Met in full	
Green-house gas emissions per Stockholmer (tonne/res.)	3.0	2.8	Met in full	
Electricity consumption per square metre	32 kWh	30.8 kWh	Met in full	
Energy consumption per m <sup>2</sup>	160 kWh	158.3 kWh	Met in full	
Proportion of the City's operations that sorts out food waste for biological treatment	55%	65.4%	Met in full	
Number of environmentally classified buildings	35	≥ 60	Met in full	
Amount/proportion food waste that the City's residents and businesses sort out for biological treatment	13.6%	16.5%	Met in full	





# Sustainable transports

Road traffic is to decrease. Environmentally friendly transports are to be stimulated and travel by walking, bicycling and public transport is to be prioritised. Passability is to increase for more people. A new parking strategy is to be prepared for every part of the City, co-loading initiatives for goods transports are to be started and the introduction of carpools is to be stimulated. Traffic safety is to increase.

## Climate targets are to be achieved

The City Council has set aside SEK 1,000 million for the period 2015–2018 for climate improvement measures. The measures are intended to contribute to achieving the City's long-term climate targets and reducing the climate-impacting CO2 emissions or contribute to a high preparedness for future climate changes. The measures should also have a clear connection to the City's current steering documents in the climate and environmental area.

One of the City's strategies to achieve the climate goals is for 100 percent of the vehicle fleet to be green vehicles, which has almost been achieved. The

proportion of electric vehicles increased from 16 to 19 percent. To further increase the proportion of electric vehicles in Stockholm, the infrastructure for charging is being expanded. Among other things, Stockholms Stads Parkerings AB is installing 307 normal charging stations for which it has received SEK 6.1 million from the government grant programme called Climate Leap. The City is also participating in a research project that will evaluate the possibilities of wireless charging of electric vehicles. Five of the City's electric vehicles have therefore been equipped for induction charging.

Sustainable transports are one of the main goals in the EU-financed project Grow-Starter, which the City of Stockholm



## Goal for the operational area

Transports in Stockholm are sustainable.

## Goal attainment for the year

Of the City Council's 14 indicators, five have been met in full, five in part and four have not been met. Due to the above and a qualitative evaluation of the operations conducted by the committees, the operational goal is assessed to have been met in part in 2015.

is leading and involved collaboration with seven other European cities and a number of environmental technology companies. The project is about how cities with the help of smart solutions can create more jobs and grow at the same time that they become more energy efficient with



PHOTO STEFAN BOHUN

less climate impact. The cities are also to become more easily travelled and attractive to the residents.

### Bicycling support continues

In addition to the previously adopted SEK 1 billion investment in bicycle promotion, another SEK 300 million was added to the investment plan for 2015–2018 for improved bicycle infrastructure. The expansion of the highest priority sections is under way, but is encountering challenges in that the investigations on the bicycle paths' design require greater depth, that the procurements are being delayed by too few or too costly tenders, and that previously unknown circumstances are discovered in connection with implementation.

A re-investment programme has been established for paving measures on the bicycle paths that have been in major need of new paving or the parts of the bicycle paths that tie together important routes. The measures involve new paving, and in some cases widening of

»The pilot project conducted in spring 2014 on the number 4 line has been evaluated. The project is assessed as successful, but further efforts have been done and travel times have continued to decrease. «

bicycle paths and new lighting along the bicycle paths. Work has also been done to prepare a programme for quality-improvement efforts on the commuter routes.

### Passability for mainline buses has increased

The City is cooperating with the Stockholm County Council to improve passability for the mainline bus services. The pilot project conducted in spring 2014 on the number 4 line has been evaluated. The project is assessed as successful, but further efforts have been done and travel times have continued to decrease. Similar efforts have been made for line 1 and preparations are under way for lines 2 and 3. Despite generally higher travel times, the mainline buses have increased their average speed.

The City has deepened its cooperation with Stockholm County Council, the Swedish Transport Administration and other stakeholders through continued development of the work on the main timetable for traffic-disrupting works, which encompasses a ten-year period. This cooperation lead to construction works being able to be controlled to minimise traffic disruptions, especially when it involved bus, pedestrian and bicycle traffic.

### Several major infrastructure investments are underway

To resolve passability issues in the City and the region on the longer term, the City is participating in the planning and



In addition to the previously adopted SEK 1 billion investment in bicycle promotion, another SEK 300 million was added to the investment plan for 2015–2018 for improved bicycle infrastructure.

implementation of several major infrastructure projects, such as the expansion of the Metro to Nacka, Barkarby and Arenastaden, the Citybanan commuter rail line, the Mälarbanan line, the Stockholm Bypass and the renovation of Slussen. In terms of Slussen, a revised implementation decision has been made and demolition work has begun. An agreement on the bus terminal solution for the Eastern Sector has been reached with Stockholm County Council, the Municipality of Nacka and the Municipality of Värmdö, which clarifies the scope and financing between the parties.

Indicator	Annual target	Outcome	Goal attainment	Comments
Number of bicycle passages across the inner city	68,000	59,080	Met in part	Unchanged level compared with 2014.
Percentage of bicycle users	9%	10%	Met in full	The Traffic Committee's assessment: unchanged percentages compared with 2014.
Percentage of pedestrians	25%	20%	Met in part	
Percentage of public transport passengers	39%	47%	Met in full	
Percentage of car travellers	30%	24%	Met in full	
Average speed of mainline buses in the inner city	18 km/h	17.0 km/h	Met in part	Compared with 2014 an improvement of 0.2 km/h has taken place.
Average speed of mainline buses in the suburbs	31 km/h	28.9 km/h	Met in part	Compared with 2014 an improvement of 0.5 km/h has taken place.
Increase in travel time, inner city streets, percent Change from previous year.	0%	6%	Not met	Higher travel times are caused by several on-going traffic-disrupting works, such as the seal layer renovation at Sergels Torg, preparations for the Slussen project and the expansion of the trams.
Increase in travel time, suburban streets, percent. Change from previous year.	0%	36%	Not met	Increased travel times are caused by the amount of traffic increasing due to a population increase, lower fuel prices and new infrastructure.
Travel time reliability	90%	63%	Not met	Unchanged level compared with 2014.
Speed limit compliance	63%	75%	Met in full	
Safe passage for pedestrians, cyclists and mopeds	36%	20%	Not met	Compared with 2014 an improvement of 1 percentage point has taken place.
Percentage of green vehicles in the City's fleet	100%	99%	Met in part	28 of 30 committees and 15 of 16 company boards reported 100%.
Percentage of electric vehicles	10%	19%	Met in full	





# Clean air and clean water

The City will work actively for clean air and clean water. Air quality is to be improved through reduced road traffic, lower speeds and less studded tyre use. The work of protecting Stockholm's water is being developed so that the ecological status of lakes and watercourses is improved. Parks and nature reserves are vital to Stockholmers and are to be better maintained.

## Reduced phosphate levels in lakes

The total phosphate level in lakes has decreased since the 1990s. In most of the City's lakes, the phosphate level has decreased in recent years, even if the majority of the lakes still have high levels. In 2015, 16 out of 18 lakes had lower or unchanged phosphate levels compared with the average for the respective lake in the 1990s.

## Action plan for good water status

The City has adopted an action plan for good water status. The focus of the action plan is local programmes of measures and the creation of a good and suitable organisation in the City. The work with local programmes of measures has begun in the water occurrences prioritised for 2015. This mainly

concerns Bällstaån and Brunnsviken where the work has made the most progress. The work on the programme of measures has also begun for Långsjön, Råcksta träsk, Kyrksjön and Judarn. The City has also traced sources with sampling of ground water and surface water at selected locations. The results of the investigation are expected to be complete in the first half of 2016.

## City's new surface water strategy

The City has adopted a new surface water strategy. In the work on the new strategy, concrete manuals have been prepared as support for how sustainable surface water management should be applied in the city planning and property development process. Moreover, a check list for what should be included in surface water investigations has been prepared.



### Goal for the operational area

Stockholm has clean air and clean water.

### Goal attainment for the year

The annual target for the City Council's indicator is achieved in full. In addition to this, the committees have generally achieved their own committee goals and generally conducted the activities they had undertaken in their operational plans. Considering the above, the operational goal is assessed to have been achieved in full in 2015.

## Air quality with regard to particulate levels

Stockholm has much better air today compared with 50 years ago. Air pollution that at the time caused major problems in the Stockholm air – sulphur dioxide, lead, carbon monoxide, benzene, etc. – is now handled with a wide



PHOTO: LENNART JOHANSSON

margin. In 2014 and 2015, the environmental quality norms for PM10 particulates were met throughout the City of Stockholm. The City has consistently and intensively bound dust on the 35 streets set out in the adopted programme of measures for Stockholm County. In 2015, the environmental quality norms for PM10 were also met on the

»Stockholm has much better air today compared with 50 years ago. Air pollution that at the time caused major problems in the Stockholm air is now handled with a wide margin.«

Essingeleden section of motorway. In Stockholm, air quality is measured continuously on Hornsgatan, Sveavägen, Folkungagatan and Norrlandsgatan. The City's measurements show that air quality is steadily improving.

### Levels of nitrogen dioxide

For nitrogen dioxide, the levels have decreased considerably since the beginning of the 1990s, but not enough to reach the environmental quality norms. The target value for the compulsory committee indicator of the number of days over the norm for nitrogen dioxide in air has been exceeded. The outcome for the indicator is, however, lower than 2013 and 2014. The opening of the Norra Länken bypass has reduced the levels of

35

The City has consistently and intensively bound dust on the 35 streets set out in the adopted programme of measures for Stockholm County.

nitrogen dioxide on Valhallavägen and at Roslagstull. For 2016, congestion tax on Essingeleden may contribute to further reductions of the levels.

Indicator	Annual target	Outcome	Goal attainment	Comments
Total phosphate levels in lakes	83%	88.9%	Met in full	
Number of days over the norm for PM 10 in air	Committee target 35	8	Met in full	
Number of days over the norm for nitrogen dioxide in air	Committee target 7	45	Not met	The City has taken steps to achieve the target, but they have not yet been fully adequate even if the levels have decreased in recent decades.
Percentage of multi-dwelling properties in the City (total) with a radon level below the guide value of 200 Bq/m <sup>3</sup> air	Committee target 58%	62.3%	Met in full	
Percentage of studded tyres	Committee target 8%	7.1%	Met in full	



PHOTO: JOHAN PONTÉN



# Environmentally friendly lifestyle

The City will intensify the work of mapping and removing toxins. The proportion of ecological food in pre-schools and schools is to increase. The City will strive to reduce the environmental impact of food, such as through a higher proportion of vegetarian food, in its operations and a strategy to achieve 50 percent ecological food will be drafted.

## Strategy for higher proportion of ecological food

During the year, the City drafted a proposal on a strategy to increase the share of ecological food with a target of 50 percent of the food in municipal operations being ecological. As a part of the strategy, a larger offering of vegetarian foods will be included. This has been worked in as a whole into the proposal on a new environmental programme in the City of Stockholm for 2016–2019.

## Mapping of toxins in pre-schools

The City Council's target includes intensifying the work of mapping and removing toxins in schools and pre-schools. A collaboration has been initiated with the Institute of Environmental Medicine at Karolinska Institutet. The objective of the cooperation is to map and reduce child exposure to health-hazardous chemical substances, such as phthalates and brominated flame retardants.

## Follow-up of set chemicals requirements

Several efforts for the follow-up of set chemicals requirements have been conducted, mainly with regard to products for pre-schools. Existing agreements and assortments for pre-school products have been reviewed to identify the most chemically smart alternatives. A check list for the inspection of chemicals in pre-schools has been developed. The City has also worked on developing a list of approved materials for playground equipment that are to be used by actors

»During the year, the City drafted a proposal on a strategy to increase the share of ecological food with a target of 50 percent of the food in municipal operations being ecological. As a part of the strategy, a larger offering of vegetarian foods will be included.«

that build playgrounds. A network of representatives for the District Councils was formed and met several times during the year.

## Good guidance and education

The City has prepared a guide for the chemically smart pre-school with 22 steps for the pre-schools to work on. The advice will be conveyed through training programmes for various groups and as an online course for pre-school staff. During the year, the City also worked to distribute knowledge and implement the chemicals plan to internal and external actors through collaboration. Half-day training courses for pre-schools managers and environmental representatives at pre-schools were held in various District Councils during the year. A training session was held for independent pre-schools and another two sessions for independent pre-



**Goal for the operational area**

It is easy to choose an environmentally friendly lifestyle.

**Goal attainment for the year**

The annual target for the City Council's indicator of Percentage of ecological food in the City's own operations was met in full. Together with the committees' reported activities done and committee goals achieved, the operational goal is assessed to be achieved in full in 2015.

schools are planned for the beginning of 2016. The training aims to provide the pre-schools support in the work of cleaning out hazardous substances in the pre-school environment and ties into the printed guide for a chemically smart pre-school.

## Good materials selection

The City has conducted efforts to take stock and evaluate prioritised materials in building materials, such as PVC and granulate rubber. A pilot project has been initiated for the renovation/ redevelopment and new construction of chemically smart pre-schools. Increased awareness leads to more questions about various materials that exist in pre-schools and about advice prior to purchases. A list of good choices in the procured assortment within a few product groups has been published on the City of Stockholm website.

Indicator	Annual target	Outcome	Goal attainment	Comments
Percentage of ecological food in the City's own operations	25%	31.2%	Met in full	



# Financially sustainable Stockholm

The goal for financial sustainability shall be the starting point for the City's financial management, at the same time that more jobs and investments in education are central for a better functioning economy.



# World-leading knowledge region

Stockholm shall be a centre for internationally based operations in research and development. The City shall promote the development of creative industries, environmental technology companies, tourism and work-integrated social companies. The City shall have a strong collaboration with universities.

## Collaboration at various levels

During the year, the City Executive Board prepared a strategy for collaboration and cooperation with the region's universities. In its teaching activities during the year, the Labour Market Committee conducted the Mathematics Improvement programme in collaboration with researchers and also initiated collaboration with Linköping University. This collaboration aims to support development work in the Commission for a Socially Sustainable Stockholm and in the project on the Teacher assignment in adult education.

## Development of the City

The Development Committee's work of renewing and developing the City of Stockholm, among other things with the new planned city district of Hagastaden, comprises significant growth projects for the Stockholm region. Here, the City's qualities are combined with world-leading research, entrepreneurship and housing.

During the year, the Traffic Committee collaborated with the KTH Royal Institute of Technology with regard to the maintenance of facility constructions that has led to KTH to set up an academic objective the a doctoral degree in the subject.

## Knowledge exchange and placement

Bromma District Council collaborates with several universities to offer placement training for students in social work and pre-school education. Elderly care has well established contacts with several universities and all units accept university students.

Enskede-Årsta-Vantör District Council accepted 13 social work interns in various operations and 40 pre-school teaching students had their placement training in the city district's pre-schools. An agreement has also been signed with Karolinska Institutet to give nursing students in the elderly care programme the possibility of placement.

The City Executive Board, City Planning Committee, Traffic Committee, Real Estate Committee and Development Committee have investigated the conditions of conducting a trainee programme and prepared proposals on its handling.



### Goal for the operational area

Stockholm is a world-leading knowledge region

### Goal attainment for the year

This operational goal has one indicator, Percentage of residents age 20 with completed upper secondary education, where no measurement was able to be done as the Swedish National Agency for Education decided to no longer follow up this result. The assessment is therefore based on the committees' own goals and activities done. Considering the above, the operational goal is assessed to have been achieved in full in 2015.



PHOTO: FREDRIK PERSSON

Indicator	Annual target	Outcome	Goal attainment	Comments
Percentage of residents, aged 20, who completed upper secondary education	70%	-	-	No measurement was done as the Swedish National Agency for Education has decided not to monitor this measurement.





PHOTO: LENNART JOHANSSON

# A city where companies establish business

New and growing companies are crucial to creating new jobs. Local business is to be strengthened through developed business service and advice. Entrepreneurship and self-employment shall be supported, among women and those born abroad in particular. The City aims to collaborate with other stakeholders to increase business in Stockholm and the conditions to meet the companies' needs, for example, in matters of matching and a supply of knowledge.

## Collaboration for greater entrepreneurship

In the Stockholm Business Alliance, 53 municipalities collaborate on marketing, investment promotion and business service. During the year, agreements were signed for the next five-year period 2016–2020, and collaboration was expanded with two municipalities, Norrköping and Sandviken.

Local business efforts in the City have been developed during the year, in

part through the establishment of local business councils in the city districts and greater cooperation with business associations and Stockholm Business Region AB.

According to the Confederation of Swedish Enterprise's measurement of entrepreneurship in those aged 16–74, 16 percent of the City of Stockholm's population are business operators, which is higher than the county average and more than twice as high as the



## Goal for the operational area

Companies choose to establish business in Stockholm.

## Goal attainment for the year

The annual targets for two out of three of the City Council's indicators were achieved in full and one was achieved in part. The committees have generally achieved their goals and committee indicators and conducted the activities they had undertaken in their operational plans. Considering the above, the operational goal is assessed to have been achieved in full in 2015.



national average. The percentage of women business operators is lower than that for men, but the difference is decreasing.

The annual target for the number of start-ups was 22,000, which was achieved by a wide margin. The outcome of 23,521 was an increase of 12 percent compared with 2014.

»»The City of Stockholm's fibre network is the world's largest fibre network and covers nearly 100 percent of the companies in the City of Stockholm.««

### Satisfied companies

Municipal services are an important factor in how the business climate is perceived. The index that measures business satisfaction in contacts with the City as an authority (NKI) amounted to 70 in 2015, which is considered to be a high level. The City's target for the year was not fully achieved, but the outcome is on a par with 2014 and the trend is rising. In relation to other municipalities, the City of Stockholm is best in terms of fire supervision. Environmental and health safety also receives a high NKE in relation to other municipalities. The annual target for company satisfaction with personal treatment was achieved with a wide margin, and the outcome of 77 is an increase compared with the previous year.

### World's largest open fibre network

The City of Stockholm's fibre network is the world's largest fibre network and covers nearly 100 percent of the companies in the City of Stockholm. The City's expansion of a neutral and open fibre network is a key competitive advantage and creates good conditions for growth and an ability to attract more

companies to the City. The City of Stockholm's fibre networks are future proof and of the highest quality according to the EU, which named Stockholm as the winner of the European Broadband Award 2015 competition.

### Attractive meeting place

The City of Stockholm seeks to be a popular meeting place that attracts investment. In the third quarter of 2015, the number of guest nights in the county increased more than 14 percent compared with the same quarter in 2014. In July, the number of guest nights was over 20 percent more than the same month in 2014.

During the year, the City of Stockholm hosted several exciting events that help put the City on the map. Two examples are the EuroGames and Stockholm's Festival of Culture, which both took place in August. In July, it also became

# 23,521

new companies were started in Stockholm in 2015. Compared with 2014, this is an increase of 12%.

clear that Stockholm would host the Eurovision Song Contest 2016.

### Efforts for increased matching

In total, more than 11,000 students and candidates participated in the Labour Market Committee's training sessions and skills development efforts, which are almost solely directed at professions in short supply. Two new vocational higher education programmes were allocated during the year: Project Management – Incoming Tourism & Event, and Sustainable Tourism Management.



PHOTO: FREDRIC SANDBL CARLSON

Indicator	Annual target	Outcome	Goal attainment	Comments
Business sector satisfaction in contacts with the City as an authority	71	70	Met in part	On a par with the previous year's outcome. The trend is increasing.
Companies' satisfaction with treatment	75	77	Met in full	
Number of new business start-ups	22,000	23,521	Met in full	



# More jobs and secure employment

A job is the foundation for people's development, participation and self subsistence. Unemployment in Stockholm is generally low and there is a shortage of labour in some industries, but at the same time, unemployment is high in certain groups. The goal is that more people should work, have secure employment and support themselves through a sustainable working life with secure employment and the possibility of life-long learning.

## Decreased need for financial assistance

The trend of a positive development in financial assistance is continuing. During the year, 15,642 people received financial assistance, which corresponds to 1.7 percent of the City's population and is a decrease compared with 2014. The percentage of adults who have a long-term dependence on financial assistance compared with all adult residents has also decreased since the previous year, and is not 1.1 percent.

Both the number of households receiving financial assistance and the cost of financial assistance fell in 2015 compared with 2014. The number of households with financial assistance decreased by 5.9 percent while the total of assistance disbursed decreased by 1.9 percent to SEK 942.6 million. The assistance period for households was on average 7.3 months during the year, which was no change compared with 2014. The average assistance per household and month increased by SEK 348, or 4.2 percent, to SEK 8,624. Even if the percentage of people receiving assistance decreased, there are large differences between different parts of the City. The proportion of assistance recipients in the population decreased in all District Councils, except Älvsjö and Hägersten-Liljeholmen.

## Support and coaching at Jobbtorg

Jobbtorg Stockholm offers support and coaching to the unemployed with social problems or maintenance assistance. The goal is that they should receive the support necessary to get a job. In 2015, 7,600 can-

didates were enrolled with Jobbtorg Stockholm, which is a slight increase compared with 2014. To strengthen the support to target groups with complex problems, Jobbtorg is continuously developing methods and approaches. In 2015, greater focus was placed on integrating the health perspective into the labour market efforts.

## Improved coordination of holiday jobs

The City of Stockholm offers holiday jobs for young people ages 16–19. The objective of the effort is to offer young people a meaningful occupation and incite their interest to eventually work in the municipal operations. In 2015, 8,200 young people received holiday jobs in the City during the summer months, and a number of holiday jobs were also



### Goal for the operational area

More people work, have secure employment and support themselves.

### Goal attainment for the year

The annual targets for the City Council's indicator are achieved in full. The City's committees and companies contributed to goal attainment by offering placement opportunities and workplaces for young people to work over the summer. In addition to this, the committees have generally achieved their own committee goals and indicators and largely conducted the activities they had undertaken in their operational plans. Considering the above, the City Executive Office judges that the operational goal was achieved in full in 2015.



PHOTO: FREDRIK SANDIN CARLSON



offered during the autumn and Christmas holidays. During the year, the City's work with holiday jobs was evaluated and based on the evaluation, a number of improvement proposals were prepared. For 2016, all applications and job offers will be coordinated centrally in a common operations system to make it easier for both employers and applying young people.

### Municipal temporary employment

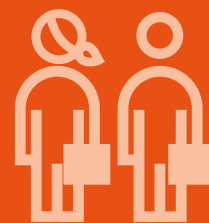
In 2015, the City's investments in temporary employment and funding for employment was also allocated to the District Councils. Opening more paths to work was a prioritised objective during the year. The City's temporary employments aim to provide individuals better chances at going from assistance to self support on the long term. In total, 917 people had temporary employment in the City in 2015. Of them, 45 percent were women and 55 percent were men. 578 of the employments were begun in 2015.

### Publicly sheltered employment (PSE)

The City offers PSE employment (publicly sheltered employment) that aims to provide persons with disabilities and diminished working capacity the possibility of employment with elements of rehabilitation. On the long term, the employment shall lead to a position in the regular labour market. Jobbtorg Stockholm worked with 56 people in 2015 who have PSE to support employment on the open labour market. This is a significant increase from 2014 when 28 people from the target group had contact with Jobbtorg Stockholm. In 2015, common information materials were prepared and guidelines for the work with PSE between Jobbtorg Stockholm, the District Councils and the Public Employment Services were revised.

# 8,200

young people worked at holiday jobs with the City during the summer months of 2015.



Opening more paths to work was a prioritised objective during the year.

### Above-board job model

The City began the work of introducing the Above-board job model in the City's procurements by developing a model for how requirements in connection with public procurements can be set on employment, placement and internships for

people distanced from the labour market. The first step is to test the Above-board job model in a number of procurements. Collaboration has also been initiated with other municipalities that work with the issue through participation in the SALAR network for social consideration.



PHOTO: FREDRIK PERSSON

Indicator	Annual target	Outcome	Goal attainment	Comments
Percentage of people receiving financial assistance in relation to the population as a whole	2.0%	1.7%	Met in full	
Percentage of adults with long-term dependency on financial assistance in relation to the adult population as a whole	1.2%	1.1%	Met in full	
Percentage of jobseekers who are self-supporting six months after leaving the Jobbtorg Stockholm programme	81%	84%	Met in full	
Number of placement opportunities carried out in the City's operations by the candidates matched by Jobbtorg Stockholm	500	567	Met in full	
Number of young people who obtained summer work arranged by the City	5,100	8,194	Met in full	In addition to the number of summer jobs are the jobs offered during the autumn and Christmas breaks





PHOTO: MAGNUS SELANDER

# Education throughout life

Stockholm is a growth region with good job opportunities compared with many parts of the country. At the same time, some groups that are distanced from the labour market are having growing difficulties in finding work. Education is the most important factor to be able to enter and remain in the labour market. The objective is that more students will be able to complete compulsory school and more will be given the opportunity to study at university.

## More students in adult education

More students studied in adult education during the year. The increase in municipal adult education is due to more generous admissions and to efforts such as outreach activities in the District Councils, more frequent collaboration between Jobbtorget Stockholm and the Municipal Adult Education Centre as well as advertising in the Metro. Grade results in municipal adult education are about at the same level as the preceding year. The annual target is achieved for the percentage of passing marks in basic adult education, where 84 percent pass. However, the target for passing marks in upper secondary adult education is not achieved. There, 82 percent passed during the year.

In the vocational courses, an especially good result is presented and at many providers, the percentage of passing students is over 90 percent. A high degree of motivation among the students, clear targets and coordinated education programmes provide good conditions.

## Swedish for immigrants (SFI)

The results in Swedish for Immigrants are about at the same level as the preceding year. Of the 7,400 who completed a course during the year, 94 percent passed the national test and 95 percent received passing marks. However, the activities do not meet the City Council's target of 67 percent being able to pass the D course in SFI within the time frame of 600 hours.



## Goal for the operational area

In Stockholm, it is easy to acquire education throughout life.

## Goal attainment for the year

The annual targets for two out of four of the City Council's indicators were achieved in full and two were achieved in part. In addition to this, the committees have generally achieved their own committee goals and indicators and largely conducted the activities they had undertaken in their operational plans. Considering the above, the operational goal is assessed to have been achieved in part in 2015.



Visits to SFI centres, where applicants can get information and do a level test prior to studies, increased during the year. In total, 21,300 people came to the SFI centres and 9,500 level tests were done. Of the visitors, 93 percent said that they were satisfied with the information and service they had received.

During the year, SFI was offered to those on parental leave at two locations. The objective is to strengthen women outside the labour market in particular. The course was held one afternoon per week where the children were able to be with in the classroom. The work will continue in 2016 when special focus will be placed on strengthening marketing so that the number of students can increase.

### Education towards a profession

During the year, the City took stock of professions in short supply where the employers in the region assessed their recruitment needs for the next few years and the professions require a maximum of upper secondary qualification. Based on this, education programmes toward such professions were marketed through advertising and the student

»A high degree of motivation among the students, clear targets and coordinated education programmes provide good conditions. «

and vocational counsellors so that the students have better chances of choosing an educational programme based on the labour market's needs. The number of students in upper-secondary vocational programmes leading to such professions increased by 8 percent in 2015.

To provide immigrants shorter and more efficient routes to work, Swedish for the vocationally trained (SFX) is offered.

During the year, the City was granted funding from the European Social Fund (ESF) to further develop integrated language and vocational training. The City began the work of increasing the offering of SFX training programmes to create more educational opportunities for recently arrivals who received residence permits.

### Efforts in mathematics

Generally, the results in mathematics are lower than in other subjects, which affects the average grades in general. A number of efforts have been carried out to address this, such the government financed Mathematics Improvement, level tests and the possibility of repetition.

### Outreach study and career guidance

During the year, the outreach study and career guidance was expanded with a focus on young people and rights-based educational programmes SFI, social orientation and basic adult education. In the scope of the work, the study and career guidance services have met Stockholmers in new arenas, such as

**95%**  
of course participants in SFI  
receive passing marks after  
course completion, and  
**94%**  
pass the national exams.

civic affairs offices, libraries and the Public Employment Services. The guidance counsellors have also contacts young people ages 20–24 who discontinued studies at municipal adult education and offered them talks with the aim of resuming studies. The majority of them who accepted the offer to meet have chosen to resume their studies and this work will continue in 2016.



PHOTO: DAVID KHABAZZI

Indicator	Annual target	Outcome	Goal attainment	Comments
Percentage of course participants in SFI with passing marks after completion of the course	93%	95%	Met in full	
Percentage of passing SFI students after 600 hours	67%	64%	Met in part	This result is at the same level as the preceding year. For next year, the SFI school format will be reorganised and the indicator needs to be developed.
Percentage of course participants in basic adult education with passing marks after completion of the course	84%	84%	Met in full	
Percentage of course participants in upper secondary adult education with passing marks after completion of the course	86%	82%	Met in part	The City Executive Office assesses that the low goal attainment is largely due to low results in mathematics. Efforts to improve mathematics have been made at all education providers.





PHOTO: LIEBELOTTE VAN DER MEIJLS

# Long-term sustainable finances

Sound public finances are a prerequisite for being able to strengthen welfare. This is why the City always works for a budget in sound financial balance with cost-effective activities where administrative costs are kept down. Basic targets for the equity/assets ratio and investment costs guarantee long-term sustainability.

## Stockholm has sound budget discipline

The committees and District Councils generally have sound budget discipline and present a total surplus, after surplus transfers, of SEK 520 million (434), of which SEK 51 million relates to the District Councils and SEK 469 million to the specialist committees.

One District Council, Farsta, reports a deficit, totalling SEK 14 million. Deficits are mainly within the operational areas of elderly care, individual and family care and financial assistance. During the year, the committees have worked with measures to reduce the

deficit and achieve a balanced budget. In individual and family care for children and young people, the committee has tried, among other things, to reduce the number of placements and instead use its own alternatives such as the committee's own housing and in elderly care, work is under way to further increase the efficiency of the planning. The other District Councils present an outcome in balance. The largest surpluses among the District Councils are in Rinkeby-Kista (SEK 19 million) and Östermalm (SEK 20 million).

Among the specialist committees, deficits are reported by the City Planning



## Goal for the operational area

The City of Stockholm's finances are sustainable on the long term.

## Goal attainment for the year

The 2015 annual accounts show a surplus of SEK 1,560 million in accordance with the balanced-budget requirement, and all of the City's financial targets for sound financial management have been achieved. Considering the above, the operational goal is assessed to have been achieved in full in 2015.





The Service Committee's work to enhance the efficiency of the City's administrative services has been conducted according to plan during the year and the Committee's annual targets in accounting administration and salary administration, among others, were exceed.

Committee (SEK 14 million), the Election Committee (SEK 0.3 million) and the Chief Guardian Committee (SEK 6 million) while the other committees report surpluses. The City Planning Committee's deficit is mainly due to the committee upgrading the case management system Public360 during the year. The Election Committee's deficit is due to subsequent costs from the elections in 2014. The Chief Guardian Committee's deficit is mainly due to higher remuneration costs for trustees and personnel costs linked to the higher number of unaccompanied refugee children. The other specialist committees present an outcome in balance. The largest surpluses among the specialist committees are at the Education Committee (SEK 106 million), the Traffic Committee (SEK 100 million) and the City Executive Board (SEK 80 million).

### Activities that form long-term sustainable finances

The City works continuously on efficiency enhancements and improvements to achieve sound financial management that ensures long-term balanced finances. Among other efforts, the Sports



FOTO: FREDRIK PERSSON

Committee together with the Real Estate Committee continued to develop common processes for rents, investments, maintenance and energy-efficiency enhancements. The Service Committee's work to enhance the efficiency of the City's administrative services has been conducted according to plan during the year and the Committee's annual targets in accounting administration and salary administration, among others, were exceed.

The introduction of the Group-wide accounting system with the aim of contributing to both cost and administration benefits for the entire Group is under way. During the year, the project was in the implementation phase and all committees with the housing companies and Micasa Fastigheter i Stockholm AB also brought the accounting system into use during the year.

### Improved forecast work developing the City

The City as a whole achieves the target for forecast reliability for the year. However, some committees report a lower forecast reliability compared with the previous year. The largest deviations compared with the forecast in the second four-month report are reported by the Audit Board (-17 percent), the Environment and Health Committee (-12 percent), the Chief Guardian Committee (9 percent), the Election Committee (9 percent), the City Planning Committee (7 percent) and the Traffic Committee (-6 percent). To ensure that the City Council's allocated resources are used correctly, the City Executive Office notes that the committees' forecast work can be improved for future years.

Indicator	Annual target	Outcome	Goal attainment	Comments
Municipal Group's equity/assets ratio including pension commitments on the short term	30%	53.0%	Met in full	
Municipal Group's equity/assets ratio including pension commitments on the long term	34%	53.0%	Met in full	
Committee's budget compliance after surplus transfers	100%	99.1%	Met in full	
Committee's budget compliance before surplus transfers	100%	98.9%	Met in full	
Committee's forecast reliability T2	+/- 1%	-0.98%	Met in full	
City's surplus (minimum)	SEK 0.1 million	SEK 1,924 million	Met in full	
City's capital costs as a percentage of net operating costs (max)	7%	6.2%	Met in full	
City's net operating costs as a percentage of tax revenue (max)	100%	98.9%	Met in full	
City's equity/assets ratio including pension commitments on the short term	30%	34%	Met in full	
City's equity/assets ratio including pension commitments on the long term	34%	34%	Met in full	



# Democratically sustainable Stockholm

Stockholm shall strive to be a city permeated by gender equality, social equality and freedom from all forms of violence and discrimination. The City shall be a good employer through good terms of employment and systematic work shall make Stockholm an accessible city for everyone.



# A City free from discrimination

A democratically sustainable society is based on gender equality, social equality, accessibility and freedom from violence and discrimination. This demands systematic efforts based on, among other things, the CEMR declaration on equality and the ten-point programme against racism of the European Coalition of Cities Against Racism (ECCAR).

## Stockholm – a part of ECCAR

The City of Stockholm became a member of the ECCAR network in 2015. The network offers cities/municipalities a forum where experiences are exchanged to improve the local work against racism and discrimination. Members of ECCAR pledge to follow the ten-point programme, among other things, by ensuring that the municipality is a non-discriminatory employer and welfare provider, that the municipality offers equal access to housing, and that the municipality works against discrimination and racism through education and skills improvement efforts.

## Equal budget – equal operations

The committees strengthen the quality of the City's operations by systematising the work on equality in their budget and statistics by gender. The City Executive Board's work on the City-wide programme for equality issues took place during the year through dialogues and collaboration with

various committees. The programme will be presented in 2016.

A good example of work on equality-integrated budgeting comes from the Sports Committee. Areas that have been reviewed in particular from an equality perspective are the investment budget and the budget for association grants. The Committee has paid for association training, among other things, in issues that concern discrimination, offensive treatment and bullying. During gym training sessions, staff have been educated in the training and personal treatment of various target groups, such as people with motion disabilities.

## Gender statistics

In the Social Services Committee, there is an equality group with a broad representation from various departments and units that have driven the development of the equality work. The equality work aims to shed light on the users' and employees' conditions from a gender perspective.



## Goal for the operational area

Stockholm is free from discrimination.

## Goal attainment for the year

There are no indicators or annual targets for this operational area goal. Most committees focused on one or more of the seven discrimination areas. Several committees also point out that the more systematic work against discrimination, mainly issues concerning equality, was not fully implemented in 2015. Considering the above, the City Executive Office judges that the operational goal was achieved in part in 2015.

## Interculturalism and norm criticism

As a part of the City's work to increase knowledge about norm criticism and the users' various needs and circumstances, some committees have trained personnel and managers in these issues. Hässelby-Vällingby District Council participated in introductory



PHOTO: FREDRIK PERSSON

training in intercultural approaches. The employees at the pre-schools in Hässelby-Vällingby participated in in-depth training in the subject in autumn 2015. An intercultural approach is about mutual understanding between people from different cultures for better communication and better interaction. Through training, employees and managers received tools to apply an intercultural approach in the operations.

Other examples of systematic work with inclusion and representation are Spånga-Tensta District Council, which prepared a strategy to increase the proportion of managers born abroad.

### LGBT and norm criticism

The City Executive Board's work on an LGBT programme is under way. A project plan has been prepared, a

steering committee has been assigned and a working group consisting of representatives from several committees is working actively with the programme that will be presented in 2016.

For 2015, the Education Committee was assigned an extra appropriation with the aim of increasing skills in schools and pre-schools with regard to common values, norm criticism and LGBT issues. The Committee conducted a conference series in the LGBT area, gender and norm awareness that was directed at staff in the City's pre-schools. Among other things, the lectures have touched on areas such as the pre-school's reception, the majority culture and norm creation among children. Around 800 educators and manager from both independent and municipal operations participated.

Approximately

800

educators and managers from both independent and municipal operations participated in lectures with the aim of increasing skills in pre-schools regarding common values, norm criticism and LGBT issues.



# A good employer with good working conditions

In order for Stockholm to be a democratically sustainable city and offer all Stockholmers good service and quality, the City of Stockholm must be able to attract and retain diversity among well-educated and skilled employees and managers. The City of Stockholm as an employer shall offer basic conditions, such as secure working conditions, skills development and a good and healthy work environment as a part of the best way to understand and care for the needs of all Stockholmers.

### Meaningful work

The overall results from the 2015 employee survey remain stable since the previous year and are generally at a good level. What stands out as most positive is the clarity in the organisation and that employees are very familiar with their workplace objectives. An overwhelming majority of the employees consider that they have a meaningful job and that the working climate is characterised by openness and respect. This year, the factors which measure important preconditions for active participation at work are measured in the active co-creation index

(AMI). The outcome was 80, which is a very good result compared with other municipalities.

» It is important for the City to continue to be an attractive employer. «

It is vital for the City to continue to be an attractive employer and to ensure that the City staff and managers enjoy good working conditions to enable them to deliver high-quality services to Stockholmers.



### Goal for the operational area

The City of Stockholm is a good employer with good working conditions.

### Goal attainment for the year

Of 31 committees, 13 report that the target for this operational area was met in full, 17 committees report that the target was met in part and one that the target was not met. The annual targets for one out of seven of the City Council's indicators were achieved in full, four were achieved in part and two were not achieved. The majority of the committees achieved their own committee goals and conducted the activities they had planned. Considering the above, the operational goal is assessed to have been achieved in part in 2015.





PHOTO: LIESLOTTE VAN DER MEUS

## Sustainable working life

The City of Stockholm's workplaces welcome diversity and utilise the employees' commitment and expertise to the full. A working environment that stimulates learning and development is decisive for both the operation's results and for employees' health, happiness and personal development. The trend in sick leave in the City reflects the trend in sick leave in the country in general, with an increase in 2015. The efforts to reduce sick leave continue to have a high priority, and committees and company boards are employing a range of approaches at organisational, group and individual level. The City of Stockholm's rehabilitation process constitutes the foundation of the work. The majority of the committees work with proactive healthcare and health promotion efforts in parallel with training in systematic work environment efforts.

» In order to maintain a high level of quality throughout the City's operations, skills development has been prioritised. «

In 2015, the City began the work of preparing an action plan for improving

the work situation for social workers and assistance administrators. The action plan aims to contribute to strengthening, developing and improving the operations for the social services collective activities.

## Manager and employee development with Stockholmers in focus

The City of Stockholm is one of Sweden's largest employers. The City's roughly 2,000 managers play a central role together with their staff in providing Stockholmers with a quality service. On-the-spot and clear leadership which promotes active staff commitment is crucial to all operations.

The City implements many different initiatives to ensure that managers and leaders as well as employees have the knowledge and expertise to perform their duties effectively. Committees and boards implement local leadership programmes and provide training in areas such as the work environment.

City-wide initiatives include development groups both for managers and employees. In addition, the "Manager in the City" introduction programme for newly employed managers was held with around 90 participants in total

during the year. Manager seminars that were about managing for equal rights and opportunities were held in both the spring and autumn. The third round of the City's trainee programme for university graduates, with 15 participants, began in September 2015. The trainee programme is an important part of the City's work to be an attractive employer and aims to strengthen the supply of expertise in the City on the short and long term.

A network for vocation ambassadors was established with employees from the City's various operations. The network aims to strengthen the work on skills provisioning and gather employees who in various contexts can take on the role as ambassadors for the City as an employer and for their operations.

## Skills development strengthens quality

In order to maintain a high level of quality throughout the City's operations, skills development has been prioritised. Special initiatives have been implemented for managers, staff in health and care, teachers, pre-school personnel and other groups within the City's operations. The City participates in the Technology Leap programme, which aims to attract more young people

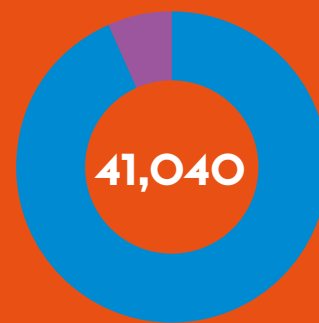
to the engineering professions and higher education. This is an initiative from the Royal Swedish Academy of Engineering Sciences to secure the supply of expertise by engineers in the future. The City also participates in the Framtidsmässan (Future Trade Fair), which seeks to emphasize the development opportunities in the public sector, and with the Career of the Year at the Future Gala award to highlight the young driving force in the public sector. The City collaborates with university colleges and universities, particularly in the Stockholm region, utilises research results, welcomes students on practical placement and thesis preparation, and also carries out development work jointly with the higher education sector. Each District Council is responsible for defining its skills requirements for its operations. The City's District Councils are very much aware of future skills requirements, and develop strategies to meet the challenges they face. The supply of skills is ensured partly through training programmes and new recruitment. For new recruits, the skills requirement is analysed in relation to tasks and objectives. A major focus area is the supply of managers.

### Future-oriented employer with Stockholmers at the centre

A sharp focus on development and quality in operations ensures an effective service. Continuity is a vital factor in good quality, and the District Councils continuously work to offer full-time employment to employees who have had to work part



To secure the skills required for the future, the City participates in several different education projects in collaboration with universities.



In December, a total of 41,040 people were employed by the City of Stockholm. Of these, 38,325 worked in the City's District Councils and 2,715 were employed in the City's companies.

time. This is a long-term project, which has yet to take full effect. Full-time work is the norm for new recruits. The percentage of full-time employees increased in 2015 and now totals 87.9 percent.

In December, a total of 41,040 people were employed by the City of Stockholm. Of these, 38,325 worked in the City's District Councils and 2,715 were employed in the City's companies.

The District Councils have taken a structured and future-oriented approach to reorganisation in the face of a shortage of work, and this has enabled them to deal successfully with most redundancies within their own organisations.

The number of cases received for central relocation has continued to decrease in 2015. The cases received have primarily involved the professional category of personal assistants.

The number of relocation investigations for personal reasons is steadily decreasing. This is partly due to the fact that the District Councils continue to work actively on rehabilitation and adaptation of duties, and partly because an increasing number of members of staff have chosen "career-switching" as an alternative to the City conducting a relocation investigation.

Indicator	Annual target	Outcome	Goal attainment	Comments
Active Co-Creation Index	82	80	Met in part	Stable high level
Motivation Index	82	80	Met in part	Stable high level
Leadership index	78	78	Met	
Governance Index	82	80	Met in part	Stable high level
Sickness leave	4.4%	6.6%	Not met	Sick leave during 2015 followed the seasonal curve, but at a higher level than the previous year. Absence in excess of 180 days is increasing at a faster rate than the shorter sick leave periods.
Percentage of employees at involuntary part-time who are offered full-time employment	100%	44%	Not met	On-going long-term work
Percentage of employees who do not feel discriminated at their workplace	100%	85%	Met in part	On-going long-term work





# Respect for human rights and the Convention on the Rights of the Child

Stockholm shall strengthen the promotion of human rights and actively work to combat discrimination. To strengthen this work, a Human Rights Advisory Board was established. Children's rights are central too all areas of policy. Accordingly, the City has appointed a Child Ombudsman.

## From local to global

Members of the Human Rights Advisory Board have been appointed and the Board's work has begun. The members consist of special experts from civil society and the City's elected representatives. During the autumn, seminars for the City's managers have been held to increase knowledge of the relevance of human rights to the municipal mission. The first steps in certifying the City as a Fairtrade City have been taken. The work of appointing a steering committee has been initiated. The steering committee's mission includes coordinating and driving the work with local (in Stockholm) information efforts regarding fair trade, ethical consumption and procurement.

## A matter of personal treatment

Several specialist committees and District Councils strengthen their work for promoting human rights and combating discrimination through personal treatment-oriented efforts. For example, assistance administrators in elderly care in Farsta District Council have participated in personal treatment projects and activities in the form of workshops for developing personal treatment and communication with the users.

The relative counsellors have worked to reach out to more groups of relatives by broadening the offering of training programmes and support efforts and have created easily accessible meeting places for relatives of people with various dis-



## Goal for the operational area

Stockholm is a city that lives up to human rights and the Convention on the Rights of the Child.

## Goal attainment for the year

There are no indicators for this goal. A majority of all reporting from the committees has focused particularly on children's rights. Considering the above, the operational goal is assessed to have been achieved in part in 2015.

abilities. The objective of the personal treatment projects is to meet the users' various needs and offer equivalent services and support to all Stockholmers. The issue is therefore closely linked to the promotion of human rights.



PHOTO: BJÖRN ROSENBERG

## Support for parents

The City supports parents as a part of the prevention work to strengthen children's rights. One successful example is the parent coaches in Hässelby-Vällingby District Council, which met the parents of small children on various occasions in 2015. The coaches have, for example, hosted language cafés with topics regarding family, children and society once a week. The parent coaches have also collaborated with the family centres, social services, citizen services, citizen hosts and pre-schools in the district.

## Stockholm's own Child Ombudsman

The City Executive Board has established a Child Ombudsman for the City. The Child Ombudsman shall ensure that children's rights and interests are met in the City's steering documents and review how children's rights are met in accordance with the UN Convention on the Rights of the Child. The work of preparing a City-wide programme on children's rights is continuing.

## Check lists and follow-ups

Several specialist committees and District Councils have continued the work of strengthening the child perspective in the operations by using child check lists when official statements concerning children are issued.

An example is the Social Services Committee, which has worked to shed light on children and the child perspective in financial assistance matters and in matters where adults with disabilities are being considered for support.

## Child participation and influence

The City places considerable importance on the participation and perspective of children and young people in various matters, such as the work with the traffic environment around schools, both in terms of school roads and the open spaces near the schools. In the upgrade of public places, children's perspectives have been taken into consideration. The District Councils have also taken the child perspective into consideration in new construction, technical improvement of playgrounds and parks and in detail development plan circulations.



FOTO: PÅR OLSSON

## Children's right to culture and information

Culture at eye level – for, with and by children and young people is a programme for child and youth culture in the City of Stockholm. Culture at eye level receives attention in meetings and discussions with housing companies and committees where the programme is increasingly being implemented in their activities.

Issues concerning freedom of the press have been brought up by the City Archives in their programme and exhibition activities and in the scope of the Stockholmskällan (Stockholm source) website work with Stockholm's schools.

## Children's best interests in social services

The District Councils have mainly continued their work to strengthen children's rights in the activities of the

social services. One good example is the Södermalm District Council where children and young people are offered support of a children's representative in the contact with the social services.

## Special focus areas – LGBT

Several specialist committees and District Councils have continued their knowledge improvement work with LGBT issues. Special focus has been on the situations and needs of LGBT young people. To ensure competence at the City's youth counselling centres regarding LGBT issues, training efforts were conducted together with the County Council during the year. Staff at units from both the City and the County Council have jointly undergone a diploma training course. The City Executive Board's work on a City-wide programme for LGBT issues is continuing.





# A city where nobody fears violence

By reducing gaps and social prevention efforts, social concern can decrease and more people can be given the opportunity to develop. The work to reduce violence in close relationships will be strengthened. The City aims to strengthen the support of women's crisis centres and develop the work of addressing the source of violence. Prevention efforts will be strengthened through greater efforts against discrimination and increasing knowledge about gender, norm criticism and anti-racism.

## Guidance and operational support

The City further developed the City-wide approach to combating violence in close relationships during the year. Among other efforts, the City's overall programme against violence in close relationships is under development. The objective of the programme is to take a holistic grasp of the work and to ensure that the work against violence is equivalent throughout the City. The programme comprises both protection and support of the victims of violence and their children as well as intervention for perpetrators of violence.

The City's guidelines for the handling of matters concerning violence in close relationships is under revision. The

guidelines also include procedures for personal treatment and support for undocumented women and children subjected to violence. During the year, educational efforts were conducted. They involved, among others, the City's guidelines for the social services' work against violence in close relationships and basic training about violence in close relationships.

## Focus on prevention and early intervention

The District Councils work on developing methods to identify early signals of violence in close relationships. Among other things, employees in the operations are trained in how violence can be discovered and what steps should be taken. The assessment and investigation



### Goal for the operational area

Stockholm is a city where nobody needs to fear violence.

### Goal attainment for the year

Of 20 committees, 18 assess that the goal is achieved in full. In addition to this, the committees have generally achieved their own committee goals and indicators and largely conducted the activities they had undertaken in their operational plans. Considering the above, the operational goal is assessed to have been achieved in full in 2015.

instrument FREDA is used to identify individuals who are subjected to violence in close relationships and decide on intervention measures.

The crime prevention and security creation work is strongly tied to social prevention efforts. Parental support programmes, training, outreach work by field assistants and social intervention



FOTO: LISELOTTE VAN DER MEUS

teams have constituted important efforts in the prevention work. Cooperation between schools, youth counselling centres and social services has been key to goal attainment.

»» There shall always be a clear child perspective in all investigations of adults subjected to violence or adults who commit violence. The City's social services always initiate an investigation if it is suspected that a child is in distress. ««

Enskede-Årsta-Vantör District Council has prepared an action plan for children suspected of children in distress, or when there is a suspicion of violence in close relationships. The material has the aim of improving the discovery rate of children who are in distress and increasing competency in these issues among staff, managers and the administration.

### Child perspective

There shall always be a clear child perspective in all investigations of adults subjected to violence or adults who commit violence. The City's social services always initiate an investigation if it is suspected that a child is in distress. Children who have witnessed or been subjected to violence in close relationships get support in the acute situation so as to not have to be in a violent environment.

### South-east Relationship Violence Centre

The South-east Relationship Violence Centre (RVCS) provides support and treatment for those who commit violence, adults subjected to violence and for children who have lived with violence in their families. In 2015, RVCS provided treatment to 79 people subjected to violence, of whom 78 were women and one man. RVCS provided treatment for 70 people who commit violence, of whom 68 were men and two women.



In 2015, the South-east Relationship Violence Centre (RVCS) provided treatment to 79 people subjected to violence, 78 women and one man.



# An accessible city for everyone

Everyone, regardless of ability, shall be ensured integrity, self-determination and a possibility to participate in society on equal terms. The focus for support and service for people with disabilities is to identify and remove what counteracts participation in society and an independent life. People with disabilities can themselves choose housing and short-term housing and the provider of day activities, home-help services, escorting, relief and personal assistance.

### Quality, equivalence and competition neutrality

Assignment descriptions for the District Councils' own activities in support and service for people with disabilities including social psychiatry were prepared during the year. The objective has been to clarify the requirements on providers in the City's own operations to ensure quality, equivalence and competition neutrality in the various choice systems. The requirements shall correspond to those set in request documentation and agreements according to the Act on

System of Choice in the Public Sector (LOV) for the respective effort in 2016.

Prior to the introduction on 1 July 2016 of a system of choice for the short-term supervision of school youths over the age of 12 under the Act concerning Support and Service for Persons with Certain Functional Impairments (LSS), the City worked out formats for resource measurement and procurement. Preparations for assessing compensation levels for each individual user were under way during the year, and the template for the



### Goal for the operational area

Stockholm is an accessible city for everyone.

### Goal attainment for the year

There are six indicators in this operational area and the City Council's annual targets for them were met in full. In addition to this, the committees have generally achieved their own committee goals and indicators and largely conducted the activities they had undertaken in their operational plans. Considering the above, the operational goal is assessed to have been achieved in full in 2015.





All committees and companies in the City are encouraged to work on accessibility through the programme, which has the overall objective that everyone in Stockholm should have access to and be able to participate in society on equal terms.

measurements was supplemented so that it better encompasses people within the autism spectrum.

### Healthcare for people with disabilities

On 1 October, the City began providing municipal healthcare in housing facilities and day activities according to the Act concerning Support and Service for Persons with Certain Functional Impairments. Planning prior to the transition from the county council has been under way throughout the year. The operations are initially being conducted in project form under the Social Services Committee before a decision is made as to how it will be organised and conducted on the longer term. Licensed nurses, physiotherapists and occupational therapists as well as a unit manager have been recruited to the healthcare unit, which is being called LSS Health.

### Coordinated skills development

Employees in the city continuously participate in skills development through the Forum Carpe. After having been conducted in project form until 2014, it is now a part of ordinary activities with the City as the principal and financing from the county's municipalities. Forum Carpe coordinates and contributes to skills development in the operational area and is directed at employees at all levels at both municipal and private



PHOTO: JOHAN PONTÉN

providers as well as authority bodies in all of the county's municipalities. The operational idea is to coordinate activities to shed light on the area of disabilities, to conduct skills development and to distribute good examples.

### Evidence-based practice

The effort in evidence-based practice (EBP) in the area of support and service for people with disabilities continued during the year on behalf of SALAR. Prioritised areas in the effort are strengthened participation and influence for children and young people with disabilities, strengthened user participa-

tion, and initiating, implementing and developing systematic follow-up.

The programme for participation for people with disabilities is being integrated into the City's operations. The City works so that people with disabilities will receive efforts based on evidence-based practice. All committees and companies in the City are encouraged to work on accessibility through the programme, which has the overall objective that everyone in Stockholm should have access to and be able to participate in society on equal terms.

Indicator	Annual target	Outcome	Goal attainment	Comments
Percentage of people with a disability who feel they are well treated by the City's staff	85%	89%	Met in full	
Percentage of people with a disability who feel that they can influence the formulation of the efforts for them	68%	76%	Met in full	
User's perception of security – LSS housing, adults and children	89%	92%	Met in full	
Satisfied users – day time activities	85%	86%	Met in full	
Satisfied users – short-term housing	88%	89%	Met in full	
Satisfied users – LSS housing, adults and children	83%	86%	Met in full	





PHOTO: LENNART JOHANSSON

# Democracy and influence

Stockholmers should feel that they have the possibility to influence what happens in the City. The District Councils are an important tool in local democracy. The specialist committees should review how they can increase the contacts with the residents of the City whose voices are not heard today. The representative democracy should be strengthened and the City should take responsibility for increasing election participation in the parts of the City where it is low.

## Guidelines for local development efforts

In 2015, guidelines for local development efforts were adopted by the City Council. The guidelines aim to clarify how the local development work relates to the overall orientation of Vision 2040 and to clarify the division of responsibilities and approaches in the City. The District Councils are given a clearer role. Local development programmes shall, under the guidelines, be worked out in close dialogue with Stockholmers and the local civil society. The guide-

lines also state that resources should be routed to areas with the greatest needs and that all city districts should be developed based on their own potentials and unique qualities.

## District Councils' work with democracy development

The District Councils began extensive work in 2015 on developing local democracy. This includes, for example, strengthening Stockholmers' influence by developing various forms of local advisory boards (user advisory board,



### Goal for the operational area

Stockholm is a democratic city where the citizens have influence.

### Goal attainment for the year

The work of achieving the goal that Stockholm is a democratic city where the citizens have influence was intensified in 2015. The District Councils began extensive work on developing local democracy. Considering the above, the operational goal is assessed to have been achieved in full in 2015.



pensioner advisory board, advisory board on disabilities, youth advisory board, planning advisory board, etc.) and developing the work on and ensuring that more civic affairs offices are opened. Various kinds of information campaigns were conducted with the aim of increasing Stockholmers' awareness of what possibilities exist to have an influence. This has included the preparation of brochures, digital information, communication over social media and information through physical meetings at markets and other events. Various kinds of civic dialogues were arranged throughout the City and in Fagersjö, a pilot project with a civic budget is being conducted, where SEK 0.4 million has been allocated to develop a meeting place.

### Better possibilities for contact with elected representatives

In several District Councils, local democracy advisory boards, democracy committees or democracy preparatory committees were formed during the year. Elected representatives and in many cases employees and/or representatives from civil society participate in them. The Skärholmen democracy preparatory committee is working to prepare an action plan for greater election participation, for example. Work is also under way to increase Stockholmers' possibilities of contacting the elected representatives through politician lunches and open committee meetings, among other efforts. Several District Councils report an increase in the number of citizen suggestions received compared with the previous year.

### Young people's participation

In all District Councils, work is now under way to improve the participation and influence of young people. The work looks different in different parts of the City. Several District Councils have established youth advisory boards. Others work with participation in other ways, such as youth panels, youth forums, outreach work, surveys and various youth projects. In week 44, the City of Stockholm hosted a major conference with several hundred participants from youth advisory boards from throughout Sweden. The City Executive Board coordinates a network to support and quality assure the work with the participation of young people.

### Dialogue in the planning process

Among the specialist committees, the City Planning Committee, in collaboration with the Development Committee in 2015, continued the on-going work of developing the City's work on dialogue in the scope of the planning process. Among other things, this included work to develop dialogue in early phases and to test processes where local plans precede land allocations. In addition to this, methods for digital consultations were developed with the aim of reaching groups who do not usually participate in consultation processes. The Traffic Committee also participated in this work and is also working to develop the citizen dialogue in connection with park investments. The Traffic Committee is also working to develop the "Tyck till" (Make Yourself Heard) app, which makes it possible for Stockholmers to submit their opinions.

### Significance of civil society

Several of the District Councils collaborate with the civil society as a part of developing local democracy. In the



In all District Councils, work is under way to improve the participation and influence of young people.

development area of Democracy and security in the City's commission for a socially sustainable Stockholm, development work concerning civil society was under way in the autumn. This work aimed to investigate the civil society's significance to promoting social capital and how the City of Stockholm can develop its collaboration with the actors of civil society to promote civilian participation in the City's development. Researchers from Ersta Sköndal University College were involved and wrote an input report based on this question. A number of recommendations and proposed measures were prepared in the area.



PHOTO: LENNART JOHANSSON



# Proximity to culture and personal creativity

Culture, art and creativity are a present and nourishing part of democracy. Culture in Stockholm inspires meetings and experiences and is inclusive. Personal creativity is given space in an environment where free expression is accessible to all regardless of background, income or gender identity.

## Vibrant and important institutions

The Culture Committee's institutions, the Stockholm City Museum, the Medieval Museum and Stockholmia, safeguard and make available the City's and Stockholmers' stories. The stories provide perspective on the City's life in our own time and for the future.

The Stockholm City Museum was closed for renovations in January and will open with a new exhibition in 2018, but a large amount of the museum's work is still under way behind the scenes throughout the City. Under the banner "Stockholm City Museum out and about", Stockholmers have been able to participate in city tours in both the city centre and the suburbs. In the project "På väg" (On the way), unaccompanied refugee children

had the opportunity to document their daily lives and at the same time learn about photography.

The Medieval Museum had no entrance fee and increased its visitor statistics by 70 percent. A greater presence on social media and good reviews on Trip Advisor are also believed to have contributed to the increase. During the year, a current exhibition "Slussen under ytan" (Slussen below the surface) attracted many visitors. The exhibition builds on knowledge generated by the major archaeological study of Södermalmstorg.

The Liljevalch art museum had an artistically and publicly successful year with a total of 168,000 visits. The Vårslongen 2015 (Spring Studio) set a new visitor record with 91,567 visits. The



**Goal for the operational area**

Culture and personal creativity are readily accessible to all Stockholmers.

**Goal attainment for the year**

The annual targets for two out of three indicators were met in full while one indicator has no measured outcome. Together with the committees' reported activities done and committee goals achieved, the operational goal is assessed to be achieved in full in 2015.

exhibition with works of Hertha Hillfon and the design effort "Utopian Bodies", the largest and most expensive effort made in Liljevalch's premises, were audience successes and both attracted more than 30,000 visitors.



PHOTO: MATTIAS P. DAHLQVIST



Kulturhuset Stadsteatern is focusing on providing an enriched and refined offering that supports the freedom of expression, artistic freedom and the freedom of speech. Kulturhuset Stadsteatern's events involving theatre, dance, literature, music, art/design, the debate forum and film attracted around 3.1 million visitors during the year.

### Stockholmers read, learn and reflect

Stockholm's libraries fill an important role in attracting the residents to read, learn and reflect. In 2015, children and young people were prioritised, which was expressed in more than 8,000 programme activities for children, young people and adults. The lending of children's books increased for the third consecutive year.

The Stockholm Public Library's popularity is growing and the City is addressing this with more generous opening hours and accessibility to media. The number of visits (including virtual visits) also increased for the third consecutive year and amounted to more than 11 million.

### Popular cultural school

Kulturskolan conducts activities throughout the City of Stockholm and increased both the offering and the number of course places in several suburban areas in 2015. For the autumn semester of 2015, the student fees were lowered by between 17 and 67 percent. The number of student places amounted to 15,876, an increase compared with the previous year.

El Sistema was concluded as a project activity at year-end and, beginning in 2016, will be included as its own unit within Kulturskolan. The teaching, which is directed at playing in an orchestra and singing in a choir, increased its activities to include 985 children with families in Tensta, Kista/Husby, Skärholmen and Bredäng. The children conducted concerts with the Sveriges Radio Symphony Orchestra and the Radio Choir, among others.

### Focus on events

Events increase interest in the City and create jobs and growth. The events contribute to a varied and experience-rich City for both residents and visitors. The City always requires the events held to share the values that represent the City. During the year, the City's event organisation was reinforced by the event organiser Evenemangsplats Kungsträdgården being taken up in the City's operations.

Over a year, the City facilitates a multitude of events that bring the City alive and make it accessible in exciting ways. The City also holds its own major and minor events throughout the City. Just Kulturskolan's 900 events drew 82,000 visitors during the year, while Kulturnatt Stockholm attracted 140,000 visitors and 120 actors, which was again a new audience record.

The 2015 Festival of Culture also grew in size, both in terms of content, audience and media. 600 programme starts gave a total of more than 600,000 visits to the various events.

We Are Sthlm is Europe's largest youth festival and is directed at young people between the ages of 13 and 19. In 2015, 710,000 visits were made to the festival during the days in question in August. One of the goals of the festival is to conduct dialogues with young people regarding respect and self-respect to make a difference in young people's attitudes towards sexual violence. During the 2014 festival, a new behaviour was discovered among the young people where boys surrounded girls in the large audience in a deliberate and malicious manner. With the knowledge of the events in 2014 as a background, the City

»Personal creativity is given space in an environment where free expression is accessible to all regardless of background, income or gender identity.«

# 168,000

people visited Liljevalchs.

# 3.1 million

visited Kulturhuset Stadsteatern.

# 70%

was the increase in visitors to the Medieval Museum.

# 11 million

visits were made to the Stockholm Public Library.

# 15,876

students were enrolled in Kulturskolan.

# 710,000

people visited We Are Sthlm.

redoubled its efforts on several levels for the 2015 festival. Among other efforts, festival staff, the police, volunteer organisations and artists were informed to be able to generate counterbalancing forces. The City conducted training of staff who would work at and in connection with the festival and a strategy for working with openness, respect and self-respect was adopted with the goal of increasing the willingness to report it if one was subjected to any kind of harassment. Some 4,000 young people participated in the tent Respect and Self-respect, and even more were reached by the messages in social media over a large screen in Kungsträdgården. For 2016, the Culture Committee will strengthen the work and in cooperation with the other parties involved work both preventively and operationally during the actual festival.

Indicator	Annual target	Outcome	Goal attainment	Comments
Stockholmers' satisfaction with municipal cultural institutions	80%		No measurement was done	
Number of visits to the City's cultural institutions per Stockholmer	6.25	6.71	Met in full	
Percentage of young people (10–17) who feel that they have access to meaningful cultural activities	72%	74.5%	Met in full	





PHOTO: LIESELOTTE VAN DER MEUS

# Public procurement

Stockholm should use public procurement as a means of governance to develop the City's operations in a sustainable direction. The welfare operations should be characterised by high quality and good working conditions. The funding allocated to welfare operations should be used for that purpose. Social considerations shall be used in procurements to, for example, contribute to the long-term unemployed finding employment. In addition, irresponsible suppliers should be prevented and basic human rights respected.

## A new programme guiding towards the goal of a sustainable development

In light of the City's higher ambitions to use public procurement as a strategic means of governance for sustainable development, a new programme for procurement and purchasing has been prepared. The programme is based on the City Council's overall orientation goals, which means that procurement should contribute to the orientation goals.

During the year, the City also began requiring environmental consideration and social responsibility in its procurements to a greater extent than before. Above all, the work with social responsibility increased during the year, among other things, through activities to counteract irresponsible suppliers and require so-called codes of conduct where the suppliers must respect basic social requirements.



### Goal for the operational area

The City develops public procurement in a sustainable direction.

### Goal attainment for the year

The annual targets for both indicators are achieved in full. Due to this and the fact that the operations contributed to the goal through activities done, the operational goal is assessed to be achieved in full in 2015.





During the year, the City began requiring environmental consideration and social responsibility in its procurements to a greater extent than before.



The long-term vision for e-commerce is higher contractual compliance, cost savings, a more efficient and quality-assured purchasing process and improved possibilities for follow-up and analysis.

In addition, the Development Committee worked in 2015 to further develop the processes for a systematic approach with needs analyses, procurement and contract management. The Sports Committee and the Education Committee report that they worked during the year to develop contract management.

### Review of the City's organisation for procurement and purchasing

During the year, a review was done of the City's organisation for procurement and purchasing with the aim of revising how the procurement organisation should best contribute to the City Council's goals in the City's budget and other steering documents and that the City should be a professional actor in the market. The objective of the review is otherwise to achieve lower costs, higher quality and reduced risks. The review shows that the City has good possibilities of lowering costs and at the same time developing the service to Stockholmers. A coordinated and strengthened purchasing support with a clear Group perspective plays a key role in the implementation of the City's goals. Based on the investigation, a project was begun during the year to prepare a pro-

posal on a strengthened joint purchasing and procurement organisation. The project will be continued in 2016.

### Procurement contributes to higher employment

In 2015, a new unit was established for external employer collaboration in the Labour Market Committee. The unit functions as a support for the City's other committees in the use of employment promoting requirements in procurements. During the year, the Labour Market Committee also developed its internal work on promoting employment through requirements in procurements. A dialogue was required with the respective winning supplier in what was known as the dialogue model. The model means that the parties, the Labour Market Committee and the supplier, meet to identify what conditions and needs exist for the sup-

»A coordinated and strengthened purchasing support with a clear Group perspective plays a key role in the implementation of the City's goals.«

plier to contribute to trainee placement and employment of the unemployed or students in the supplier's operations.

The work on clauses regarding employment during the year resulted in some 60 people being employed.

### Good working conditions through procurement

During the year, the City began a pilot project on the introduction of the so-called Above-board job model in the City. The objective of the project is to use clear requirements in procurement to ensure that the City's suppliers and their subcontractors are reliable, pay taxes and employer contributions and provide their employees good working conditions at the same level as the Swedish central collective bargaining agreements.

### City's purchasing developed and made more efficient

An important strategic effort for the City is to create a coherent process for e-commerce. The long-term vision for e-commerce is higher contractual compliance, cost savings, a more efficient and quality-assured purchasing process and improved possibilities for follow-up and analysis. The introduction of electronic purchasing is being carried out gradually during the period 2013–2017 within the scope of the Efficient Purchasing project. In 2015, the new purchasing process and system support for it was also introduced in the District Councils in Skarpnäck, Farsta and Skärholmen and in part of the Education Committee.

Within the scope of the project, around 450 managers and around 2,000 employees were also trained in the procurement and purchasing process as well as applicable laws and rules.

Indicator	Annual target	Outcome	Goal attainment	Comments
Percentage of relevant procurements of goods and services where it was required that environmentally and health-hazardous substance were not included	to be prepared by committee/board	100%	Met in full	
Percentage of relevant procurements for construction and renovation where it was required that environmentally and health-hazardous substance were not included	to be prepared by committee/board	100%	Met in full	





# Economic and financial analysis

The annual report covers the City of Stockholm Municipal Group. The Municipal Group includes the City and the municipal companies. Municipal companies refer 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 [www.stadshusab.se](http://www.stadshusab.se).



# About the Municipal Group

## Profit/loss for the year

The profit figure for the Municipal Group includes the results for the City, the Stockholms Stadshus AB Group and the City's other companies which are not part of the Stockholms Stadshus AB Group. After eliminating intra-Group balances, including dividends, the profit for the Municipal Group after taxes and net financial items amounted to SEK 2,606 million (4,087).

## Earnings for the Municipal Group, SEK million

2015	2014	2013	2012	2011
2,606	4,087	2,502	4,828	1,474

Earnings for the year after financial income/expense for the Stockholms Stadshus AB Group amounted to SEK 1,411 million (1,105). The Stockholms Stadshus AB Group's allocations and taxes amount to SEK 331 million (380) and earnings for the year amount to SEK 1,086 million (733).

## Depreciation/amortisation

Depreciation of property, plant and equipment increased by SEK 319 million in 2015 and amounted to SEK 4,043 million (3,724). This increase in depreciation can be explained by the high level of investment in recent years, particularly in relation to housing. Depreciation has not increased more, despite high investment volumes, mainly because investment is taking place in new construction projects where depreciation does not commence until completion.

## Financial income and expenses

Net financial income/expense for the Municipal Group was negative, amounting to SEK -582 million (-559). The financial income/expense was affected by the low interest rates.

## Cash-flow statement

Generally speaking, the financial cash flows of the entire Municipal Group are centrally managed through the City's administration. Municipal companies have either receivables from or liabilities to the City. According to the finance policy for the City of Stockholm Municipal Group, the Group's cash flows should be offset against each other, and all external financing through loans and investment should take place centrally.

## Balance Sheet

### Equity/assets ratio

The equity/assets ratio shows equity in relation to the balance-sheet total. Equity for the Municipal Group increased by SEK 2,757 million to total SEK 111,904 million (109,147). The change in equity is attributable to the earnings for the year of SEK 2,606 million and other changes of SEK 151 million. The balance sheet total amounts to SEK 177,424 million (165,282). This results in a SEK 12,142 million increase in the balance sheet total.

The Municipal Group's equity/assets ratio amounted to 63 percent excluding pension obligations (66.0). The corresponding equity/assets ratio for the Municipal Group including pension commitments is 53 percent (55). A long-term stable equity/assets ratio is important for giving the Municipal Group good long-term solvency and thereby good financial manoeuvrability in the future. The table below shows the equity/assets ratio during the period 2011–2015.

### Equity/assets ratio for the Municipal Group (including pension commitments), percent

2015	2014	2013	2012	2011
53.0	55.3	54.2	54.9	54.5

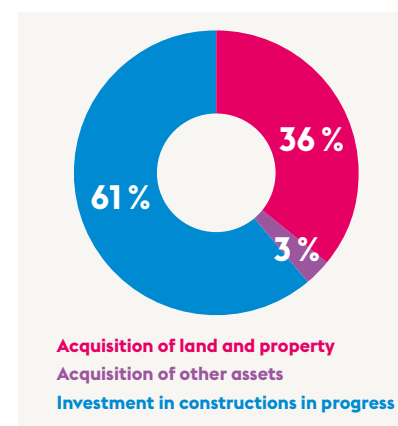
## Investments

The Municipal Group's gross investments have remained at a high level and in 2015 amounted to SEK 15,525 million (15,456). The gross investments for the Stockholms Stadshus AB Group have also remained at a high level and in 2015 amounted to SEK 10,769 million (10,552).

The diagram below provides an overview of how the Municipal Group's gross investments were allocated in 2015. The investments consist primarily of new housing construction and acquisition of land and properties. The term "new construction in progress" means investments in non-current assets of significant value which are under construction, but not yet completed.

## Financial operations

The Municipal Group's borrowing needs are met through central borrowing. All external loan financing and investment



are managed centrally by the City of Stockholm's internal bank. The internal bank is responsible for supporting the core activities and safeguarding economies of scale within financial management. This is achieved by way of, for example, a Group-wide account system, which allows all cash flows to be netted before the City needs to turn to the financial markets. In this way, the administration of the internal cash flows is reduced while benefiting from lower overall financing costs.

The Municipal Group has a very high credit rating. This rating should reflect the Municipal Group's ability to honour both its long-term and short-term payment obligations and financial commitments. The credit rating is performed by the credit rating agency Standard & Poor's, which gives the the City of Stockholm Municipal Group the highest possible rating for both short-term and long-term borrowing – A1+ and AAA, respectively. The rating is updated semi-annually and was confirmed on 20 November 2015. For investors, this rating means that lending money to the City of Stockholm comes with a very low risk. This enables the Municipal Group to continue to obtain favourable lending terms.

## Municipal Group borrowing

As at 31 December 2015, the City of Stockholm Municipal Group had an external debt portfolio amounting to SEK 33,336 million (23,148). The external debt portfolio increased by SEK 10,188 million during the year. The increase in the debt portfolio is due to a continued high level of investment within the Municipal Group. The investments consist mainly of construction of more housing and schools, as



PHOTO: PETER PHILLIPS

well as infrastructure projects. The net debt portfolio for the Municipal Group, i.e. gross debt minus financial investments, amounted to SEK 31,629 million (22,825).

Debt management takes place in an external debt portfolio where borrowing is limited to a maximum term for the entire debt portfolio. The Municipal Group effectively handles debt management within the limits that exist in accordance with the set finance policy. To achieve this, the City of Stockholm borrows at both fixed and variable interest rates on the domestic and international loan markets. The City of Stockholm also works actively to manage the maturity structure and works with various counterparties, resulting in a reduced refinancing risk.

As at 31 December, currency and interest rate derivatives amounted to a total nominal gross amount of SEK 12,356 million after hedged rates. In accordance with the finance policy, derivatives are entered

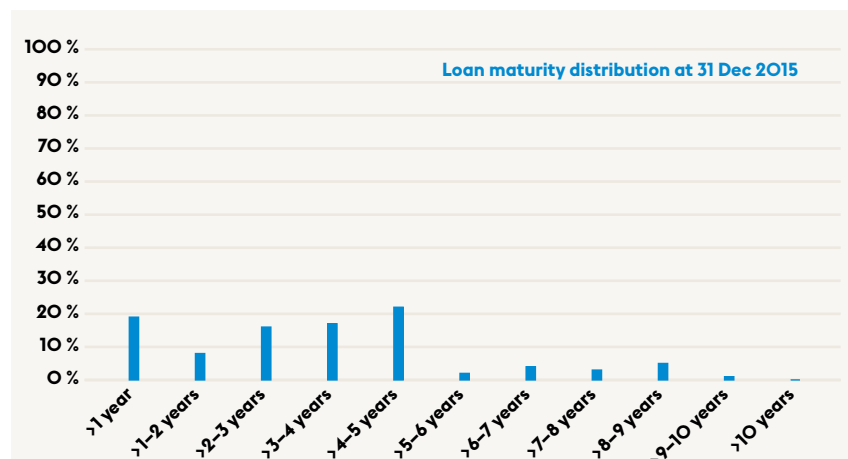
into so as to manage the resulting interest rate and currency risk. All derivative instruments outstanding on the balance sheet date are hedging instruments designed to hedge the interest rate and currency risk of the Municipal Group's debt portfolio. The portion of the external debt portfolio in foreign currency, 11.1 percent, is converted to SEK and a fixed Swedish interest rate through derivatives. This provides predictability with regard to currency risk and interest expenses, which also makes the Municipal Group's operational planning more manageable. The borrowing analysis uses amounts, including hedging with derivatives, in line with hedge accounting, unless otherwise indicated. Outstanding derivatives include futures and swaps.

The Municipal Group's external debt portfolio had an average interest rate of 1.8 percent for 2015 and interest expenses for the year are SEK 463 million for the external debt portfolio. The average fixed-rate period for the external debt portfolio was 2.8 years at 31 December.

The basis for sound loan planning is good forecasts of the Group's cash flows. The companies and administrations that invest the most in the Municipal Group prepare both short and long-term forecasts of their cash flows. These forecasts are essential for ensuring that the borrowing and investment are done at favourable interest rate levels and maturities.

The Municipal Group primarily borrows funds directly from the financial markets through various market programmes. This is done through certificates (short-term loans) and bonds (long-term loans) issued by the City of Stockholm. The market programmes and utilised share as at 31 December are set out in the table below.

Market programme, local currency	Pro-gramme size, local currency	Utilised, local currency	Utilised, SEK million
Municipality Certificates, MC, SEK million	12,000	2,125	2,125
Euro commercial paper, ECP, USD million	1,500	165	1,430
Medium term note, MTN, SEK million	10,000	2,900	2,900
Euro medium term note, EMTN, EUR million	5,000	2,603	23,631



In addition to loans via the market programmes, borrowing takes place from the European Investment Bank (EIB). According to an agreement with EIB, there is a borrowing limit of SEK 2,450 million in addition to the existing loan with EIB.



The Municipal Group has extra financing backup in the form of an overdraft facility of SEK 3,000 million and a credit facility in the form of a SEK 5,000 million syndicated loan.

### Finance policy sets the limits

The finance policy sets out the objectives and guidelines for financing operations within the Municipal Group and identifies the financial risks to which it is exposed and how they should be managed.

Risks associated with the City's financial operations relate primarily to credit and market risk. There are also other risks, such as liquidity risk, financing risk and operating risks. Credit risk is the risk of a counterparty being unable to honour

its payment obligations to the Municipal Group. Credit risk is measured based on the credit rating of the counterparty or instrument. 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. Interest rate risk is expressed as the target duration with a permitted deviation interval and a defined interest rate maturity structure. 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 is possible based on market conditions, by spreading capital maturities over time and through a defined capital maturity structure. The City of Stockholm may use derivatives to minimise the risk of

unexpectedly higher interest expenses caused by interest rate and exchange rate fluctuations during the term of the loans in the debt portfolio.

The City of Stockholm has chosen to have a unified central finance function – the internal bank – which manages the aggregated risks, securing of financing, liquidity management, banking relationships, etc. Central management also means a reduced financial risk with regard to interest rate risk, financing risk, credit risk, operational risk etc. and allows for better internal control.

The risks are monitored continuously by a risk control department and are reported to the City Executive Board.

## About the City

### Profit/loss for the year

#### Surplus as at 31 December, SEK

million

	2015	2014	2013	2012	2011
Result of change in equity	1,924.0	3,450.4	3,444.4	3,037.3	881.3
Balance requirement result for the year*	1,559.9	2,729.0	2,114.6	2,152.8	531.3

\*Balance requirement result for the year is adjusted for 2014–2011 according to a new interpretation of the rules

The surplus for the year for the City amounted to SEK 1,924 million (3,450). Capital gains and sales of development properties constitute the largest part of the surplus, SEK 1,426 million. Sales of development properties took place primarily in Hagastaden and Stockholm Royal Seaport. The City's operations provide a surplus of SEK 520 million, of which SEK 51 million pertains to the District Councils and SEK 469 million pertains to the specialist committees.

The surplus adjusted in accordance with the balanced budget requirement of the Local Government Act shows that the City meets the requirement as there is a surplus of SEK 1,560 million (2,729).

### Operating income

Operating income amounts to SEK 10,271 million (9,804), an increase of SEK 466 million or 4.8 percent over the previous year. The higher numbers of refugees received during the year entailed larger grants from the Swedish Migration Board of SEK 504 million. Cleaning operations transitioned to a corporate form at mid-year 2014, which means lower charges in 2015 compared

with the previous year in an amount of around SEK 200 million. The cost side decreased as much. Parking revenue both in the form of illegal parking fines and other charges increased by SEK 75 million. A larger number of children in pre-school activities and school child-care also provide higher tariff revenues.

### Operating costs

Operating costs, excluding depreciation, amounted to SEK 49,123 million (46,405), an increase of SEK 2,718 million or 5.9 percent (4.3). Some of the larger cost items are described below.

### Grants and transfers

The cost of grants and transfers amounts to SEK 2,193 million (2,195), which is unchanged compared with the previous year. Financial assistance continues to drop and amounted to SEK 952 million (962). The number of households receiving financial assistance decreased by 5.9 percent to 15,030 households in 2015. Of the adult assistance recipients in December, 44 percent were unemployed (48). The average period on assistance for the households was 7.3 months during the year (7.3).

### External providers

The cost of external providers amounts to SEK 17.6 billion (17.0), a cost increase of 3.8 percent. If an adjustment is made for the cleaning operations' transition to corporate form, the cost increase is 5.0 percent, which is a lower rate of increase than in recent years.

In the operational area of care for the elderly and other education, over 60 percent of operations are carried out by external contractors, while for the operational areas covering care for people with disabilities, upper secondary school education, and infrastructure, half or more than half of the operations are placed with external contractors. More than a third of the City's total expenses are comprised of contractor expenses.

### Consulting expenses

Expenses for consultants amounted to SEK 1,031 million (894), an increase of SEK 137 million or 15.4 percent. It is mainly the costs for IT consultants that increased as a result of several major on-going projects, the introduction of a new accounting system and a new school platform for IT services, and the procurement of common systems for IT.

### Personnel costs

Personnel costs increased by 6.3 percent in 2015. The number of full-time equivalents increased during the year by 1,352 or 3.5 percent. The major increase in full-time equivalents is mainly attributable to the expansion of municipal services that resulted from the

large population increase in recent years. The average salary increase in 2015 amounted to 3.56 percent. In addition to an ordinary salary review effective as of the month of April, an effort conducted during the year for those with low wages is also included. The premium for the group sickness insurance agreement, which is included in personnel costs, was discontinued in 2015 as in 2014 due to positive returns on managed assets.

The employers' contributions for young people were gradually raised in 2015. A general government grant was received to cover these costs.

As a percentage, the operational area of individual and family care increased the most while business activities have the lowest increase. The reception of refugees has entailed higher personnel costs. These costs have been compensated by government grants. In education, pre-school activities and school childcare, the personnel costs increased as a result of a higher number of children.

Sick pay expenses increased by 14.3 percent during the year. The largest increase occurred in the first half of 2015, but a large increase also took place in the fourth quarter. The average short-term sick leave increased in the first half of 2015 compared with 2014.

### Depreciation/amortisation

Depreciation of property, plant and equipment for the year amounts to SEK 1,224 million (980), an increase of SEK 244 million. The increase in depreciation is due in part to a higher investment volume in recent years. Between SEK 4 and 5 billion is invested per year.

During the year, the entire City's fixed asset register was divided into components and depreciation periods per component were introduced based on estimated useful life. This has affected the size of the depreciations, but the effect is expected to be limited. Average depreciation periods per facility have been replaced by useful life per component. Annual maintenance of around SEK 175 million has been moved from operating costs to investment expenses to be expensed as depreciation in pace with the investment being consumed. This resulted in lower operating costs in 2015.

According to a decision, the investment in the Coordination Centre, Park1, was not completed, but rather expenses paid

in an amount of SEK 157 million were expensed as disposals.

### Tax, government grants and equalisation compensation

Tax income for the year amounted to SEK 40,338 million (37,237), which is an increase of 8.3 percent compared with 2014. Of this, nearly SEK 800 million is attributable to the tax rate being increased by SEK 0.35 and the burial fee being increased by SEK 0.01. The final settlements for 2014 and 2015 are expected to be lower than budgeted due to a lower tax assessment outcome than forecast.

The net for general government grants and equalisation amounted to SEK -1,379 million (-339) a cost increase of SEK 1,040 million. The cost increase is attributable to a changed equalisation system entering into effect as of 2014. The introduction allowance decreased by SEK 375 million and will end entirely in 2016.

### Financial income and expenses

Net financial income/expense includes the net interest income/expense for the City plus other financial income and expenses. The City's net financial income/expense amounted to SEK 771 million (1,520), of which a share dividend from dividends from Stockholms Stadshus AB amounted to SEK 500 million (500). In 2014, a dividend of SEK 450 million was also received from Stockholms Stadshus AB according to the Public Municipal Housing Companies Act and a dividend of SEK 200 million was received from AB Fortum Värme Holding co-owned with City of Stockholm.

Net interest income for the City was positive, amounting to SEK 395 million (447). The City manages the Group's interest-based borrowing, including compensation for overheads. The companies' higher loan liability towards the City provides greater interest income at the same time that the low interest level kept interest expenses for the loan liability down. The item financial income and expenses presents the year's cost for hedging of the pension liability that amounts to SEK 79 million (SEK 60 million).

### Other provisions

Provision for the year pertain to the statutory regulation of surpluses with regard to the burial fee and amounted to SEK 10.2 million.

Municipal Group earnings in 2015 amounted to

**SEK 2,606 million**

### Cash-flow statement

Total cash flow for the year is positive and amounts to SEK 1,390 million. The cash and cash equivalents reduce the need for borrowing and the level is affected by the current interest rate. Cash flow varies according to the assessed need for cash and cash equivalents.

Cash flow from the operation comprises earnings for the year, excluding capital gains/losses, and the reversal of items that do not affect liquidity in the form of depreciation and provisions, for example. Cash flow from the operations amounts to SEK 1,936 million (2,333). A lower surplus in 2015 yields a lower cash flow from operations. The non-cash items are higher due to higher depreciation and a major disposal, which counteracts the lower surplus for 2015.

Cash flow from the change in current receivables/liabilities and inventories depends primarily on the change in receivables from/liabilities to the City's companies. The change for the year is negative, SEK -5,405 million, due to higher net receivables from the companies amounting to SEK 7,207 million, which were offset by greater short-term borrowing than previously. The companies made major investments during the year, which increased the need for borrowing. Cash flow from the City's investing activities is negative, SEK 270 million, due to the increased investment volume of nearly SEK 5 billion. Sales of development properties vary between the year and decreased in 2015. Payment of contributions to state infrastructure has had a negative effect on the cash flow of SEK -742 million.

The City has increased its non-current liabilities to cover the companies' borrowing requirements. The City is not yet in a borrowing situation, but the financing of the companies' liabilities has had to be covered to a greater extent with external loans since the flow from operating activities together with sales made



SEK **1,560**  
**million**

The surplus for the year required for a balanced budget amounted to SEK 1,560 million.

**8.3%**

Tax income for the year amounted to SEK 40,338 million (37,237), which is an increase of 8.3 percent compared with 2014.

do not cover the City's own investment expenses. Interest-bearing net assets have therefore decreased by SEK 1,117 million during the year and now amount to SEK 12, 080 million.

### Balance Sheet

The City's balance sheet total increased by SEK 12,604 million to SEK 133,427 million (120,823). Borrowing and investment for the City's companies is administered by the City. Net receivables from the companies increased by SEK 7,207 million, while the City's property, plant and equipment, and development properties increased by SEK 3,627 million. Cash and cash equivalents were SEK 1,390 million higher than at the previous year-end (309). To meet the companies' borrowing needs, short- and long-term borrowing increased by SEK 10,182 million. The companies' and City's extensive investing activities have meant that a larger part of the Group's borrowing requirements have had to be covered externally.

### Assets

Non-current assets increased by SEK 3,273 million to total SEK 68,942 mil-

lion (65,669). Property, plant and equipment has increased while financial assets largely remain unchanged. Investments amount to SEK 4,923 million, depreciation/amortisation and impairments to SEK 1,224 million and the carrying amount for sales amounted to SEK 236 million. The investment volume is more than SEK 600 million higher than the previous year. Investments are mainly made in housing construction; Hagastaden and Stockholm Royal Seaport are the largest objects. In infrastructure, the construction of new Slussen and the Värta pier are the dominant projects.

In connection with a change of accounting system, a reclassification was made of non-current assets to construction, extension and conversion work in progress with regard to the Development Committee's facilities. The Committee previously had a separate fixed asset system and in the transition to the general ledger, these were automatically booked as capitalised non-current assets. Now, a reclassification has been done according to the Development Committee's fixed asset system that shows the correct situation. Land, buildings and plant has therefore decreased by

SEK 10 billion, which instead increases construction, extension and conversion work in progress. A SEK 367 million reclassification of development properties from non-current to current assets took place during the year due to the changed assessment of what will be sold. Investment income is recognised gross, in the form of fees and contributions, on capitalisation, so that income is entered as a liability and taken up as income as the facility in question is used. Investment income for 2015 amounted to SEK 51 million (13).

### Current assets

Current assets increased by SEK 9,331 million to total SEK 64,485 million (55,154). The main change is the increased borrowing requirement of the companies due to the continued high investment volume, primarily relating to housing. The City's receivables from companies increased by SEK 6,865 million during the year. Development properties intended for sale increased to SEK 1,460 million (1,093). The City's cash and cash equivalents amounted to SEK 1,699 million (309), an increase of SEK 1,390 million. The cash and cash equivalents reduce the need for borrowing and the level is affected by the current interest rate.

### Equity and liabilities

Equity increased by SEK 2,093 million to SEK 62,756 million (60,663). Of this, the period's surplus is SEK 1,924 million and SEK 169 million constitutes a correction with regard to the divestment of MFO in 2000. The correction is made after a review of all assets upon the introduction of a new fixed asset



PHOTO: LENNART JOHANSSON

module in 2015. The notations of equity in earlier years were eliminated in the 2014 accounts and replaced by notations totalling SEK 1,489 million. Of the 2014 notations, SEK 168 million was utilised during the year.

Non-current liabilities increased by SEK 8,866 million to SEK 27,676 million (18,810). Mainly bond loans were taken out to meet the companies' increased borrowing requirements. Loans which fall due for payment within one year are classified as short-term loans. (See the section on the finance policy for a more detailed analysis.) Long-term loans include the City of Stockholm's commitment to the energy project Stockholm Ström, in an amount of SEK 656 million.

Current liabilities increased by SEK 2,169 million to SEK 30,431 million (28,261). The difference is attributable to a higher borrowing of certificate loans. The City's accounts payable are higher than the previous accounting occasion.

### Equity/assets ratio

The equity/assets ratio shows equity in relation to the balance-sheet total. The indicator is reported including the City's contingent liabilities regarding pension commitments. On 31 December 2015, the equity/assets ratio amounted to 34 percent (36). The change is affected by the earnings for the year combined with a higher balance sheet total as a result of higher borrowing for the company side. Equity amounts to SEK 62,756 million, equivalent to approximately SEK 67,980

per resident (SEK 48,707 including contingent liability).

### Pensions

Pension provisions are recognised in the balance sheet at a total of SEK 5,289 million, including special tax on employment income. Pension provisions increased by SEK 239 million during the year, a somewhat larger increase than the previous year. As of 2015, a latent survivor's pension is recognised in the liability in an amount of SEK 15 million. Information regarding the comparison year has not been possible to prepare. The changed recommendation with regard to Separate collective agreement occupational pensions and temporary pensions and transition support, etc. (RKR 2.2) from the Municipal Financial Reporting Board has not entailed any change with regard to the pension liability. The City's accounting already meets the terms of the recommendation. The pension provision is calculated based on the guidelines of the Swedish Association of Local Authorities and Regions, RIPS07. The basis for the calculations is the KAP-KL pension agreement. The agreement was replaced by the new AKAP-KL agreement in 2014 for employees born in 1986 onwards. The effect of the agreement on the provision change and the pension fees are marginal thus far.

The pension provision earned up to and including 1997 constitutes a contingent liability in the City's financial statements and amounts to SEK 17,792 million (17,820), including a special tax on employment income. This portion of the

pension provision is recognised as a contingent liability in accordance with the rules of the so-called mixed model. This means that part of the City's liabilities is not recognised in the balance sheet, which therefore portrays a more positive picture of the financial position. Latent survivor's pension is also included for the contingent liabilities as of 2015. This amounted to SEK 322 million. Information regarding the comparison year has not been possible to prepare. A continued decrease in the contingent liabilities according to the earlier trend is to be expected. The change in recommendation RKR 2.2 meant that an adjustment of the contingent liabilities took place so that more uncertain future commitments have been included in the liability. 2014 was adjusted accordingly. The accrued pension fees and accrued tax on employment income are recognised as current liabilities and amount to a total of SEK 833.6 million.

### Lease agreements

The value of the City's future commitments for operating leases amounts to SEK 6,588 million in the financial statements for 2015, of which 67 percent (SEK 4,412 million) relates to agreements with the City's companies. Virtually all leases relate to leases for premises. Agreements with external landlords are spread over a considerable number of landlords, resulting in a low level of risk. Only non-cancellable leases with a term of more than three years are recognised. The agreements with Skolfastigheter i Stockholm AB are cancellable and are not recognised. Agreements with Micasa Fastigheter i



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**SEK 5 billion**

The City invested nearly SEK 5 billion in 2015.

**1/3**

of the City's investment volume pertains to investments in infrastructure. The largest on-going infrastructure project is the demolition and reconstruction of Slussen.

Stockholm AB are cancellable, but at a substantial cost to the City, and so it was deemed that they should be recognised. Leases for the City's IT supplier are not included as they do not meet the conditions, but constitute a major cost to the City at SEK 587 million in 2015.

### Investments in the City

The City's investment expenses in 2015 amounted to SEK 4,923 million, which is SEK 608 million higher than the preceding year. Investment income for the year amounted to SEK 51 million (12.9). The increase is mainly attributable to higher investments in the City's properties and sports facilities. Preparations for the implementation of technical improvement and development of Östermalmshallen and the renovation of the Stockholm City Museum were under way during the year. The work on the technical improvement and expansion of the Åkeshov aquatics centre and sports hall also began during the year.

The City's investment in housing construction is continuing. Around half of the investment volume pertains to investments made with the aim of achieving the City Council goal of a high level of housing construction. Investment expenses for implementation projects in the urban development areas Hagastaden, Norra Djurgårdsstaden (Stockholm Royal Seaport), Hammarby Sjöstad and Nordvästra Kungsholmen totalled SEK 1,601 million, which is on a par with the previous year.

Around one third of the City's investment volume pertains to investments in infrastructure. The City's largest infrastructure project is the demolition and reconstruction of Slussen. In September, the City Council approved a revised implementation decision for the project. During the year, project planning, traffic

re-routing and preparation works were done prior to the start of construction. In October, the construction work was begun for the new bridge to be built over the railway for Västberga Allé.

The renovation of Sergels torg's sealing layer and several reinvestment programmes are under way with the aim of ensuring the function of the City's infrastructure. Of the City's investment volume, around 20–25 percent is comprised of reinvestments. In the scope of the City's cycling investments, known as the "Cycling Billion", infrastructure work is being done on the network of bicycle paths. The project comprises the prioritised measures on the commuter routes.

The table below presents a number of major projects with implementation decisions that have been under way during the year.

The investment expenses' deviation from the budget is, in many cases, due to time delays in the investment projects, whose construction spans a number of calendar years. It will only be possible to measure the outcome of the projects once they have been completed and a final report has been made.

### Co-financing

In order to make pressing investments in road and rail traffic in Stockholm, the City is a co-financier of a number of major government infrastructure projects. In 2015, the City paid SEK 742 million in co-financing for the government infrastructure projects Citybanan commuter rail line, Lindhagensgatan interchange and the Metro expansion. Of the disbursements, 48 percent pertain to the Metro expansion. At present, new negotiations are under way for further infrastructure projects in the scope of the so-called Sweden Negotiations.

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. The dividend has been earmarked for projects within the City Council's long-term visions Vision Järva 2030 and the Söderort Vision, as well as for financing projects in other priority suburban areas.

### Implementation decision under way during the year (net expenses, SEK million)

Project name	Refers to	Budget 2015	Outcome 2015	Deviation
Hagastaden	Housing	-521.7	-443.7	78.0
Hammarby Sjöstad	Housing	1.9	-37.6	-39.5
Norra Djurgårdsstaden	Housing	-1,133.4	-1,080.8	52.6
Nordvästra Kungsholmen	Housing	-49.9	-38.7	11.2
Järva improvement	Housing	-131.5	-83.8	47.7
Årstastråket	Housing	-42.5	-53.8	-11.3
Slussen	Infrastructure	-713.3	-311.3	402.0
Sergels Torg, renovation of sealing layer	Infrastructure	-244.0	-226.8	17.2
Infrastructure work on the cycle path network	Infrastructure	-104.0	-86.5	17.5
Reinvestment programme: street space, lighting and art buildings	Infrastructure	-207.5	-242.2	-34.7
Västberga Allé, bridge	Infrastructure	-29.0	-36.6	-7.6
Östermalmshallen	Property	-130.7	-135.7	-5.0
Stockholm City Museum	Property	-25.0	-22.9	2.1
Åkeshov swimming pool and sports hall	Sports	-200.5	-96.4	104.1



# Annual Financial Statements



Income Statement		City			Municipal Group	
SEK million	Note	31 Dec 2015	31 Dec 2014	2015 Budget	31 Dec 2015	31 Dec 2014
Operating income	1	10,270.7	9,804.2	7,478.0	21,706.5	20,888.0
Income affecting comparability	2	1,873.8	2,346.8	0.0	1,873.8	3,180.5
Operating costs	3	-48,349.8	-45,916.0	-46,606.3	-54,931.1	-52,247.6
Costs affecting comparability	4	-377.0	-222.4	0.0	-430.3	-247.5
Depreciation/amortisation	5	-1,223.9	-980.1	-994.5	-4,095.9	-3,584.4
<b>Net operating costs</b>		<b>-37,806.2</b>	<b>-34,967.5</b>	<b>-40,122.8</b>	<b>-35,877.1</b>	<b>-32,011.0</b>
Tax income	6	40,337.8	37,236.7	40,396.6	40,337.8	37,236.7
General government grants and equalisation	7	-1,379.2	-339.2	-1,471.9	-1,379.2	-339.2
Profit from participations in associated companies	8	-	-	-	437.9	139.5
Financial income	9	1,579.9	2,429.8	2,098.2	18.0	44.8
Financial expenses	10	-808.4	-909.4	-900.0	-599.9	-603.8
<b>Surplus after tax and net financial income/expense</b>		<b>1,924.0</b>	<b>3,450.4</b>	<b>0.1</b>	<b>2,937.5</b>	<b>4,467.0</b>
Tax	11	-	-	-	-325.6	-372.2
Non-controlling share in surplus for the year		-	-	-	-5.6	-7.7
<b>Surplus for the year</b>		<b>1,924.0</b>	<b>3,450.4</b>	<b>0.1</b>	<b>2,606.3</b>	<b>4,087.1</b>
Less income affecting comparability	12	-364.1	-721.4	0.0	-	-
<b>Surplus for the year after balance requirement adjustments</b>		<b>1,559.9</b>	<b>2,729.0</b>	<b>0.1</b>	<b>-</b>	<b>-</b>
<b>Balance requirement result for the year*</b>		<b>1,559.9</b>	<b>2,729.0</b>	<b>0.1</b>	<b>-</b>	<b>-</b>

\* Balance requirement result for the year is adjusted for 31 December 2014 according to a new interpretation of the rules.

Cash-flow statement		City		Municipal Group	
SEK million	Note	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
<b>Operating activities</b>					
Profit/loss for the year		1,924.0	3,450.4	2,606.3	4,087.1
Reversal of capital gains/losses	13	-1,425.8	-1,911.8	-1,575.1	-2,825.0
Adjustment for non-cash items	14	1,469.4	860.0	3,464.2	3,483.4
Decrease in provisions due to payments	15	-31.5	-65.5	-	-
<b>Funds from operations before change in working capital</b>		<b>1,936.1</b>	<b>2,333.1</b>	<b>4,495.4</b>	<b>4,745.5</b>
Increase/decrease in current receivables		-7,577.1	-5,905.1	396.1	759.6
Increase/decrease in stocks and inventories		2.8	-3.3	1.1	5.8
Increase/decrease in current liabilities	16	2,169.5	1,503.1	899.8	5,210.5
<b>Cash flow from operating activities</b>		<b>-3,468.7</b>	<b>-2,072.1</b>	<b>5,792.4</b>	<b>10,721.4</b>
<b>Payment of contributions to state infrastructure</b>					
<b>Payment of contributions to state infrastructure</b>		<b>-741.8</b>	<b>-423.8</b>	<b>-741.8</b>	<b>-423.8</b>
<b>Investing activities</b>					
Investment in intangible assets		-	-	-21.3	-2.8
Sales of intangible assets		-	-	0.0	0.0
Investment in property, plant and equipment	17	-4,917.6	-4,327.4	-15,456.6	-15,458.9
Sale of property, plant and equipment	18	1,661.6	2,342.8	1,891.4	693.5
Investment in financial assets	19	-14.1	0.0	-47.4	-270.8
Sale of financial assets		0.0	0.0	3.6	0.0
Other change in non-current assets		-	-	-	-
<b>Cash flow from investing activities</b>		<b>-3,270.1</b>	<b>-1,984.7</b>	<b>-13,630.3</b>	<b>-15,039.0</b>
<b>Financing activities</b>					
Newly raised loans		10,751.1	9,656.6	-	-
Repayment of non-current liabilities		-4,119.1	-4,755.0	-	-
Increase/decrease of non-current liabilities	20	2,237.5	-1,663.5	9,595.3	3,225.7
Increase/decrease of non-current receivables		0.8	1,681.3	413.4	1,853.6
<b>Cash flow from financing activities</b>		<b>8,870.3</b>	<b>4,919.5</b>	<b>10,008.7</b>	<b>5,079.3</b>
<b>Cash flow for the year</b>		<b>1,389.7</b>	<b>438.9</b>	<b>1,429.0</b>	<b>337.9</b>
<b>Cash and cash equivalents at beginning of the year</b>		<b>308.8</b>	<b>-130.1</b>	<b>531.8</b>	<b>193.9</b>
<b>Cash and cash equivalents at period-end</b>	21	<b>1,698.6</b>	<b>308.8</b>	<b>1,960.8</b>	<b>531.8</b>
Interest-bearing net assets/liability		12,080.2	13,197.1	-22,379.0	-16,121.8
Interest-bearing net assets/liabilities at beginning of the year		13,197.1	13,038.2	-16,121.8	-15,732.1
Interest-bearing net assets/liabilities at period-end		12,080.2	13,197.1	-22,379.0	-16,121.8

Note: The amounts in the tables are rounded and so do not add up exactly.

Balance Sheet		City		Municipal Group	
SEK million	Note	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
<b>Assets</b>					
<b>Intangible assets</b>					
Intangible assets	22	-	-	78.0	76.0
<b>Total intangible assets</b>		<b>-</b>	<b>-</b>	<b>78.0</b>	<b>76.0</b>
<b>Property, plant and equipment</b>					
Land, buildings and plant	23	45,945.7	54,607.0	121,273.3	125,971.8
Machinery and equipment	24	581.4	550.1	7,209.4	7,156.0
Construction, extension and conversion work in progress	25	18,501.1	6,611.2	32,393.1	16,662.0
<b>Total property, plant and equipment</b>		<b>65,028.2</b>	<b>61,768.3</b>	<b>160,875.8</b>	<b>149,789.9</b>
<b>Financial assets</b>					
Shares and participations	26	3,894.8	3,880.7	2,637.7	2,590.6
Proportion of equity in associates	27	-	-	5,221.3	5,016.3
Non-current receivables	28	19.2	20.0	281.4	342.2
<b>Total financial assets</b>		<b>3,914.0</b>	<b>3,900.6</b>	<b>8,140.5</b>	<b>7,949.1</b>
<b>Total non-current assets</b>		<b>68,942.2</b>	<b>65,669.0</b>	<b>169,094.3</b>	<b>157,814.9</b>
<b>Current assets</b>					
Development properties	29	1,460.0	1,093.0	1,460.0	1,093.0
Inventories and work in progress	30	4.4	7.3	35.7	36.8
Current receivables	31	61,293.2	53,711.7	4,844.6	5,733.0
Short-term lending	32	0.8	0.8	0.8	0.8
Investments in securities, etc.	33	28.1	32.5	28.1	71.4
Cash and bank balances	34	1,698.6	308.8	1,960.8	531.8
<b>Total current assets</b>		<b>64,485.0</b>	<b>55,154.1</b>	<b>8,329.8</b>	<b>7,466.8</b>
<b>Total assets</b>		<b>133,427.2</b>	<b>120,823.0</b>	<b>177,424.1</b>	<b>165,281.7</b>
<b>Equity and liabilities</b>					
<b>Equity</b>					
Surplus for the year as per the income statement	35.36	1,924.0	3,450.4	2,606.3	4,087.1
Adjustment equity		169.0	580.0	151.4	580.0
Other equity		60,663.2	56,632.8	109,146.7	100,175.9
Dividend		-	-	0.0	-0.1
Changed accounting policies				0.0	4,303.8
<b>Total equity</b>		<b>62,756.2</b>	<b>60,663.2</b>	<b>111,904.4</b>	<b>109,146.7</b>
<b>Provisions</b>					
Pensions and similar commitments	37	5,289.2	5,050.5	7,236.0	7,064.0
Deferred tax liabilities				1,896.8	1,854.5
Other provisions	38	7,275.2	8,038.3	7,466.0	8,092.8
<b>Total provisions</b>		<b>12,564.5</b>	<b>13,088.8</b>	<b>16,598.7</b>	<b>17,011.3</b>
<b>Non-controlling interest in equity</b>				<b>46.0</b>	<b>40.0</b>
<b>Non-current liabilities</b>					
Bond loans	39	23,599.2	16,853.1	23,599.2	16,853.1
Promissory note loan	40	3,250.0	1,200.0	3,250.0	1,200.0
State loans		-	-	-	-
Other non-current liabilities	41	826.4	756.5	845.3	774.9
<b>Total non-current liabilities</b>		<b>27,675.6</b>	<b>18,809.6</b>	<b>27,694.5</b>	<b>18,828.0</b>
<b>Current liabilities</b>					
Current liabilities	42	22,859.7	22,133.7	13,609.3	14,128.1
Short-term loans	43	6,735.1	5,349.0	6,735.1	5,349.0
City's holiday pay liability, etc.	44	836.1	778.7	836.1	778.7
<b>Total current liabilities</b>		<b>30,430.9</b>	<b>28,261.4</b>	<b>21,180.5</b>	<b>20,255.7</b>
<b>Total equity and liabilities</b>		<b>133,427.2</b>	<b>120,823.0</b>	<b>177,424.1</b>	<b>165,281.7</b>
Pledged assets		-	-	-	-
Contingent liabilities and guarantees	45	630.2	597.3	748.2	748.4
Contingent liabilities incl. employer's contribution	46	17,791.7	17,819.9	17,834.5	17,857.2
Derivative instruments; market value	47	-510.0	-224.1	-510.0	-224.1
Leases, operating leases	48	6,588.0	7,183.8	6,588.0	7,183.8
Additional dividend 2012, Section 5:1 Public Municipal Housing Companies Act remains	49	321.9	401.0		
Additional dividend 2013, Section 5:1 Public Municipal Housing Companies Act remains		1,661.9	1,787.7		
Additional dividend 2014, Section 5:1 Public Municipal Housing Companies Act remains		310.8	401.2		



## Local Government Accounting Act

These financial statements have been prepared in accordance with the Local Government Accounting Act (SFS 1997:614) and the recommendations of Rådet för kommunal redovisning (RKR – the municipal financial reporting board).

## Depreciation/amortisation

As a rule, the City applies straight-line depreciation/amortisation, whereby an equal amount is depreciated/amortised each month for the asset's useful life. Balance-adjusted depreciation is used for supplementary investments where the supplementary investment is depreciated at the same date as the original investment. Assets such as land and art objects, for example, are written off without depreciation being carried out. Component depreciation is applied as of 2015. Component division is made in calculation and capitalisation. No requirements exist for component division during the construction period. Component division is done based on natural components where the replacement period/maintenance period is crucial to what is counted as natural. In the replacement of components, the earlier component is normally presumed to be finally depreciated and no disposal is made. Clear exceptions to the rule are, for example, the replacement of lifts. If the replacement of the component is done after a time interval that substantially differs from the useful life, disposal shall be applied. The City has obtained guidance from the RKR paper on impairment when it comes to assessing the useful life of assets.

Adjustments of the comparison period in connection with introduction of component depreciation in 2015 have not been made as the effect in the initial phase is deemed to be marginal.

## Valuation principles

*Non-current assets* are recognised at cost. The acquisition value includes costs of dismantling and removing the previous asset and restoring the site if this is a prerequisite for the new asset. Non-current assets are assets with a useful life of at least three years and a value of at least one basic amount. In terms of investments in another party's property, if the property belongs to the municipal companies Skolfastigheter i

Stockholm AB and 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. The exception is considered negligible in terms of the sums involved and does not, therefore, affect the financial statements to a significant extent.

### *The time of capitalisation for an asset.*

An asset is normally capitalised and begins to depreciate when it is brought into use. Unless all expenses have been received or possible to estimate with reasonable certainty, the capitalisation period may be postponed by a maximum of six months.

*Current assets* are recognised at the lower of cost and fair value at the end of the reporting period.

## Intangible assets

The City of Stockholm does not currently recognise any intangible assets. According to the City's accounting rules for investment, restrictiveness should be applied when an asset is classified as intangible to avoid overvaluation on the asset side. Up to and including 2015, no assets were deemed to meet the requirement for intangible assets.

## Impairment of assets

The impairment of assets has been conducted in accordance with RKR 19. The City applies the limit that an asset's value shall amount to at least SEK 1 million for testing of the impairment requirement to take place. An impairment is made when the carrying amount exceeds the recoverable value by at least SEK 0.5 million and the change is deemed to be permanent, whereby permanent is defined as being at least five years.

## Leases

In accordance with RKR's recommendation no. 13.2 2013, "Accounting for rental/lease agreements", the City recognises forthcoming lease contract expenses. Finance leases are recognised in the balance sheet. A materiality assessment has been conducted and agreements are only reported when the total expense exceeds SEK 0.5 million or the annual expense exceeds SEK 0.2

million. Operating leases are recognised as memorandum items with the same limits on amounts as for finance leases. According to the recommendation, leases should be recognised if the lease period is over three years. The City's agreement on IT services is mentioned in the note on operating leases, even though the condition regarding the length of the lease has not been fulfilled, because this financial obligation is extensive.

## 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.

## Borrowing costs

Borrowing costs are recognised in the period to which they are attributable and are not included in the cost of assets.

## Classification

*Current receivables* and liabilities fall due for payment no later than 12 months after the end of the reporting period. *Non-current receivables and liabilities* fall due for payment more than 12 months after the end of the reporting period. The exception is investment income which is wholly recognised as a non-current liability as it does not affect liquidity.

Development properties intended for sale are recognised as current assets. Holiday pay liability and unpaid overtime are recognised as liabilities according to their status on 31 December 2015.

## Financial activities

Financial activities within the Municipal Group are based on the City's finance policy, which is established each year by the City Council. Foreign loans are measured in accordance with principles for hedge accounting. The City uses currency futures and/or interest and currency swaps to hedge positions in the event of currency and interest-rate fluctuations. Purchases or sales of financial assets or liabilities are recognised on the settlement date. Financial current assets and current liabilities are valued at cost. Any issue costs and similar transaction costs are allocated to a particular period in accordance with the effective interest method.

## Items affecting comparability

Capital 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 as of the 2014 financial year are recognised gross according to applicable regulations, book value as cost and sales income as income. According to a decision in the City Council, a positive result from sales in 2014 was mortgaged for measures in the form of SEK 74.5 million for suburb investments, SEK 765 million for IT costs, SEK 150 million for stimulus grants in expansion, SEK 300 million for a social investment fund and SEK 200 million for funding for skills development. The City has chosen to recognise the above items as items affecting comparability if they amount to at least SEK 0.1 million. The level has been set low bearing in mind that these items are never part of normal operations and therefore render comparison between years difficult if they are not disclosed.

## Provisions

The City makes provisions, in addition to pension provisions, for the effects of major reorganisations, if applicable, and commitments within the field of infrastructure, for example. In the event of provisions, direct income recognition is applied. Provisions have been recognised in the income statement after "Surplus after tax and net financial income/expense". As of the 2015 annual report, provisions and reversed provisions are respectively recognised as items

affecting comparability, i.e. before "Net operating costs". Comparative figures are corrected.

## Pension commitments

The City's pension provision is recognised partly as a provision in the balance sheet and partly as a contingent liability. Pensions earned up to and including 1997 are recognised as a contingent liability. The individual pension entitlement earned by the City's staff during the year is recognised in the balance sheet as an accrued expense. The pension provision is corrected for insured commitments, which are negligible. Changes according to the recommendation on Separate collective agreement occupational pensions and temporary pensions are made and affect the contingent liabilities, but not liability. Commitments regarding latent survivor's pension are taken up in liabilities and contingent liabilities as of 2015. This has not been possible to adjust in the comparison period with a changed principal, but the impact on the balance sheet is deemed to be marginal.

The change in pension provision includes a portion for index linking the pension provision. When the change in pension provision is expensed, the index linking is entered along with the related employer's contribution as a financial expense. The calculation of the pension provision is made in accordance with the Guidelines for pension provision calculation (RIPS 07). The basis for the calculations is the KAP-KL pension agreement.

## Receivables/liabilities from/to Group companies

The City manages borrowing and lending to and from the municipal companies. The companies have an account 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.

## Consolidated accounting, general

Under the Local Government Accounting Act, the City of Stockholm's annual and interim financial statements should also include operations conducted by other legal entities within the Municipal Group and consolidated financial statements must be prepared. The aim of the compiled financial statements, which are the local government equivalent in Sweden of a corporation's consolidated financial statements, is to provide a comprehensive view of the operations and financial position of the City's committees, limited companies and joint authorities.

The consolidated financial statements have been prepared in accordance with RKR 8.2 Consolidated financial statements. The City's committees have been consolidated in proportion with the City's directly and indirectly wholly and partly-owned companies in which the City has at least a significant influence.

Differences in accounting policies between the companies and the City may arise due to differences in legislation and recommendations applied for





the City and companies respectively. In the consolidated financial statements, effects of significant importance due to differences between accounting policies for companies and the City have been adjusted based on local government accounting policies.

Consolidated financial statements are produced in connection with the second four-month report and the annual financial statements.

### Consolidated accounting, consolidation policies

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. In the consolidated financial statements, all internal trans-

actions and internal profits and losses of material importance are eliminated. The subsidiary S:t Erik Livförsäkring AB of the Stockholms Stadshus AB Group recognises financial instruments at fair value. No adjustment is made for this in the consolidated financial statements as the values are not of material importance.

The consolidated financial statements have primarily been prepared in accordance with the acquisition method of proportional consolidation, in that only the owned shares of the companies' accounting items are consolidated and the carrying amounts of shares in Group companies are eliminated against the acquired share of the subsidiaries' equity. Accordingly, the consolidated financial statements only include the portion of the subsidiaries' equity that arose after the acquisition.

In the compiled accounting, there are jointly owned companies that are not consolidated proportionally, but rather consolidated with the equity method where AB Fortum Värme Holding co-owned with the City represents the largest value. The deviation from using the proportional consolidation method for Fortum is made in reference to it providing a more accurate picture of the holding since the City does not have a controlling influence and since the operations in the jointly owned company are of a commercial nature. For other companies, see Note 28, the justification is that the surplus and balance sheet total are not of a material size. The fact that the equity method is applied instead of proportional consolidation has no impact on the surplus for the year and affects the balance sheet total by SEK -9,550 million.

## Application of certain accounting policies at the City of Stockholm

### Development properties

Development properties intended for sale are recognised as current assets for all accounting year ends. Capitalised assets are only intended to be divested in exceptional cases. This affects construction, extension and conversion work in progress, which is not capitalised. The part of these developed assets, which is intended for sale, is booked as a current asset at the end of the period. Upon sales, book value is recognised gross as a cost and the sales

consideration as income beginning in 2014.

### Investment income

RKR recommendation 18 regarding income from fees, grants and sales has been applied from 2010. Investment income in the form of grants and fees is recognised as a liability in the external financial statements in accordance with the recommendation. At committee level, income has been capitalised on the assets side, i.e. is offset. In connection

with a new version of the accounting system in 2015, the City transitioned to recognising income by object in the asset ledger, i.e. correct handling even at the committee level.

### Temporary grants due to the refugee situation

The grants paid by the state in conjunction with the refugee situation have been booked with an even distribution as of December 2015 through December 2016.

## Definitions of items in the annual financial statements

- **Non-current assets** are assets intended for continuous use in operations. They may be intangible (for example, goodwill), tangible (for example, buildings) or financial (for example, shares).
- **Depreciation/amortisation according to plan** is the allocated total expenditure for a fixed asset. The cost is distributed over the number of years that the asset is used in the operation. Balance-adjusted depreciation is used for supplementary investments where the supplementary investment is depreciated at the same date as the original investment. No depreciation is applied to land and art.
- **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, and they rest on a present obligation.
- **The balanced-budget requirement** is linked to the income statement. Pursuant to chapter 8, section 4 of the Local Government Act, the budget must be prepared so that income exceeds costs. If a deficit is recognised, i.e. if costs exceed income in any particular financial year, the deficit must be eliminated within three years after it was recognised. The basic principle is that capital gains are excluded from income in the reconciliation with the balanced-budget requirement. However, exceptions may be made if they are in line with sound financial management, for example if the sale is part of a restructuring process.
- **The balance sheet** is a summary of assets, equity, provisions and liabilities at the end of the reporting period, i.e. on the last day of the accounting period.
- **Commercial papers** may be issued by, for example, municipalities or

companies. Loans may be raised through the issue of promissory notes in the form of certificates with maturities of up to one year.

- **Equity** is the difference between assets and liabilities. It shows the percentage of assets not financed through debt.
- **Elimination** involves the removal of internal items so that income, costs, receivables and liabilities only contain items external for the City.
- **Euro Commercial Paper (ECP)** is a commercial paper issued on the Euro market.
- **Euro Medium Term Note (EMTN)**

are promissory notes in the form of bonds with maturities over year. EMTNs are issued in the Euro market.

- **Obligation** – a commitment originating from a contract, legislation or other legal basis.
- **The cash flow statement** shows inbound and outbound payments for the City's various operations. The sum of these payments comprises the total cash flow for the year.
- **Net financial items** are the difference between financial income and financial expense in the income statement.

- **A Medium Term Note (MTN)** is a loan that can be raised through the issue of promissory notes in the form of bonds with maturities of at least one year.

- **Current assets** are 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 the operation.
- **The income statement** is a summary of income and costs which result in a surplus or deficit for a specific period.

## Notes to the income statement

<b>NOTE 1 Operating income*</b>		<b>City</b>		<b>Municipal Group</b>	
<b>SEK million</b>		<b>31 Dec 2015</b>	<b>31 Dec 2014</b>	<b>31 Dec 2015</b>	<b>31 Dec 2014</b>
Tariffs, fees, etc.		4,313.0	4,468.0	8,638.6	8,741.2
Rents, site leaseholds		3,986.0	3,863.2	11,031.7	10,579.5
Government grants		1,960.7	1,432.6	2,025.3	1,526.9
EU grants		11.0	40.5	11.0	40.5
<b>Total operating income</b>		<b>10,270.7</b>	<b>9,804.2</b>	<b>21,706.5</b>	<b>20,888.0</b>

\* Internal transactions have been eliminated from the operating income.

<b>NOTE 2 Income affecting comparability</b>		<b>City</b>		<b>Municipal Group</b>	
<b>SEK million</b>		<b>31 Dec 2015</b>	<b>31 Dec 2014</b>	<b>31 Dec 2015</b>	<b>31 Dec 2014</b>
Refund of insurance agreement premiums 2004 (AGS-KL, AVBF-KL)		249.2	0.0	249.2	-
Capital gains from sales		114.9	721.4	114.9	2,886.1
Reversed provisions 2014		0.0	294.4	0.0	294.4
Sale of development properties*		1,509.7	1,331.0	1,509.7	1,331.0
<b>Total income affecting comparability</b>		<b>1,873.8</b>	<b>2,346.8</b>	<b>1,873.8</b>	<b>3,180.5</b>

\* Sales of development properties are recognised gross as of 2014.

<b>NOTE 3 Operating costs*</b>		<b>Municipal Group</b>	
<b>SEK million</b>		<b>31 Dec 2015</b>	<b>31 Dec 2014</b>
Materials and services purchased, etc.		-30,738.6	-29,123.4
Housing allowance, financial assistance and other support		-2,193.0	-2,195.0
of which maintenance/income assistance		-952.4	-962.2
Contracts and purchase of operations		0.0	0.0
Salaries**		-14,956.9	-14,247.6
Employer contributions and insurance agreements		-4,624.9	-4,379.4
Pension expenses***		-2,197.2	-2,088.6
of which payment of pensions		0.0	0.0
of which pension fees		0.0	0.0
of which occupational pension insurance		0.0	0.0
of which special employer's contribution		0.0	0.0
of which changes in pension provision incl. employer's contribution		0.0	0.0
Other personnel costs		-220.5	-213.5
<b>Total operating costs</b>		<b>-54,931.1</b>	<b>-52,247.5</b>

\* Internal transactions have been eliminated from the operating costs.

\*\* Hourly pay, extra pay for inconvenient working hours, overtime including employer's contribution are allocated to a particular period.

\*\*\* Interest and basic-amount indexation for the pension provision, including employer's contribution, is entered under financial expenses.



**NOTE 4 Costs affecting comparability\***

	City		Municipal Group	
SEK million	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Book value, sale of development properties	-198.7	-104.7	-198.7	-104.7
Capital losses from sales	-0.1	-35.9	-53.5	-61.1
Provision made for burial operations	-10.2	-16.4	-10.2	-16.4
<b>Notations claimed before the 2014 accounts. The notations are eliminated in the 2014 accounts</b>				
Skills development fund*	0.0	-0.5	0.0	-0.5
E-service programme*	0.0	-11.4	0.0	-11.4
IT Investment 2011 and 2012 financial statements*	0.0	-53.5	0.0	-53.5
of which digital renewal*	0.0	-42.6	0.0	-42.6
of which eDoc project*	0.0	-10.9	0.0	-10.9
<b>Notations claimed according to the 2014 accounts. Other notations reversed in 2014</b>				
Järva improvement, Söderort vision, Hässelby-Vällingby	-8.8	0.0	-8.8	0.0
IT costs*	-97.8	0.0	-97.8	0.0
of which procurement of a new accounting system (SUNE)*	-44.7	0.0	-44.7	0.0
of which digital renewal and e-services*	-45.4	0.0	-45.4	0.0
of which eDoc project*	-7.6	0.0	-7.6	0.0
Stimulus grant**	-61.3	0.0	-61.3	0.0
of which expansion for childcare**	-52.8	0.0	-52.8	0.0
of which expansion for disabled**	-8.5	0.0	-8.5	0.0
<b>Total costs affecting comparability</b>	<b>-377.0</b>	<b>-222.4</b>	<b>-430.3</b>	<b>-247.5</b>

\* All mortgages in equity are eliminated in the 2014 accounts and replaced by new.

\*\*\* Provisions for stimulus grants were reversed in the 2014 accounts and replaced by a mortgage of equity.

**NOTE 5 Depreciation/amortisation**

	City		Municipal Group	
SEK million	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Depreciation/amortisation according to plan*	-1,032.1	-936.1	-3,851.4	-3,724.5
Impairment losses	0.0	-13.0	-52.7	140.1
Impairment reversal	0.0	0.0	-	-
Disposals**	-191.8	-31.1	-191.8	-
<b>Total depreciation/amortisation</b>	<b>-1,223.9</b>	<b>-980.1</b>	<b>-4,095.9</b>	<b>-3,584.4</b>
<b>* Intangible assets</b>				
Tenancy rights and intangible assets (20–33%)	-	-	-19.3	-16.8
Goodwill (20%)	-	-	0.0	0.0
<b>*Property, plant and equipment</b>				
Buildings and plant (1.4–33%)	-876.9	-810.2	-3,311.1	-3,269.4
Machinery and equipment (2–33%)	-155.1	-125.9	-521.0	-438.3
<b>*Total depreciation/amortisation</b>	<b>-1,032.1</b>	<b>-936.1</b>	<b>-3,851.4</b>	<b>-3,724.5</b>

\* Component depreciation is done for the City as of 2015 for all assets. No correction is made of the previous year's values as the effect is initially deemed to be marginal.

\*\* SEK 157.4 million pertains to the disposal of expenses paid on Park 1, Coordination Centre.

**NOTE 6 Tax income**

	City		Municipal Group	
SEK million	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Preliminary tax income for the year	40,182.4	37,175.9	40,182.4	37,175.9
Adjustment of forecast final tax settlement for 2013/2012	1.9	5.5	1.9	5.5
Adjustment of forecast final tax settlement for 2014/2013	-69.0	-95.9	-69.0	-95.9
Forecast final tax settlement for 2015/2014	39.2	6.3	39.2	6.3
Burial fees	172.5	145.0	172.5	145.0
Inter-municipal cost equalisation	10.8	0.0	10.8	0.0
<b>Total tax receipts</b>	<b>40,337.8</b>	<b>37,236.7</b>	<b>40,337.8</b>	<b>37,236.7</b>

**NOTE 7 General government grants and equalisation**

SEK million	City		Municipal Group	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Introduction grant	180.7	555.8	180.7	555.8
Settlement grants	0.0	208.0	0.0	208.0
Cost equalisation grants	0.0	78.9	0.0	78.9
General government grants	96.7	0.0	96.7	0.0
Municipal property charge 2015/2014 preliminary forecast	1,098.1	1,084.1	1,098.1	1,084.1
<b>Total general government grants and equalisation</b>	<b>1,375.5</b>	<b>1,926.8</b>	<b>1,375.5</b>	<b>1,926.8</b>
<b>Fees in the equalisation system</b>				
Income equalisation fee	-1,608.6	-1,394.9	-1,608.6	-1,394.9
Settlement fee	-35.3	0.0	-35.3	0.0
Cost equalisation fee	-115.0	0.0	-115.0	0.0
LSS equalisation fee	-995.8	-871.1	-995.8	-871.1
<b>Total fees in equalisation system</b>	<b>-2,754.7</b>	<b>-2,266.0</b>	<b>-2,754.7</b>	<b>-2,266.0</b>
<b>Total general government grants and equalisation</b>	<b>-1,379.2</b>	<b>-339.2</b>	<b>-1,379.2</b>	<b>-339.2</b>

**NOTE 8 Profit/loss from participations in associated companies**

SEK million	Municipal Group	
	31 Dec 2015	31 Dec 2014
<b>Profit/loss from participations in associated companies is included in the Municipal Group as follows:</b>		
AB Fortum Värme Holding co-owned with the City of Stockholm	435.5	123.5
Mässfästigheter i Stockholm AB	1.9	15.6
Sydvästra Stockholmsregionens VA-verks AB, SYVAB	0.5	0.4
<b>Total Profit/loss from participations in associated companies</b>	<b>437.9</b>	<b>139.5</b>
<b>As AB Fortum Värme Holding represents the largest value in the minority item, the company's income statement is presented in abbreviated form below*</b>		
Revenues	6,275.8	6,604.7
Costs	-4,636.2	-4,918.1
Financial income	1.6	5.5
Financial expenses	-518.9	-252.3
Tax	-254.6	-277.0
Minority interest in the period's earnings	3.3	4.1
<b>Profit/loss for the year</b>	<b>871.0</b>	<b>1,166.9</b>

\* The income statement above is prepared according to the K3 regulations while the official report the company presents is prepared according to IFRS. The income statement for 2014 pertains to full-year figures. The influence in the company increased to 50 percent on 1 July 2014.

**NOTE 9 Financial income\***

SEK million	City		Municipal Group	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Interest	1,073.1	1,273.5	11.0	38.5
Other financial income	6.7	6.2	7.0	6.3
Share dividend, other	500.1	700.1	0.0	0.0
Of which Stockholm Stadshus AB	500.0	500.0		
Of which AB Fortum Värme Holding co-owned with the City of Stockholm	0.0	200.0		
Of which Söderhalls renhållningsverk AB	0.1	0.1		
Dividend in accordance with Swedish Municipal Housing Companies Act, SFS 2010:879	0.0	450.0	0.0	0.0
<b>Total financial income</b>	<b>1,579.9</b>	<b>2,429.8</b>	<b>18.0</b>	<b>44.8</b>

\* Other financial income includes e.g. guarantee income from the municipal housing companies.



<b>NOTE 10 Financial expenses</b>				
	<b>City</b>		<b>Municipal Group</b>	
<b>SEK million</b>	<b>31 Dec 2015</b>	<b>31 Dec 2014</b>	<b>31 Dec 2015</b>	<b>31 Dec 2014</b>
Long-term interest*	-461.7	-826.9	-469.4	-520.6
Short-term interest*	-216.9	0.0	0.0	0.0
Interest component pension provision change	-78.8	-60.4	-78.8	-60.4
Other financial expenses	-51.0	-22.1	-51.8	-22.8
<b>Total financial expenses</b>	<b>-808.4</b>	<b>-909.4</b>	<b>-599.9</b>	<b>-603.8</b>
<b>Average interest rate</b>				
Average interest rate of external debt portfolio with derivatives (%)	1.77	2.40	1.77	2.40
Average interest rate of external debt portfolio without derivatives (%)	1.41	1.98	1.41	1.98
<b>Average fixed-rate period</b>				
Average fixed-rate period of external debt portfolio with derivatives, years	2.8	3.0	2.8	3.0
Average fixed-rate period of external debt portfolio without derivatives, years	1.7	1.7	1.7	1.7

\* Interest expenses are recognised including net interest and currency swaps, in accordance with RKR21. Also see Note 47 Derivative instruments.

The interest expense for the year for the external debt portfolio (excluding the Group and SSBF) is SEK 463.0 million including derivatives, and SEK 377.4 million excluding derivatives.

<b>NOTE 11 Tax</b>				
	<b>City</b>		<b>Municipal Group</b>	
<b>SEK million</b>	<b>31 Dec 2015</b>	<b>31 Dec 2014</b>	<b>31 Dec 2015</b>	<b>31 Dec 2014</b>
Current tax	-	-	-398.8	-473.7
Deferred tax	-	-	73.3	101.5
<b>Total tax</b>	<b>-</b>	<b>-</b>	<b>-325.6</b>	<b>-372.2</b>

## NOTE 12 Income affecting comparability deducted in the balance requirement investigation

	<b>City</b>	
<b>SEK million</b>	<b>31 Dec 2015</b>	<b>31 Dec 2014</b>
Capital gains	-114.9	-721.4
Refund of insurance agreement premiums 2004 (AGS-KL, AVBF-KL)	-249.2	0.0
<b>Total income affecting comparability deducted</b>	<b>-364.1</b>	<b>-721.4</b>

## Notes to the cash flow statement

<b>NOTE 13 Reversal of capital gains/losses</b>				
	<b>City</b>		<b>Municipal Group</b>	
<b>SEK million</b>	<b>31 Dec 2015</b>	<b>31 Dec 2014</b>	<b>31 Dec 2015</b>	<b>31 Dec 2014</b>
<b>Reversal of capital gains/losses</b>	<b>-1,425.8</b>	<b>-1,911.8</b>	<b>-1,575.1</b>	<b>-2,825.0</b>

A reversal of capital gains/losses is carried out so that the actual sales value is included under investing activities.

<b>NOTE 14 Specification of non-cash items</b>				
	<b>City</b>		<b>Municipal Group</b>	
<b>SEK million</b>	<b>31 Dec 2015</b>	<b>31 Dec 2014</b>	<b>31 Dec 2015</b>	<b>31 Dec 2014</b>
Specification of non-cash items	1,469.4	860.0	3,464.2	3,483.4
Adjustment to depreciation/amortisation and impairments	1,223.9	980.1	4,035.9	3,584.4
Adjustments for provisions made	249.0	177.2	-389.2	353.6
Adjustments for reversed income	-3.4	-2.9	0.0	0.0
Adjustments for released provision	0.0	-294.4	0.0	0.0
Tax expense	-	-	195.6	-315.1
Share in profit/loss of associated companies not distributed	-	-	-234.8	-139.5
Non-cash component of rental property acquisitions			-149.0	
Other			5.8	

**NOTE 15 Decrease in provisions due to payments**

City

SEK million	31 Dec 2015	31 Dec 2014
Decrease in provisions due to payments	-31.5	-65.5
Provisions utilised	-773.3	-489.2
Less infrastructural contributions, recognised separately	741.8	423.8

**NOTE 16 Increase/decrease in current liabilities, etc.**

City

SEK million	31 Dec 2015	31 Dec 2014
Increase/decrease in current liabilities, etc.	2,169.5	1,503.1
Changes in current liabilities	726.0	-220.1
Change in short-term loans excl. change in utilised overdraft facility	1,386.1	1,709.2
City's holiday pay liability, etc.	57.4	14.1

**NOTE 17 Investment in property, plant and equipment**

City

SEK million	31 Dec 2015	31 Dec 2014
Investment in property, plant and equipment	-4,917.6	-4,327.4
Of which land, buildings and plant	7,707.0	-3,587.0
Of which machinery and equipment	-186.5	-205.5
Of which leases*	0.0	0.0
Of which construction, extension and conversion work in progress	-12,438.1	-535.0

Finance leases are included in the total for machinery and equipment. See Note 48 for specification.

**NOTE 18 Sale of property, plant and equipment**

City

SEK million	31 Dec 2015	31 Dec 2014
Sale of property, plant and equipment	1,661.6	2,342.8
Book value land, buildings and plant	235.7	423.4
Book value machinery and equipment	0.1	7.5
Capital gains/losses	1,425.8	1,911.8

**NOTE 19 Investment in financial assets**

City

SEK million	31 Dec 2015	31 Dec 2014
Investment in financial assets	-14.1	0.0
Purchase of tenant-owner apartments	-14.1	0.0

**NOTE 20 Increase/decrease in non-current liabilities**

City

SEK million	31 Dec 2015	31 Dec 2014
Increase/decrease of non-current liabilities	2,237.5	-1,663.5
Reclassifications to current liabilities	-3,180.2	-5,349.2
Reversal of reclassification of non-current borrowing to current	5,349.2	3,640.0
Period allocation of premiums and discounts	-5.0	24.0
Other changes in non-current liabilities	70.0	18.7
Item recognised under non-cash items	3.4	2.9

**NOTE 21 Increase/decrease in non-current liabilities**

City

SEK million	31 Dec 2015	31 Dec 2014
Cash and cash equivalents at period-end	1,698.6	308.8
Imprest cash, etc.	6.5	5.8
Cash and cash equivalents (bank, etc.)	1,692.1	303.0
Unused bank overdraft facilities	0.0	0.0



# Notes to the balance sheet

The City's balance sheet recognises receivables and liabilities in relation to the City's own companies in gross amounts.

NOTE 22 Intangible assets	City		Municipal Group	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
SEK million				
Opening intangible assets, 1 January	-	-	217.7	197.8
Opening amortisation, 1 January	-	-	-141.6	-124.8
Amortisation for the period	-	-	-19.3	-16.8
Impairments for the period	-	-	0.0	0.0
New investments for the period	-	-	21.3	2.7
Sales	-	-	0.0	0.0
Reclassification	-	-	0.0	17.1
<b>Total intangible assets</b>	<b>-</b>	<b>-</b>	<b>78.0</b>	<b>76.0</b>
Amortisation periods			3-10 years	3-10 years

NOTE 23 Land, buildings and plant	City		Municipal Group	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
SEK million				
Opening land, buildings and plant, 1 January	61,681.1	57,152.5	166,411.1	151,445.6
Opening depreciation, 1 January	-7,074.1	-6,378.6	-40,439.2	-37,763.7
Correction MFO / Effect of change of accounting principle **	169.0		169.0	363.3
Depreciation for the period	-876.9	-810.2	-3,311.1	-3,269.4
Disposals/impairment losses for the period	-191.8	-38.0	-184.5	152.9
Of which disposals***	-191.8	-27.2	-193.3	-
Revaluation for the year			-	-
New investments for the period	4,549.9	4,101.4	5,647.0	5,997.0
Reclassification for the period, construction, conversion and extension*	-12,256.9	-527.3	-6,713.1	8,352.6
Investment grants for the period are recognised as a liability	-51.4	-12.9	0.0	0.0
Sales	-54.5	-415.8	-305.9	693.5
Reclassification, development properties		1,523.0	0.0	-
<b>Total land, buildings and plant</b>	<b>45,945.7</b>	<b>54,607.0</b>	<b>121,273.3</b>	<b>125,971.8</b>
Depreciation periods	3-70 years	10-50 years	3-70 years	10-50 years

Investment; One price base amount, useful life 3 years or more. RKR recommendation 19 regarding impairments has been applied.

As of 2015, component division and component depreciation are applied to the City's investments.

\* SEK 10.5 billion was moved from the non-current asset account to construction, conversion and extension in connection with the Development Committee's fixed asset register ALF being moved to the new fixed asset module in the financial system Agresso. Standard capitalisations were previously applied in the transfer of value for assets from ALF to the general ledger. The change means that the general ledger continues to reflect the fixed asset subledger.

\*\* A correction was made by a crediting of the City's assets in connection with the incorporation of MFO in 2000. The correction has come forth in a total review of the fixed asset subledger in the transition to a new fixed asset module.

\*\*\* Expenses paid, SEK 157.4 million in Park 1 Coordination Centre have been expensed.

NOTE 24 Machinery and equipment	City		Municipal Group	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
SEK million				
Opening machinery and equipment, 1 January	1,376.4	1,264.7	12,835.9	11,986.0
Opening depreciation	-826.3	-780.5	-5,679.7	-5,433.6
Effect of change of accounting policy (K3)			0.0	48.4
Depreciation for the period	-155.1	-125.9	-521.0	-486.3
Disposals/impairment losses for the period	0.0	-2.2	0.0	-2.2
Disposals for the period	0.0	-3.9	0.0	-3.9
New investments for the period	186.5	205.5	458.3	261.8
Capitalised leases			10.9	0.0
Sales	-0.1	-7.5	-3.0	-34.5
Reclassification	0.0	0.0	108.2	820.4
<b>Total machinery and equipment*</b>	<b>581.4</b>	<b>550.1</b>	<b>7,209.4</b>	<b>7,156.0</b>
Depreciation periods (straight-line depreciation)	5-20 years	5-20 years	5-20 years	5-20 years

Investment; One price base amount, useful life 3 years or more.

\* For the City, finance leases are included in the amount for machinery and equipment; see note 48 for specification.

## NOTE 25 Construction, extension and conversion work in progress

SEK million	City		Municipal Group	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Opening construction, extension and conversion work in progress, 1 January	6,611.2	5,503.9	16,662.0	16,647.4
Effect of change of accounting policy (K3)			0.0	290.9
New investments for the period	181.2	535.0	9,502.5	8,934.8
Sales	-181.2	-7.7	-10.4	-7.5
Work in progress E18 Hjulsta-Kista adjustment co-financing 2003	0.0	580.0	0.0	
Impairments for the period			0.0	-10.7
Transfer development properties to sales**	-367.0	0.0		
Reclassification from land, buildings and plant*	12,256.9	0.0	6,239.0	-9,192.9
<b>Total construction, extension and conversion work in progress</b>	<b>18,501.1</b>	<b>6,611.2</b>	<b>32,393.1</b>	<b>16,662.0</b>

Investment; One price base amount, useful life 3 years or more.

\* SEK 10.5 billion was moved from the non-current asset account to construction, conversion and extension in connection with the Development Committee's fixed asset register ALF being moved to the new fixed asset module in the financial system Agresso. Standard capitalisations were previously applied in the transfer of value for assets from ALF to the general ledger. The change means that the general ledger continues to reflect the fixed asset subledger.

\*\* Transfers of development properties intended for sale are moved from construction, extension and conversion work in progress to current assets.

## NOTE 26 Shares and participations

SEK million	City		Municipal Group	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Opening shares and participations, 1 January	3,880.7	3,880.7	2,590.7	2,320.0
Purchase of tenant-owner apartments	14.1	0.0	0.0	0.0
Purchase of shares and participations*	0.0	0.8	47.4	270.6
Sale of shares and participations*	0.0	-0.8	-0.4	0.0
<b>Total shares and participations</b>	<b>3,894.8</b>	<b>3,880.7</b>	<b>2,637.7</b>	<b>2,590.6</b>

\* Stockholms Stadshus AB has acquired the City's shares in AB Fortum Värme Holding co-owned with the City of Stockholm through a non-cash issue on 1 July 2014 at a value of SEK 0.8 million. The City's total shareholdings are thereby unchanged.

## City's shares in municipal companies, etc. on 31 Dec. 2015

Companies	Share capital (SEK 000s)	Participating interest (%)	Book value 31 Dec 2015 (SEK 000s)
Stockholms Stadshus AB	2,850,800.0	100.0	3,484,382.0
Kaplansbacken AB	500.0	100.0	514.0
Svenska Teknologföreningens Fastighets AB	562.0	100.0	562.0
Stockholms Terminal AB	1,000.0	50.0	2,300.0
<b>Total shares in subsidiaries/Group companies</b>			<b>3,487,758.0</b>
<b>Shares in other companies</b>			
SÖRAB	12,000.0	5.0	400.0
AB Servi-Data (deposit certificate)			0.1
<b>Total shares in other companies</b>			<b>400.1</b>
Participations in Greater Stockholm Fire Brigade			27,831.4
<b>Total participations in statutory joint authorities</b>			<b>27,831.4</b>
Participations in tenant-owner apartments			378,763.3
<b>Total participations in tenant-owner apartments</b>			<b>378,763.3</b>
<b>Total shares and participations, City</b>			<b>3,894,752.8</b>



**NOTE 27 Proportion of equity in associates**

SEK million	Municipal Group	
	31 Dec 2015	31 Dec 2014
Opening cost	5,016.3	835.6
Increased influence in AB Fortum Värme Holding co-owned with the City of Stockholm		4,241.2
Sales/disposals	437.9	139.5
Dividend	-203.0	-200.0
Other	-29.8	0.0
<b>Closing net value</b>	<b>5,221.3</b>	<b>5,016.3</b>

	Proportion of equity	Company reg. no.	Domicile
Sydvästra Stockholmsregionens VA-verks AB, SYVAB	33.0%	556050-5728	Stockholm
Nynäshamns Mark AB	50.0%	556314-3113	Stockholm
Mässhastigheter i Stockholm AB	50.4%	556094-5627	Stockholm
AB Fortum Värme Holding co-owned with the City of Stockholm	50.0%	556040-6034	Stockholm

**As AB Fortum Värme Holding represents the largest value in the proportion of equity, the company's balance sheet is presented in abbreviated form below.\***

	31 Dec 2015	31 Dec 2014
Intangible assets	58.0	71.4
Property, plant and equipment	25,462.3	23,848.5
Financial assets	11.6	12.2
Current assets	2,656.5	2,730.6
<b>Total assets</b>	<b>28,188.5</b>	<b>26,662.8</b>
Equity including minority interest	10,825.7	10,357.2
Provisions	3,300.4	3,180.7
Other non-current liabilities	11,479.4	9,231.8
Current liabilities	2,583.0	3,893.1
<b>Total equity, provisions and liabilities</b>	<b>28,188.5</b>	<b>26,662.8</b>

\* The balance sheet above is prepared according to the K3 regulations while the official report the company presents is prepared according to IFRS.

**NOTE 28 Non-current receivables**

SEK million	City		Municipal Group	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Opening non-current receivables, 1 January	20.0	1,701.3	342.2	2,187.7
New lending	0.0	0.0	0.0	0.0
Reversal of previous year's reclassification	0.8	0.8	0.8	0.8
Repayments	-0.8	-1,681.3	-0.8	-1,681.3
Revaluation/Impairment	0.0	0.0	0.0	0.0
Current portion of non-current receivables*	-0.8	-0.8	-0.8	-0.5
Change in deferred tax assets	-	0.0	-14.4	11.1
Change in other non-current receivables	-	-	-45.6	-175.6
<b>Total non-current receivables</b>	<b>19.2</b>	<b>20.0</b>	<b>281.4</b>	<b>342.2</b>
<b>Combined non-current receivables</b>				
Borrowers, other	19.2	20.0	19.2	20.0
Deferred tax assets	-	-	245.5	259.8
Other long-term receivables	-	-	16.7	62.3
<b>Total non-current receivables</b>	<b>19.2</b>	<b>20.0</b>	<b>281.4</b>	<b>342.2</b>

\* Receivables with a due date within one year of the end of the reporting period. These receivables have been transferred to short-term lending.

**NOTE 29 Development properties\***

SEK million	City		Municipal Group	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Development properties	1,460.0	1,093.0	1,460.0	1,093.0
<b>Total leasehold land</b>	<b>1,460.0</b>	<b>1,093.0</b>	<b>1,460.0</b>	<b>1,093.0</b>

\* All development properties intended for sale are recognised as current assets. As of 2015, the move is made from the work in progress account instead of from capitalised investments.

Note: The amounts in the tables are rounded and so do not add up exactly.

**NOTE 30 Inventories and work in progress**

SEK million	City		Municipal Group	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Inventories	3.3	3.8	30.9	27.4
Work in progress	1.1	3.5	4.8	9.4
<b>Total inventories and work in progress</b>	<b>4.4</b>	<b>7.3</b>	<b>35.7</b>	<b>36.8</b>

**NOTE 31 Current receivables – other**

SEK million	City		Municipal Group	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Tax/VAT receivables	791.6	606.5	187.6	373.3
Government grant receivables	470.4	166.9	470.4	166.9
Current receivables from the City's Group companies*	57,046.3	50,181.5	0.0	0.0
Other current receivables	18.7	51.4	353.4	1,558.4
Prepaid expenses and accrued income	2,315.1	2,024.4	2,686.9	2,402.9
Accounts receivable – trade	650.9	680.9	1,146.2	1,231.4
<b>Total current receivables – other</b>	<b>61,293.2</b>	<b>53,711.7</b>	<b>4,844.6</b>	<b>5,733.0</b>

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

**NOTE 32 Short-term lending**

SEK million	City		Municipal Group	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Short-term lending	0.0	0.0	0.0	0.0
Current portion of non-current receivables*	0.8	0.8	0.8	0.8
<b>Total short-term lending</b>	<b>0.8</b>	<b>0.8</b>	<b>0.8</b>	<b>0.8</b>

\* Non-current receivables with a due date within one year of the end of the reporting period. These receivables have been transferred to short-term lending.

**NOTE 33 Investments in securities, etc.**

SEK million	City		Municipal Group	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Skills credit account	28.1	32.5	28.1	71.4
<b>Total investments in securities, etc.</b>	<b>28.1</b>	<b>32.5</b>	<b>28.1</b>	<b>71.4</b>

**NOTE 34 Cash and cash equivalents**

SEK million	City		Municipal Group	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Imprest cash, etc.	6.5	5.8	6.5	5.8
Cash and cash equivalents (bank, etc.)	1,692.1	303.0	1,954.3	526.0
<b>Total cash and cash equivalents</b>	<b>1,698.6</b>	<b>308.8</b>	<b>1,960.8</b>	<b>531.8</b>

**NOTE 35 Equity**

SEK million	City		Municipal Group	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Opening equity, 1 January	60,663.2	56,632.8	109,146.7	100,175.9
Of which allocation 2014 change/Earlier years*	-167.9	-65.4	-	-
Change in equity as per income statement	1,924.0	3,450.4	2,606.3	4,087.1
Change in equity not via profit/loss**	169.0	580.0	151.4	580.0
Dividend	0.0	0.0	0.0	-0.1
Changed accounting policies	0.0	0.0	0.0	4,303.8
<b>Total equity</b>	<b>62,756.2</b>	<b>60,663.2</b>	<b>111,904.4</b>	<b>109,146.7</b>

\* Allocation for 2002, 2006, 2010, 2011 was reversed in the 2014 accounts and replaced by a new allocation of SEK 1,489.5 million.

\*\* In 2015, a correction for MFO 2000 was zeroed due to a review of all assets in the introduction of a new fixed asset module in 2015. In 2014, as per audit conducted, co-financing recognised as income in 2003 was adjusted and revised as the City's own investments pertained to co-financing E18 Hjulsta-Kista



## NOTE 36 Total equity

SEK million	Opening balance 2015	Less to-date	Less 31 Dec 2015	Closing balance 31 Dec 2015
Järva improvement, Söderort vision, Hässelby-Vällingby*	74.5	0.0	-8.8	65.7
IT costs	765.0	0.0	-97.8	667.2
Of which procurement of a new accounting system (SUNE)	0.0	0.0	-44.7	-44.7
Digital renewal incl. e-services	0.0	0.0	-45.4	-45.4
eDoc project	0.0	0.0	-7.6	-7.6
Stimulus grant**	150.0	0.0	-61.3	88.7
Of which expansion for childcare	0.0	0.0	-52.8	-52.8
Of which expansion for disabled care	0.0	0.0	-8.5	-8.5
Of which expansion for elderly care	0.0	0.0	0.0	0.0
Social investment fund	300.0	0.0	0.0	300.0
Funds for skills development	200.0	0.0	0.0	200.0
Total allocation 2014 change	1,489.5	0.0	-167.9	1,321.6

\* Notation discontinued in connection with the 2015 annual accounts

\*\* Replaced by appropriations 2016; Notation discontinued in connection with the 2015 annual accounts

## NOTE 37 Pensions and similar obligations

SEK million	City	
	31 Dec 2015	31 Dec 2014
Opening pension provision, 1 January	5,050.5	4,889.7
Newly earning and debt change employees and pensioners**	197.8	103.2
Defined-contribution pensions for managers	-12.0	27.8
Time-limited and retirement pensions for elected representatives, severance pay*	3.9	-0.5
Liability regarding Skafab	2.4	-1.2
Allocated to employer's contribution	46.6	31.4
Of which interest-rate and basic-amount indexation	78.8	60.4
Total pension provision	5,289.2	5,050.5
of which defined-contribution pensions for managers	159.0	174.0
of which pension payments for elected representatives incl. employer's contribution	209.6	204.7
Update rate (%)	81.4%	81.4%
Update rate, employment in City of Stockholm (%)	99.0%	99.0%
Number of time-limited salaried employees; the City's time-limited salaried employees all fundamentally have permanent employment, which is why the City's pension commitments have not changed due to the time limitation.	0.0	0.0
The liability has been reduced by insurance via occupational pension insurance incl. administration managers and others with special agreements. (SEK million)	0.7	0.8

\* Elected representatives have been included in the balance sheet as of 2010.

\*\* Liability for 2015 also comprises commitments for latent survivor's pension (SEK 14.9 million). Equivalent information is unavailable for the comparison year 2014.

**NOTE 38 Other provisions**

SEK million	City	
	31 Dec 2015	31 Dec 2014
<b>Burial fees</b>		
Opening balance, 1 January	57.8	41.5
Utilised	0.0	0.0
Annual provision	10.2	16.4
<b>Closing balance</b>	<b>68.1</b>	<b>57.9</b>
<b>Infrastructure grants*</b>		
Opening balance, 1 January	7,703.0	8,126.8
Utilised	-741.8	-423.8
Annual provision	0.0	0.0
<b>Closing balance</b>	<b>6,961.2</b>	<b>7,703.0</b>
<b>Science for Life Laboratory**</b>		
Opening balance, 1 January	277.4	280.0
Utilised	-31.5	-2.6
Annual provision	0.0	0.0
<b>Closing balance</b>	<b>245.9</b>	<b>277.4</b>
<b>Total opening balance</b>	<b>8,038.3</b>	<b>8,448.3</b>
<b>Total utilised</b>	<b>-773.3</b>	<b>-426.4</b>
<b>Total provisions for the year</b>	<b>10.2</b>	<b>16.4</b>
<b>Total closing balance</b>	<b>7,275.2</b>	<b>8,038.3</b>

\* Provision for Norra länken, Citybanan, Light Rail, Metro expansion, other rail connections and the Royal National City Park etc. Uncertain if the amount exists. The City takes up decisions about contributions to national infrastructure as income immediately. The amounts are index-enumerated. Provisions for infrastructure measures amount to a further approximately SEK 375 million in 2016, SEK 400 million in 2017, SEK 270 million in 2019, SEK 900 million in 2020 and SEK 4.7 billion after 2020.

\*\* According to decision in the 2014 accounts, the provision may be used for commitments to Electrum including Kista Science City.

**NOTE 39 Bond loans**

SEK million	City		Municipal Group	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Opening bond loan liability	16,853.1	12,636.5	16,853.1	12,636.5
New borrowing	9,701.1	9,426.6	9,701.1	9,426.6
Period allocation of premiums and discounts	-5.0	24.0	-5.0	24.0
Reversal of previous year's reclassification	4,119.0	3,459.9	4,119.0	3,459.9
Repayments	-4,119.0	-4,574.9	-4,119.0	-4,574.9
Current portion of long-term loans*	-2,950.0	-4,119.0	-2,950.0	-4,119.0
<b>Total bond loans</b>	<b>23,599.2</b>	<b>16,853.1</b>	<b>23,599.2</b>	<b>16,853.1</b>
Foreign bond loans	22,399.2	13,953.1	22,399.2	13,953.1
Swedish bond loans	1,200.0	2,900.0	1,200.0	2,900.0
<b>Total bond loans</b>	<b>23,599.2</b>	<b>16,853.1</b>	<b>23,599.2</b>	<b>16,853.1</b>

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

**NOTE 40 Promissory note loans**

SEK million	City		Municipal Group	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Opening promissory note loan liability	1,200.0	2,200.0	1,200.0	2,200.0
New borrowing	1,050.0	230.0	1,050.0	230.0
Reversal of previous year's reclassification	1,230.0	180.0	1,230.0	180.0
Repayments	0.0	-180.0	0.0	-180.0
Current portion of long-term loans*	-230.0	-1,230.0	-230.0	-1,230.0
<b>Total promissory note loans</b>	<b>3,250.0</b>	<b>1,200.0</b>	<b>3,250.0</b>	<b>1,200.0</b>
Foreign promissory note loans	3,250.0	1,200.0	3,250.0	1,200.0
<b>Total promissory note loans</b>	<b>3,250.0</b>	<b>1,200.0</b>	<b>3,250.0</b>	<b>1,200.0</b>

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



**NOTE 41 Other non-current liabilities**

SEK million	City		Municipal Group	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Opening borrowing, leases	0.4	0.5	0.4	0.5
New borrowing, leases	0.0	0.0	0.0	0.0
Reversal of previous year's reclassification	0.2	0.2	0.2	0.2
Repayments	-0.1	-0.1	-0.1	-0.1
Reclassification	-0.2	-0.2	-0.2	-0.2
<b>Total non-current liabilities, leases</b>	<b>0.2</b>	<b>0.4</b>	<b>0.2</b>	<b>0.4</b>
Funds negotiated	0.6	0.6	0.6	0.6
Liability funds	29.9	35.5	29.9	35.5
Period-allocated investment income*	139.4	64.0	139.4	64.0
(Of which construction, conversion and extension)	59.9	0.0	59.9	0.0
(Of which investment grants)	85.6	66.7	85.6	39.2
(Of which reversed investment grants)	-9.7	-6.6	-9.7	-4.9
(Of which street cost reimbursements)	4.1	4.1	4.1	31.6
(Of which reversed street cost reimbursements)	-0.5	-0.1	-0.5	-1.9
Depreciation periods (straight-line depreciation)	3-70 years	5-20 years	3-70 years	5-20 years
Other non-current liabilities**	656.2	656.0	675.1	674.4
Unused bank overdraft facilities	0.0	0.0	0.0	0.0
<b>Total other non-current liabilities</b>	<b>826.4</b>	<b>756.5</b>	<b>845.3</b>	<b>774.9</b>

\* Agreement with the public service company, Swedish National Grid, regarding Stockholms Ström.

\*\* Investment grants are allocated to the corresponding asset. No relocation to current liabilities occurs as the investment income does not affect cash flow.

**NOTE 42 Current liabilities**

SEK million	City		Municipal Group	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Accrued expenses and deferred income	3,988.9	3,549.7	7,077.3	5,793.1
Tax liabilities/VAT	96.0	383.3	141.6	215.9
Accounts payable	3,683.3	2,876.8	4,944.0	4,666.8
Funds negotiated	3.8	4.3	3.8	4.3
Funds deposited	6.7	6.2	6.7	6.2
Liability funds	2.2	3.7	2.2	3.7
Employee taxes	279.0	261.3	329.5	309.5
Current liabilities to Group companies*	13,821.8	14,163.9	0.0	0.0
Other	978.0	884.4	1,104.2	3,128.5
<b>Total current liabilities</b>	<b>22,859.7</b>	<b>22,133.7</b>	<b>13,609.3</b>	<b>14,128.0</b>

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

**NOTE 43 Short-term loans**

SEK million	City		Municipal Group	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
Swedish certificate loans	2,127.1	0.0	2,127.1	0.0
Foreign certificate loans	1,428.1	0.0	1,428.1	0.0
Current portion of long-term loans*	3,180.0	5,349.0	3,180.0	5,349.0
of which borrowing from majority-owned companies	0.0	230.0	0.0	230.0
<b>Total short-term loans</b>	<b>6,735.1</b>	<b>5,349.0</b>	<b>6,735.1</b>	<b>5,349.0</b>

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

**NOTE 44 The City's liability for holiday pay and unpaid overtime**

SEK million	City	
	31 Dec 2015	31 Dec 2014
Opening liability	778.7	764.7
Of which holiday pay	723.8	710.9
Of which unpaid overtime	54.9	53.7
Change in holiday-pay liability	55.9	12.9
Change in unpaid overtime	1.6	1.2
<b>Total liabilities for holiday pay and unpaid overtime</b>	<b>836.1</b>	<b>778.7</b>
Of which holiday pay	779.6	723.8
Of which unpaid overtime	56.5	54.9

Note: The amounts in the tables are rounded and so do not add up exactly.

**NOTE 45 Contingent liabilities and guarantees**

City

SEK million	31 Dec 2015	31 Dec 2014
<b>City's majority-owned companies' pension commitments</b>	<b>42.6</b>	<b>43.1</b>
Stockholms Stadshus AB	6.6	11.4
Stockholms Parkering	5.1	5.5
Stockholms Hamnar	6.3	5.6
S:t Erik Markutveckling	1.7	1.6
Stockholm Business Region	5.0	5.1
Bostadsförmedlingen i Stockholm AV	2.6	2.3
AB Svenska Bostäder	2.4	2.8
Micasa Fastigheter i Stockholm AB	2.4	2.1
SISAB	2.6	2.5
Stockholm Vatten Holding AB	6.4	3.2
Stockholm Globe Arena Fastigheter	0.6	
S:t Erik Livförsäkring AB	0.9	1.0
<b>Total contingent liabilities and guarantees for majority-owned companies"</b>	<b>42.6</b>	<b>43.1</b>
<b>Other legal entities/private individuals</b>		
Loan guarantees	527.9	493.9
of which		
Stiftelsen Stockholms Studentbostäder	64.6	65.1
Stockholms Kooperativa Bostadsförening	195.8	195.8
Fortum	0.0	0.0
Stockholms Stadsmission	76.6	78.6
SYVAB	169.6	131.6
other legal entities	21.2	22.8
Pension commitments	58.7	58.9
Municipal loss liability for small houses	1.1	1.4
<b>Total</b>	<b>587.6</b>	<b>554.2</b>
<b>Total contingent liabilities and guarantees</b>	<b>630.2</b>	<b>597.3</b>

**NOTE 46 The City's pension provisions**

City

SEK million	31 Dec 2015	31 Dec 2014
Opening pension provision, 1 January	14,309.6	14,751.7
New earning and liability change employees and pensioners	8.5	-410.9
<b>Total pension provision*</b>	<b>14,318.1</b>	<b>14,340.8</b>
Plus employer's contribution	3,473.6	3,479.1
<b>Total pension provision including employer's contribution</b>	<b>17,791.7</b>	<b>17,819.9</b>
<b>Contingent liabilities for 2015 also comprise commitments for latent survivor's pension (SEK 322.2 million). Corresponding information unavailable for 2014.</b>		
Update rate (%)	81.4	81.4
Update rate, employment in City of Stockholm (%)	99.0	99.0

\* The 2014 value is adjusted with a changed accounting principle: Pension commitments regarding temporary pension that has not yet begun to be paid out. This shall be recognised as a contingent liability according to the changed recommendation in 2015. The pension liability was reported correctly in 2014 even according to the change.



## NOTE 47 Derivative instruments

Type of derivative (SEK million)	Nominal amount	Hedged volume	Market value
<b>31 Dec 2015</b>			
Currency/exchange rate swaps*	5,426.2	5,426.2	-438.1
Interest swaps	6,930.0	6,930.0	-71.9
<b>Total</b>	<b>12,356.2</b>	<b>12,356.2</b>	<b>-510.0</b>
<b>31 Dec 2014</b>			
Currency/exchange rate swaps*	1,033.1	1,033.1	-140.1
Interest swaps	6,915.0	6,915.0	-83.9
<b>Total</b>	<b>7,948.1</b>	<b>7,948.1</b>	<b>-224.1</b>

\* Currency/currency-interest swaps have been translated to the exchange rate after currency hedging.

Derivatives are used to minimise the risk of unforeseen higher interest expenses caused by interest-rate and/or currency fluctuations, which generate a lower risk through reduced interest-rate volatility for the City. The external debt portfolio essentially has a fixed interest rate after hedging using derivatives. The debt portfolio in foreign currencies is 100 percent hedged to SEK. The interest expense for the year for the external debt portfolio (excluding the Group and SSBF) is SEK 463.0 million including derivatives, and SEK 377.4 million excluding derivatives. The average interest rate for the external debt portfolio including derivatives is 1.77% (2.40%), and excluding derivatives 1.41% (1.98%). The average duration of the external debt portfolio including derivatives is 2.8 years (3.0 years), and 1.7 years (2.1 years) excluding derivatives. In accordance with the Finance Policy, the average duration will be 3.0 years with a deviation interval of +/- 1.5 years.

## NOTE 48 Leasing

SEK million	City	
	31 Dec 2015	31 Dec 2014
<b>Finance leases over 3 years*</b>		
<b>Machinery and equipment</b>		
Carrying amount	0.4	0.5
Present-valued minimum leasing fees	0.4	0.5
of which due within 1–5 years	0.2	0.2
of which due within 1–5 years	0.2	0.4
of which due after more than 5 years	0.0	0.0
<b>Operating leases over 3 years*</b>		
Minimum Leasing Fees	6,588.0	7,183.8
of which due within 1–5 years	814.2	864.2
of which due within 1–5 years	2,538.8	2,672.6
of which due after more than 5 years	3,235.0	3,647.0
of which intra-Group leases	4,412.3	5,081.1
due within 1 year	348.6	391.8
due within 1–5 years	1,257.0	1,448.9
due after more than 5 years	2,806.7	3,240.4

\* Leases that meet the conditions for operating leases are included. Lease agreements with a total value of less than SEK 500,000 or an annual cost equivalent to a maximum of SEK 150,000 are not recognised.

Financial 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 financial leases include contingent rent.

The City's IT operation is leased from Volvo Information Technology AB. The term of the contract does not exceed three years and it is therefore not included in the financial obligation above. The cost for 2015 amounts to SEK 587.4 million (564.0).

## NOTE 49 Additional dividend as per Section 5:1 of the Public Municipal Housing Companies Act

SEK million	City			
	31 Dec 2015	31 Dec 2014	31 Dec 2013	31 Dec 2012
Additional dividend as per Section 5:1 of the Public Municipal Housing Companies Act 2012	670.0	670.0	670.0	670.0
Expended	-348.1	-269.0	-184.8	-93.7
<b>Total remaining</b>	<b>321.9</b>	<b>401.0</b>	<b>485.2</b>	<b>576.3</b>
Additional dividend as per Section 5:1 of the Public Municipal Housing Companies Act 2013	1,900.00	1,900.0	1,900.0	
Expended	-238.1	-112.3	-41.9	
<b>Total remaining</b>	<b>1,661.9</b>	<b>1,787.7</b>	<b>1,858.1</b>	
Additional dividend as per Section 5:1 of the Public Municipal Housing Companies Act 2014	450.0	450.0		
Expended	-139.2	-48.8		
<b>Total remaining</b>	<b>310.8</b>	<b>401.2</b>		

Note: The amounts in the tables are rounded and so do not add up exactly.

# Audit report for the city executive board in 2015

As the auditors appointed by the City Council, we have audited the City Executive Board's activities during 2015. The audit of the City Executive Board also includes municipality-wide functions, the City's annual report and accounting records, and the consolidated financial statements for the City of Stockholm Municipal Group.

The City Executive Board is responsible for leading and coordinating the City's operations and monitoring other committees and boards. The Board is responsible for the continuous supervision so that operations are conducted in accordance with the City Council's objectives, decisions and guidelines and applicable laws and regulations. This responsibility includes monitoring the development of the operations and finances and taking action when necessary. In addition, the Board is responsible for there being adequate internal controls and feedback reporting to the City Council. The City Executive Board is also responsible for preparing an annual report that provides a true and fair view of the financial position and performance.

Our responsibility is to review operations, internal control and accounts and determine if operations were conducted according to the City Council's objectives, decisions and guidelines as well as the laws and regulations that apply to the operations. We shall also assess whether the annual accounts are consistent with the financial targets and operating objectives decided on by the Assembly.

The audit has been conducted in accordance with the Local Government Act, generally accepted auditing practice in municipal operations and the City's auditing rules. The audit has been carried out using the focus and scope necessary to provide a reasonable basis for assessment and review of liability.

The appointed lay auditors of the City's companies – Stockholms Stadshus AB and subsidiaries – have audited the operations of these companies during 2015.

We have examined if the results are in agreement with the City Council's goals for sound financial management. We assess that the orientation goals of An eco-smart Stockholm and A financially sustainable

Stockholm and the City Council's financial targets have been achieved. The orientation goals A Stockholm that stands united and A democratically sustainable Stockholm are partially achieved. Our overall assessment is that activities have been conducted appropriately and satisfactorily. From a financial point of view, we assess that the activities have been conducted satisfactorily.

The internal control is largely adequate.

We assess that the annual report provides a true and fair view of the year's financial position and performance.

We recommend that the City's annual report for 2015 is approved.

We also recommend that the City Executive Board and its members are discharged from liability.

The auditor's report includes a summary of the outcome of the audit of the City's committees and companies, and audit memoranda and auditor's reports in accordance with the list attached.

## Stockholm, 07 April 2016

Bosse Ringholm  
Ulf Bourker Jacobsson  
Håkan Apelkrona  
Andreas Bjerke  
Barbro Ernemo  
Kajsa Fogelberg

Carolina Gomez Lagerlöf  
Birgitta Guntsch  
Susann Jensen-Engström  
Bengt Lagerstedt  
Sven Lindeberg  
Eva Lundberg

Inge-Britt Lundin  
Amanj Mala-Ali  
Lars Riddervik  
Gun Risberg  
Michael Santesson  
David Winks

Gunnar Ågren

Revisor Ellinor Fornebrant  
served during the period  
1 January 2015-25 January  
2016.

## The following appendices are included in the auditor's report

- Auditors' annual report 2015
- Expert advisers' annual reports 2015 by committee (nos. 1–32, 2016)
- Expert advisers' audit memorandum 2015 by committee (nos. 1–17, 2016)
- Expert advisers' project reports (nos. 3–11, 2015 and nos. 1–5, 2016)
- Review reports from lay auditors and auditor's reports from the company's authorised public accountants:  
*Stockholms Stadshus AB, AB Svenska Bostäder, AB Stadsholmen, IT-BO i Stockholm AB, Svenska bostäder, L-Bolag 1 AB, Fastighets AB Centrumhuset i Vällingby, AB Familjebostäder, AB Familjebostäder Fastighetsnät, Hemmahamnen Kontor AB, Gyllene Ratten Ny AB, AB Stockholms hem, AB Stockholms hem Fastighetsnät, Bostads AB Hammarbygård, Västertorp Energi AB, Anser AB, Skolfastigheter i Stockholm AB (SISAB), Bostadsförmedlingen i Stockholm AB, Stockholm Vatten Holding AB, Stockholm Vatten Avfall AB, Stockholm Vatten AB, Stockholm Vatten VA AB, Stockholms Hamn AB, Nynäshamns Hamn AB, Stockholms Stads Parkerings AB, Stokab, S:t Erik Kommunikation AB, S:t Erik Fiber AB, Stockholms Stadsteater AB, Stockholm Globe Arena Fastigheter AB, Stockholm Entertainment District AB, Södra Byggrätten Globen AB, Arena 9 Norra Fastigheten AB, Stockholms Business Region AB, Stockholm Visitors Board AB, Stockholm Business Region, Development AB, Micasa Fastigheter i Stockholm AB, S:t Erik Markutveckling AB, Fastighets AB G-mästaren, Fastighets AB Runda Huset, Fastighets AB Charkuteristen, Fastighets AB Styckmästaren, Fastighets AB Tuben, Kylfacket förvaltning AB, Fastighets AB Kylrummet, Fastighets AB Palmfelt center, Norra Station AB, Fastighets AB Langobardia, Fastighets AB Gavia, Fastighets AB Godsfinkan, Fastighets AB Grosshandlarvägen, S:t Erik Livförsäkring AB, S:t Erik Försäkrings AB.*



# Committees, companies and foundations

## Specialist committees

SEK million	Number of employees	Budget net costs	Net outcome excl. income funds	Change in income fund	Deviation outcome 2015	Outcome net investments
City Executive Board	347	-1,404.3	-1,323.7	-0.0	80.6	-1.5
Audit Board	18	-27.7	-21.9	0.0	5.8	0.0
Service Committee	316	-0.0	5.5	-2.2	3.2	-1.2
Election Committee	0	-3.3	-3.6	0.0	-0.3	0.0
District Councils	18,529	-19,498.3	-19,431.9	-15.6	50.8	-219.0
Labour Market Committee	718	-843.0	-811.2	0.0	31.8	-0.8
Development Committee	205	1,179.9	1,220.6	0.0	40.7	-2,787.3
Real Estate Committee	163	80.3	101.4	0.0	21.1	-780.4
Sports Committee	417	-595.7	-568.6	3.4	30.5	-49.6
Culture Committee: Culture Administration	975	-864.5	-858.2	-0.0	6.3	-14.2
Culture Committee: City Archives	77	-49.1	-49.1	-0.0	0.0	-1.5
Cemeteries Committee	112	-173.3	-162.2	-0.0	11.1	-29.7
Environment and Health Committee	249	-102.9	-88.2	0.0	14.7	-0.9
Social Services Committee	959	-819.5	-801.4	0.8	18.9	-6.4
City Planning Committee	356	-165.7	-179.4	-0.0	-13.7	-1.5
Traffic Committee	371	-697.1	-597.0	0.0	100.1	-889.9
Education Committee	14,371	-16,056.5	-15,901.1	-48.4	107.0	-78.3
Elderly Services Committee	117	-167.3	-150.8	-0.0	16.5	-9.0
Public Trustees Committee	25	-40.7	-46.2	-0.0	-5.5	-0.3
<b>Total committees</b>	<b>38,325</b>	<b>-40,248.7</b>	<b>-39,667.1</b>	<b>-62.1</b>	<b>519.5</b>	<b>-4,871.6</b>

Note: The amounts in the tables are rounded and so do not add up exactly.

The number of employees refers to all salaried employees as at 31 December 2015.

The budget and outcomes are inclusive of capital costs and internal transactions between the committees.

Increase in income fund (-)

Deviation is after appropriation of surplus

## District Councils

SEK million	Number of employees	Budget net costs	Net outcome excl. income funds	Change in income fund	Deviation outcome 2015	Outcome net investments
Rinkeby-Kista District Council	1,260	-1,433.9	-1,412.9	-1.6	19.4	-10.2
Spånga-Tensta District Council	955	-1,079.8	-1,079.0	0.2	1.0	-12.8
Hässelby-Vällingby District Council	1,481	-1,728.3	-1,726.9	-0.9	0.5	-15.9
Bromma District Council	1,654	-1,382.0	-1,381.3	0.2	1.0	-11.5
Kungsholmen District Council	1,204	-1,104.1	-1,096.6	-3.1	4.5	-14.8
Norrmalm District Council	838	-1,059.2	-1,059.0	2.0	2.3	-15.0
Östermalm District Council	923	-1,268.4	-1,246.9	-1.2	20.2	-12.3
Södermalm District Council	1,692	-2,161.5	-2,155.3	-3.2	2.9	-26.6
Enskede-Årsta-Vantör District Council	2,479	-2,233.4	-2,231.9	-1.2	0.4	-14.3
Skarpnäck District Council	769	-1,067.5	-1,062.6	0.2	5.2	-14.5
Farsta District Council	1,301	-1,497.8	-1,510.6	-1.4	-14.3	-18.5
Älvsjö District Council	676	-575.9	-571.5	-4.1	0.3	-8.3
Hägersten-Liljeholmen District Council	2,271	-1,788.5	-1,788.5	0.6	0.6	-27.1
Skärholmen District Council	1,026	-1,118.0	-1,109.0	-2.2	6.8	-17.1
<b>Total district councils</b>	<b>18,529</b>	<b>-19,498.3</b>	<b>-19,431.9</b>	<b>-15.6</b>	<b>50.8</b>	<b>-219.0</b>

Note: The amounts in the tables are rounded and so do not add up exactly.

## District Councils' operational areas

SEK million	Budget net costs	Net outcome excl. income funds	Change in income fund	Deviation outcome 2015
Committee and management administration	-609.0	-530.6	0.0	78.4
Individual and family care	-1,885.4	-2,009.6	-0.7	-124.9
of which social psychiatry	-486.9	-492.2	-0.5	-5.8
City environment activities	-199.4	-207.6	0.0	-8.2
depreciation/amortisation	-96.6	-97.8	0.0	-1.2
internal rates	-21.1	-14.9	0.0	6.2
Pre-school activities	-4,600.8	-4,536.0	2.6	67.3
Elderly care services	-6,927.7	-6,985.2	-10.1	-67.6
Support and services for people with disabilities	-3,474.0	-3,430.8	-5.8	37.4
Culture and association activities	-323.0	-286.9	-1.5	34.6
Labour market measures	-184.0	-188.1	0.0	-4.1
Financial assistance	-1,133.6	-1,138.2	0.0	-4.6
of which administrators	-269.4	-284.2	0.0	-14.8
Other operations	-43.6	-6.1	0.0	37.5
<b>Total activities</b>	<b>-19,498.3</b>	<b>-19,431.9</b>	<b>-15.6</b>	<b>50.8</b>

The income and expenses of the operations include internal transactions.  
The amounts in the tables are rounded and so do not add up exactly.

## Foundations and statutory joint authorities

SEK million	OPERATING INCOME						Balance sheet total,
	Average number of employees	City's contribution	Other operating income	Operating expenses	Other income/ expenses net incl. depreciation,	Surplus for the year after appropriations	
<b>Foundations*</b>							
Stiftelsen Barnens Dag	71.2		50.4	-48.2	-1.9	0.2	62.2
Stiftelsen Hotellhem i Stockholm	172	37.7	172.1	-211.2	-0.9	-2.3	92.7
Stiftelsen Stockholm Water Foundation	2	0.0	2.9	-5.3	2.1	-0.3	36.1
Stiftelsen Strindbergsmuseet	12	5.3	4.0	-9.6	-0.1	-0.4	6.4
<b>Total foundations</b>	<b>257.2</b>	<b>43.0</b>	<b>229.4</b>	<b>-274.3</b>	<b>-0.8</b>	<b>-2.8</b>	<b>197.4</b>
<b>Statutory joint authorities</b>							
Greater Stockholm Fire Brigade	729	354.6	256.2	-569.8	-27.3	13.7	871

\*Foundations to which the City appoints at least half of the Board members.



## Limited companies

SEK million	Number of employees	Sales	Profit after net financial items	Balance sheet total	Equity 1	Interest capital employed 2, %	Equity/assets ratio 3, %	Investments
<b>Stockholms Stadshus AB (Group)</b>								
Stockholms Stadshus AB, Parent Company	7	45.0	408.0	28,073.0	27,527.0	2,721.4	98.1	0.0
AB Svenska Bostäder, Group	265	2,585.0	152.0	12,817.0	12,731.8	2.2	58.6	2,720.0
AB Familjebostäder, Group	296	1,762.0	324.0	13,821.0	8,468.0	4.8	64.3	640.0
AB Stockholmshem, Group	303	2,156.0	363.0	19,230.0	8,249.0	3.1	46.4	2,109.0
Micasa Fastigheter i Stockholm AB	56	1,039.0	85.0	7,379.0	398.0	1.6	5.4	476.0
Bostadsförmedlingen i Stockholm AB	96	98.0	0.0	72.0	12.3	27.1	17.0	1.0
Skolfastigheter i Stockholm AB, SISAB	168	2,167.0	10.0	11,989.0	319.6	1.0	3.1	1,461.0
Stockholm Vatten AB, Group	460	1,931.0	-82.0	10,799.0	434.8	0.5	1.8	1,523.0
Stockholm Hamn AB, Group	155	728.0	105.0	3,521.0	707.8	3.8	20.4	722.0
AB Stokab	89	728.0	212.0	1,968.0	68.7	20.0	36.3	184.0
Stockholms stads Parkerings AB, Group	67	546.0	109.0	918.0	107.9	9.9	11.8	106.0
Stockholms Stadsteater AB	499	164.0	-346.0	439.0	1.5	neg	0.3	11.0
Stockholm Globe Arena Fastigheter AB, Group	17	72.0	-152.0	4,040.0	371.0	neg	9.7	18.0
S:t Erik Försäkrings AB	7	133.0	25.0	293.0	119.1	0.0	40.7	0.0
S:t Erik Livförsäkring AB	3	61.0	86.0	2,289.0	559.4	neg	24.4	36.0
Stockholm Business Region AB, Group	70	234.0	-25.0	132.0	24.7	neg	18.2	0.0
S:t Erik Markutveckling AB, Group	5	257.0	47.0	3,541.0	251.6	2.0	2.0	910.0
Other companies, Associates SSAB				13.6	13.6			
Mässfastigheter i Stockholm AB, Group	261	653.0	39.0	1,072.0	337.6	3.7	31.8	30.0
Fortum Värme Holding AB*	722	6,275.8	1,122.3	28,188.5	10,824.4	6.0	38.4	2,788.0
<b>Total limited companies**</b>	<b>3,546</b>	<b>21,634.8</b>	<b>2,482.3</b>	<b>150,595.1</b>	<b>71,527.8</b>			<b>13,735.0</b>

\* The associates' profit share is included in the operations' operating profit.

\*\* The summaries do not pertain to the compiled accounting (Municipal Group), but rather only the sum of the companies included.

1 Equity is expressed here as the sum of restricted and non-restricted equity according to the balance sheet, and 78% of untaxed reserves.

2 Interest on total capital is calculated as follows: Surplus after financial items plus interest expenses divided by average balance-sheet total.

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

## Five-year summary

General information	2011	2012	2013	2014	2015
Population	864,324	881,235	897,700	911,989	923,516
national share, %	9.1	9.2	9.3	9.4	9.4
Employment rate aged 15–74 (LFS):					
percentage of entire population	55.1	55.0	56.0	56.1	56.0
percentage of population aged 15–74	72.4	72.3	73.6	73.6	73.4
Unemployment rate, percentage of workforce aged 15–74	6.6	6.7	6.6	7.1	6.9
Taxable income, SEK million*	182,181	191,258	201,165	210,351	220,055
per resident, SEK**	210,778	217,034	224,089	234,322	241,292
national average for the same, SEK	174,805	178,652	184,123	190,264	194,220
Total municipal tax rate:					
Stockholm, SEK	29.58	29.65	29.50	29.50	29.86
Of which the City:	17.48	17.48	17.33	17.33	17.68
County Council	12.10	12.10	12.10	12.10	12.10
Burial fee	0.07	0.065	0.065	0.065	0.075
Total municipal tax rate, national, SEK	31.55	31.60	31.73	31.86	31.99
Consumer price index, annual national average (1980=100)	311.43	314.20	314.06	313.42	313.35
Inflation (annual average), %	3.0	0.9	0.0	-0.2	0.0
The City's operations	2011	2012	2013	2014	2015
Change in equity for the year, SEK million	881	3,037	3,444	3,450	1,924
Surplus for the year in accordance with balanced-budget requirement, SEK million	679	2,318	2,286	2,729	1,560
Operating costs, SEK million	42,372	43,276	44,502	45,916	48,350
Operating revenues, incl. taxes and general government grants, SEK million	44,174	44,503	45,674	46,702	49,229
Assets, SEK million	97,064	103,256	112,809	120,823	133,427
per resident, SEK	112,458	117,335	125,841	132,483	144,477
Liabilities, SEK million	46,913	50,067	56,176	60,160	70,671
of which provisions	12,964	12,852	13,695	13,089	12,565
liabilities per resident, SEK	54,353	53,310	62,666	65,966	76,524
Equity, SEK million	50,151	53,188	56,633	60,663	62,756
per resident, SEK	58,105	60,440	63,176	66,517	67,953
Equity/assets ratio, %	52	52	50	50	47
Number of employees, approx.	36,734	36,530	36,280	36,473	38,325
full-time equivalents, approx.	35,040	34,775	34,644	35,069	36,765
Salaries and related expenses, SEK million	16,055	16,052	16,313	16,809	17,864
Majority-owned limited companies' operations	2011	2012	2013	2014	2015
Number includes companies/groups	20	19	18	18	18
Balance sheet total, SEK million	95,968	101,053	108,108	123,542	122,325
Revenues, SEK million	13,091	13,564	13,874	14,678	15,214
Profit after tax, SEK million	826	2,519	1,040	733	1,086
Equity, SEK million	51,744	53,725	52,939	59,814	60,704
Investments (gross), SEK million	8,758	9,489	8,279	10,621	10,936
Number of employees, converted to full-time equivalents	2,498	2,507	2,564	2,741	2,817
Salaries, SEK million	1163	1,197	1,238	1,309	1,374

\* Tax assessment year.

\*\* Number of residents in the assessment year.

\*\*\* The summaries do not pertain to the compiled accounting (Municipal Group), but rather only the sum of the companies included.





