

2023

Region Stockholm

Annual Report

2023 was impacted by uncertain market conditions and the national healthcare crisis

Inflation led to what the Swedish Association of Local Authorities and Regions (SALAR) described as the worst economic crisis in over 30 years for Sweden's healthcare system, while the Russian war of aggression against Ukraine continued in our local area.

Region Stockholm faced major challenges on account of all these aspects, and so we would like to extend our warmest thanks to our staff for their efforts during the year. This has required rapid adaptation and enhanced emergency preparedness, not least in healthcare and public transport. Our staff are the region's most important resource, and we will go on investing in our own staff with the ambition to train, recruit and retain more of them. We aim to improve the work environment, and we want more people to feel that working for Region Stockholm is synonymous with a sustainable working life.

Region Stockholm's profit for 2023 totalled SEK -1,011 million, which is a clear improvement compared with the budgeted profit of SEK -3,456 million thanks to the streamlining initiative that began after the transfer of power, which led to a reduction in consultancy costs for the first time in many years, while the cost of agency staff has fallen by a quarter of a billion compared to 2022. Sustaining this work going forward is crucial if the region is to cope with the economic crisis.

The focus on developing and improving healthcare services in Region Stockholm, despite the economic crisis, remains firm. Access to healthcare services has improved compared to 2022 for first visits within 30 days and treatment within 90 days. This work can be intensified going forward on account of reinforced production coordination and a review of care choices and proprietary healthcare production in 2023.

The continued recovery of public transport passenger numbers following the pandemic is welcome; but that said, further action is needed to ensure that public transport is accessible and reliable.

Russia's war against Ukraine continued to leave its mark on the year and prompted a number of support initiatives from Region Stockholm. This includes support to Ukraine through donations of vehicles and medical supplies, but also through support to people who have fled Ukraine and now live in Stockholm. At the same time, the region has strengthened its broader work on civilian preparedness, including through collaborative exercises, skills-enhancing activities and enhanced IT security.

The climate crisis is becoming more acute, too, and the need for society to change is clearer than ever. This is why Region Stockholm has taken several important steps in its region-wide sustainability work over the past year, such as the decision on Guidelines for sustainability and a reinforced climate report. Regional development work has been stepped up in order to strengthen the green transition together with municipalities and tackle housing shortages, skills shortages and power supply shortages. Region Stockholm aims to go on being a role model in terms of sustainability.

In conclusion, Region Stockholm will go on taking responsibility during the ongoing crisis. This is a promise to our staff, patients and passengers.

Aida Hadžialić
Regional Chair for Finance



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ADMINISTRATION REPORT

1 Overview of business development

1.1 About Region Stockholm

Region Stockholm is responsible for healthcare, public transport and regional development in Stockholm County 24 hours a day, seven days a week. Region Stockholm also contributes to cultural life in the county. Region Stockholm is one of Sweden's biggest employers, with around 47,000 employees.

Region Stockholm is on hand for the county's residents, and during a normal day

- 12,900 people visit GP surgeries
- 17,000 people contact other primary care services, including remote services
- 80 babies are born at maternity clinics
- 1,400 patients visit an A&E department
- 160,500 people visit 1177.se
- two million journeys are made by public transport
- 600,000 people travel by public transport
- 11,000 people use health and mobility services
- 30,000 passengers use public transport by sea (on summer days)
- 60,000 works of art can be viewed on Region Stockholm premises
- 800 children and young people see theatre productions subsidised by Region Stockholm.

1.2 Development of operations

In 2023, Region Stockholm recorded a negative result after many years of surpluses. The net income for the year was SEK -1,011 million. In 2023, ongoing wars and crises around the world have impacted the global economy and the economy in Sweden. The negative result is mainly due to high inflation, which means higher costs for staff and pensions. The positive results over these four years are explained mainly by the increase in tax revenues and government grants, while costs have not increased at the same rate.

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Multi-year overview	2023	2022	2021	2020	2019
Operating income	30,784	30,358	31,376	29,794	25,036
Operating costs	-116,872	-109,126	-100,098	-100,011	-96,220
Net income for the year	-1,011	4,965	1,821	5,802	1,497
Tax revenue, general government grants and equalisation	97,028	92,760	87,970	84,905	81,418
Profit share of tax revenue, general government grants and equalisation	-1.0%	5.4%	2.1%	6.8%	2.1%
Equity/asset ratio	15.6%	17.3%	14.9%	13.3%	9.7%
Equity/asset ratio incl. total pension liabilities	2.3%	3.3%	-0.4%	-2.6%	-7.1%
Investments	16,761	13,013	11,026	10,916	11,923
Self-financing rate	100.0%	100.0%	100.0%	100.0%	100.0%
Interest-bearing liabilities	46,556	48,316	53,503	55,290	58,015
Number of full-time equivalents	44,958	44,114	44,033	43,533	43,561

The negative result for the year was better than expected, exceeding the budget by SEK 2.4 billion. The financial position has turned out to be stronger than budgeted, mainly due to the fact that total tax revenue is SEK 2.8 billion higher, which is because of SEK 1,735 million in higher tax revenue and SEK 1,091 million lower costs for the equalisation system. This provides a better starting point for the coming fiscal years at a time when the economic conditions for 2024 are strained. Region Stockholm's debt to equity ratio, the long-term ability to pay, has gradually improved in recent years, which is explained mainly by the positive results, although 2023 showed a slightly lower debt to equity ratio compared with 2022. The region's interest-bearing liabilities decreased during the year by about SEK 1.7 billion and amounted to SEK 46.6 billion as at 31 December 2023.

The number of staff at Region Stockholm, measured in full-time equivalents¹, has increased slightly over the past five years, by an average of 0.9 per cent per year. This increase is explained by an increased need for healthcare staff due to increased demand for care, as well as the 2023 mission to reduce the use of agency staff.

1.3 Goal attainment in 2023

In the 2023 budget, the Regional Council has made a decision on four orientation goals: Sound financial management, Needs-based quality healthcare, Sustainable regional development and Good and sustainable employer. The orientation goals are concretised with committee-specific and activity-specific goals. Each committee-specific and activity-specific goal has one or more indicators that are used to assess how committees and companies are achieving the Regional Council's goals.

¹ "Full-time equivalents" refers to agreed time (attendance and absence) in relation to the individual full-time measure of the number of days in the period. A harmonised definition for the term "full-time equivalents" was established in 2023. A new visualisation tool also resulted in more accurate accounting of full-time equivalents.

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The overall assessment is that Region Stockholm has achieved a good financial position in 2023, as most of the orientation goals were achieved or partially achieved. The committees and companies of Region Stockholm have actively worked during 2023 to contribute toward the fulfilment of the Regional Council's goals.

The goals and indicators are described in more detail in the section entitled Sound financial management and financial position.

Orientation goals and committee-specific and activity-specific goals	Goal attainment
GOOD FINANCIAL MANAGEMENT	Achieved ●
A balanced result	Achieved ●
Sustainable investment development	Achieved ●
NEEDS-BASED QUALITY HEALTHCARE	Not achieved ●
High quality healthcare services	Not achieved ●
Region Stockholm helps to improve public health for all	Not achieved ●
SUSTAINABLE REGIONAL DEVELOPMENT	Achieved ●
Region Stockholm's operations will have minimised their emissions of harmful substances by 2035	1)
Region Stockholm strengthens sustainable travel to reduce the climate impact of transport	Achieved ●
Free culture for experiences, meetings, education and inclusion	Achieved ●
Achieve structured governance of Region Stockholm's activities	Not achieved ●
Region Stockholm is accessible to all and provides equal treatment	Achieved ●
By 2030, Region Stockholm's total climate impact will have been halved compared to 2019	Not achieved ●
Region Stockholm's meals promote health and are sustainable	Achieved ●
The design of the physical environments in Region Stockholm's operations is sustainable and promotes health	1)
2035: Flows in Region Stockholm's operations are circular	1)
2035: Region Stockholm organisations are resilient	Not achieved ●
Core activities shall be prioritised	Achieved ●
High level of innovation and digitalisation	Achieved ●
One of Europe's leading research regions in research for better health	Achieved ●
Regional development for an attractive growth region	2)
Contribute to a transport-efficient society in the Stockholm region	2)
The Stockholm region shall be Europe's most attractive growth region	Not achieved ●
GOOD AND SUSTAINABLE EMPLOYER	Partially achieved ●
Region Stockholm – an attractive employer	Not achieved ●
Systematic skills supply	Achieved ●

¹⁾ A baseline survey for all indicators relating to the goal will take place in 2023 as the indicators will be measured for the first time and have thus not been weighted in any way, which is why they have not been included as part of goal attainment.

²⁾ It has not been possible to perform an assessment of goal attainment as too few indicators could be measured in connection with the annual accounts, so this is based on an assessment of goal attainment.

2 Significant events

2.1 Challenging economic situation

Inflation has remained high in 2023, affecting everything from wage increases and pensions to the evolution of procurement costs. The Consumer Price Index rose by a historically high 8.5 per cent. The collective bargaining round resulted in a “mark” of 4.1 per cent, which is high in nominal terms, and significantly higher than what administrations and companies had anticipated in their business plans for 2023. Pension costs also increased more than budgeted on account of inflation.

Due to the high cost trend, committees and companies have been working on efficiency improvements and measures to balance their budgets in 2023.

2.2 Joint action plan and reinforced control of healthcare services

Work on the joint action plan has been carried out in four common areas: capacity planning, reduction in the use of agency staff, transitioning to primary care and reducing administration. The activities conducted during the year include implementation of a common capacity planning model.

All direct procurement procedures have been cancelled in order to reduce the dependency on agency staff. In terms of healthcare services, the cost of agency staff has fallen by 29 per cent, or SEK 348 million. For Region Stockholm as a whole, the cost of agency staff was SEK 361 million lower than in 2022. The largest reductions are seen at Södersjukhuset AB with 65 per cent and Danderyds sjukhus AB with 60 per cent.

On 20 February 2024, the Regional Executive Committee made a decision in accordance with the proposal for simpler, clearer control of proprietary care in Region Stockholm (RS-2023-0146). The proposal, which is the result of the parliamentary inquiry set up by a mandate in the 2023 budget, means that acute care hospitals will no longer be limited companies, but will become separate administrations under a newly established committee. The companies proposed to become administrations are Danderyds Sjukhus, Södersjukhuset, Södertälje Sjukhus, S:t Eriks Ögonsjukhus and AISAB.

2.3 Transition plan – for care choices

In 2023, the Healthcare Committee has been working on developing a transition plan to revise and abolish care choices as part of the initiative to make healthcare services more needs-driven. Several other budget assignments have been linked to this mission, such as investigating and implementing cost reduction measures in specialised outpatient care. All care choices were analysed on the basis of a set of indicators as a first step, and the most challenging care choices were identified. The final

transition plan, which was adopted by the Healthcare Committee and the Primary Care Committee in June 2023, identifies a new direction for 13 care choices (divided into ten care choices under the responsibility of the Healthcare Committee and three under the responsibility of the Primary Care Committee). Work began during the autumn on implementing the transition plan for eight care choices and producing documentation for a decision on a new form of agreement or revised tender documents.

2.4 Region Stockholm received five new licences for highly specialised care

The Committee for National Highly Specialised Care made a decision on licences for seven care areas in May 2023. In five of them, Region Stockholm was assigned: residual polio paralysis, paediatric intestinal rehabilitation, advanced pelvic surgery, severe skin symptoms and adult intestinal failure care.

National highly specialised care is care that is complex or rare. It can be provided at no more than five units in the country, and the Committee for Highly Specialised Care is leading efforts to concentrate care. The aim is to enable the healthcare provider to maintain expertise across the entire multidisciplinary team, to have the opportunity to develop and maintain good quality of care without limiting accessibility.

2.5 The epidemic and pandemic contingency plan has been updated

The Regional Council adopted an updated epidemic and pandemic contingency plan (RS 2022-0548) in May 2023. Experience from the COVID-19 pandemic had indicated the need for an improved structure in relation to the existing pandemic plan and epidemic contingency plan and the need for robust preparedness in more areas. As a result, the content was thoroughly revised. The new epidemic and pandemic plan includes descriptions relating to planning for vaccinations, contact tracing, sampling and diagnostics during a pandemic.

The region's epidemic and pandemic plan is a governing document that is subordinate to the emergency contingency plan and the Regional Disaster Medical Contingency Plan for Region Stockholm (RS 2019-1092).

2.6 New maternity unit at S:t Görän Hospital

The new maternity unit, BB S:t Görän, opened at S:t Görän Hospital in Stockholm on 1 April. This unit is an important addition to the county's obstetric care. BB S:t Görän will initially be able to accommodate around 2,000 births per year, and obstetric care is now available at seven Region Stockholm hospitals.

2.7 Region Stockholm brings ambulance care in-house

Region Stockholm will gradually be shifting towards running all ambulance care and on-call and emergency medical services in-house. A formal decision on this was made by the Healthcare Committee on 29 August 2023 (RS 2023-0665). The procured contracts are being phased out, and the assignment will be handled by Ambulanssjukvården i Storstockholm AB (AISAB), the region's own company for what are known as pre-hospital services.

2.8 New contract for commuter rail services

In November, the Transport Committee and MTR made a joint decision to terminate the commuter train contract early as deliveries failed to reach expected levels for over a year. This has been mainly due to a widespread national shortage of train drivers, which has also impacted commuter rail services, and shortcomings in maintenance activities.

Region Stockholm and SJ have signed a contract for the operation of commuter rail services from 3 March 2024. This two-year contract gives SJ full responsibility for commuter trains, including transport services, maintenance and servicing. This contract will future-proof commuter rail services, but it will take time before services can run at full capacity.

2.9 Support to Ukraine and reinforced efforts on preparedness issues

Almost two years have passed since Russia's invasion of Ukraine. Since the beginning of the war, Region Stockholm has been providing support through donations of vehicles, medical supplies and medical equipment. An important part of Region Stockholm's work also involves supporting people who have fled Ukraine and are now in Stockholm County.

The current security situation has meant that Region Stockholm has stepped up its civilian preparedness efforts. This work includes skills enhancement, wartime deployment, security protection, supply preparedness and robust IT for Region Stockholm's operations.

2.10 Awards and successes

Karolinska University Hospital has been ranked the sixth best hospital in the world and is the highest ranked hospital in Europe, according to an annual ranking by Newsweek magazine. This ranking is based on four sources: recommendations from health experts, patient surveys, quality metrics and patient assessments of the benefits of treatment and quality of life after care.

This evaluation is important for the allocation of state ALF funding². Karolinska Institutet and Region Stockholm have worked together to further reinforce clinical research and healthcare development in the region.

The Karolinska Institutet-Region Stockholm collaborative organisation also receives top marks in the National Board of Health and Welfare's evaluation of university healthcare. Research is the Stockholm region's strongest area, but innovation, teacher training and interaction with patients and relatives are also highlighted.

The public transport system in Stockholm is ranked the third best in the world, according to a global report by US consultancy Oliver Wyman and the University of California, Berkeley. This report focuses on aspects such as the proximity of public transport to passengers, fare levels, the speed of travel, how congestion is dealt with and the sustainability aspects of public transport.

In the Great Place to Work competition, the Patient Advisory Committee's administration came in first place among smaller companies/organisations in Sweden. This competition gauges staff satisfaction, engagement and involvement.

Film Stockholm's co-productions were a huge hit at the 2023 Guldbagge Awards. The film Paradise is Burning (Paradisets brinner) by Mika Gustafson was awarded Best Film, and Axel Petersén's Shame on Dry Land (Syndabocken) took home seven Guldbagge awards.

Klimatarena Stockholm has been established as a long-term collaborative platform in order to reduce greenhouse gas emissions from the construction sector. Klimatarena Stockholm has been presented with the Årets Förebyggare (Preventers of the Year) award at the 2023 Recycling Gala for its efforts to promote reuse and recycling in construction projects. The Karolinska Institutet-Region Stockholm collaborative organisation has received good ratings from the Swedish Research Council in respect of the social and patient benefits of clinical research. The Swedish Research Council has assessed three areas: scientific production, the clinical significance and societal benefit of research, and criteria for research. KI-Region Stockholm is rated "very high quality" for scientific production and "good-high quality" for the other two.

² The ALF agreement is an agreement between the state and the seven regions responsible for medical training. This agreement regulates cooperation in respect of medical training, clinical research and healthcare development.

2.11 The cooperation agreement between Region Stockholm and Region Gotland has been updated and extended

The Region Stockholm Healthcare Committee has decided to update the cooperation agreement for care with Region Gotland. This new agreement is based on the overall cooperation agreement within the Stockholm-Gotland healthcare region.

The longstanding collaboration between Region Stockholm and Region Gotland aims to jointly address healthcare challenges in a resource-efficient manner. This cooperation is crucial in order to ensure equal care for residents as Region Stockholm is the largest region in the country and Region Gotland is the smallest. Region Stockholm is responsible for highly specialised care and specialist care for referred patients within the healthcare region.

2.12 New business council meets Stockholm's challenges

The Stockholm region has established a business council in order to strengthen business conditions and international competitiveness. This council, chaired by the chairman of the Regional Executive Committee, is made up of business leaders representing different sectors in the Stockholm region.

2.13 New programme to ensure access to services in rural areas and the archipelago

A new regional service programme for the Stockholm region's rural and archipelago areas has been adopted by the Climate and Development Committee (KRN 2023-0143). This programme aims to ensure commercial services for more than 160,000 residents outside urban areas by prioritising the availability of groceries, fuel, post office services, pharmacy services and basic payment services.

In December 2023, a new agreement (KRN 2023-0174) was signed between Region Stockholm and the Archipelago Foundation for 2024 to 2027 inclusive, whereby Region Stockholm will continue to guarantee long-term funding for the foundation.

3 Regional Group

3.1 Regional Group

Region Stockholm is organised into a committee organisation as well as subsidiaries, which are grouped into two incorporated Groups. In Norrtälje, healthcare and social care are provided through a Statutory Joint Authority in collaboration with the municipality of Norrtälje. The table below shows

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the committees and companies included in the activities of Region Stockholm and in the consolidated accounts. Numbers in brackets show Region Stockholm's ownership share.

Regional Group		
Region	Group companies, etc.	
Regional Council, committees and executive committees <ul style="list-style-type: none"> • Regional Executive Committee • Healthcare Committee • Primary Care Committee • Patient Advisory Committee • Stockholm County Healthcare Area • Karolinska University Hospital • Transport Committee • Culture Committee • Property and Services Committee • Climate and Regional Development Committee • Board of Auditors 	Landstingshuset i Stockholm AB (100%) <ul style="list-style-type: none"> • Södersjukhuset AB • Danderyds Sjukhus AB <ul style="list-style-type: none"> ◦ Barnbördshuset Stockholm AB (49%) • Södertälje Sjukhus AB • S:t Eriks Ögonsjukhus AB • Folkvandvården Stockholms län AB • Ambulanssjukvården i Storstockholm AB • Tobiasregistret AB • MediCarrier AB • Locum AB • Film Stockholm AB 	AB Storstockholms lokaltrafik (100%) <ul style="list-style-type: none"> • SL Nya Tunnelbanan AB • AB SL Finans • SL Älvsjö AB • Waxholms Ångfartygs AB Statutory Joint Authority for Healthcare and Social Care in Norrtälje (50 %) <ul style="list-style-type: none"> • TioHundra AB

3.2 Organisational changes

A new political organisation came into force from 1 January 2023. Four new committees were established under the Regional Executive Committee, as well as a psychiatry committee under the Healthcare Committee. A new Primary Care Committee and a Climate and Regional Development Committee were established. The Climate and Sustainability Committee, the Growth and Regional Planning Committee, the Healthcare Knowledge Management Committee and the Mobility Service Committee were abolished at the same time.

The Regional Council made a decision in December 2022 that AB Stockholm Läns Landstings Internfinans activities would be transferred to the Regional Executive Committee as of 1 January 2023. The company was wound up in January 2024 through a merger with the parent company, Landstingshuset i Stockholm AB.

During the year, the Property and Services Committee disposed of the Berga Naturbruksgymnasium business, with associated staff, property, buildings and machinery, etc.

In February 2024, the Regional Executive Committee made a decision to acquire Medhelp sjukvårdsrådgivning AB, which is expected to be approved by the Regional Council in spring 2024.

3.3 Contracting companies

A contracting company is a legal entity to which Region Stockholm has entrusted a particular matter on the basis of the Local Government Act. These companies are only included in the Regional Group's income statements and balance sheets when any grants paid are recognised as an expense in the income statement. The following summary includes the larger contracting companies.

Contracting companies	
Jointly owned legal entities with material influence³	Jointly owned legal entities without material influence
<ul style="list-style-type: none"> • ALMI Företagspartner i Stockholm Sörmland AB (40.5%) • Mälardalstrafik AB (35%) • Coordinating federations (25%)⁴ • Statutory Joint Authority for the Swedish Air Ambulance (22.6%) 	<ul style="list-style-type: none"> • Statutory Joint Authority for Advanced Radiotherapy (14.3%)

3.4 Contractors

Region Stockholm's contracting activities are those carried out by a legal entity other than the committees and companies that make up the Regional Group. Region Stockholm's transport activities are 100 per cent operated by external contractors, while 41 per cent of healthcare services are provided by external care providers.

4 Governance and follow-up of Region Stockholm's activities

Region Stockholm's work with goals, planning, follow-up, analysis, measures and internal control is based on a common foundation, which is summarised in the Integrated Management and Governance policy (RS 2020-0740). The policy covers the entire Region Stockholm Group, i.e. all committees and companies. In Region Stockholm's budget, the Regional Council determines the vision, orientation goals, activity and committee-specific goals, and indicators.

Region Stockholm is governed by the Regional Council, which makes decisions on the budget, which is Region Stockholm's main governing document.

Committees and companies are independently responsible for ensuring that the decisions of the Regional Council are implemented within the allocation framework and in accordance with all the governing documents of the Regional Council.

³ Refers to jointly owned legal entities with a shareholding of more than 20 per cent.

⁴ Region Stockholm is part of eight coordinating associations together with the Social Insurance Agency, the Swedish Public Employment Service and the municipalities in the region.

The Regional Executive Committee is responsible for oversight of the committees and companies, which entails continuously monitoring and analysing the work of the committees and companies in relation to the mandates determined by the Regional Council, and monitoring that the activities are carried out within the established financial framework.

The Regional Executive Committee, in connection with the interim and annual reports, conducts extended monitoring of the committees' and companies' ability to accomplish their goals, implement the Regional Council's decisions, ensure the efficiency of operations and ensure compliance with governing documents in the annual report. In the event of any deviations, the Regional Executive Committee can request additional information, urge committees and companies to adopt measures or, in the event of serious deviations, propose that the Regional Council take action.

The companies have not reported any material deviation from municipal goals, governance directives or powers in their 2023 management reports.

The Regional Management Office's overall assessment is that all the companies have carried out their activities in line with the municipal goals and in accordance with the corporate governance directives.

4.1 Internal control

The work on internal control is based on the regulations, the Integrated Management and Governance Policy (RS 2020-0740) and the Region-wide Internal Control Guideline (RS 2022-0326).

Region Stockholm's committees and companies are responsible for ensuring that the internal control is adequate and that operations are conducted in an otherwise satisfactory manner. This means that operations must be conducted safely, effectively, appropriately and within the established financial frameworks, that reporting must be reliable, and that laws, regulations, agreements, policy documents and decisions must be complied with. The aforementioned includes working systematically to anticipate and proactively mitigate and communicate risks, opportunities, measures and controls.

In accordance with Region Stockholm's internal control guideline (RS 2022-0326), each committee and company has followed up on the risk assessment from the business plan with associated measures and controls.

4.1.1 Whistleblower function

Region Stockholm has a whistleblower function, for which the Regional Executive Committee is responsible, to which all elected representatives and employees of Region Stockholm can report serious misconduct.

One complaint has resulted in a police report. In some cases, action has been taken in the relevant operations to remedy the problem reported.

4.2 Goals and mandates

The Regional Council has made a decision on a vision, orientation goals and activity-specific and committee-specific goals, along with the associated indicators. Indicators are the metrics used to assess how committees and companies are meeting the Regional Council's goals. A target value and a weighting reflecting the importance of the indicator is established for each of the indicators.⁵ The indicators are weighted by a total of 100 per cent for each goal.

The assessment of goal attainment is measured at Group level by the aggregated result of the weighting and shows whether the goal has been met, partially met or not met. A goal is met if the sum of the weights met is more than 50 per cent, while a goal is partially met if the sum of the weights met is exactly 50 per cent. Indicators that could not be measured in the annual report are excluded from the goal assessment.

The Regional Council has made a decision on assignments to be carried out in order to contribute to the fulfilment of Region Stockholm's goals. The committees and companies dealt with 150 council assignments during the year, of which 83 were reported as completed. The assignments have been followed up in the context of interim and annual reporting. Of the 66 assignments that were not completed, 43 are expected to be completed in 2024. A schedule for implementation for 23 of the 66 assignments could not be specified, mainly relating to dormant sales assignments and assignments requiring long-term efforts.

5 Sound financial management and financial position

Region Stockholm shall have sound financial management over several budget periods in order to ensure financial stability, while the county's residents shall have accessible healthcare of a high quality, and reliable public transport. Region Stockholm's budget must contain long-term financial and operational goals that are material to sound financial management.

In the 2023 Budget for Region Stockholm, the Regional Council has adopted a vision with four orientation goals: Sound financial management,

⁵ Five indicators have not been assigned a target value or a weighting in the 2023 Budget as a baseline survey is being carried out in 2023 due to the indicators being measured for the first time.

Needs-based quality healthcare, Sustainable regional development and Good and sustainable employer.

The orientation goals are measured by means of 17 activity-specific goals and five committee-specific goals. The Regional Council has adopted 93 indicators for the goals. Of these, 41 indicators achieve their target values and 32 indicators do not achieve their target values for 2023. It has not been possible to assess 20 of the indicators as they have no current outcome in connection with annual reporting.

The overall assessment is that Region Stockholm will achieve sound financial management in 2023 as most of the orientation goals are achieved or partially achieved. The committees and companies of Region Stockholm have actively worked during 2023 to contribute toward the fulfilment of the Regional Council's goals.

5.1 Good financial management

This orientation goal has two activity-specific goals. The orientation goal was achieved for the year as both goals were met.

5.1.1 A balanced result

This goal steers towards Region Stockholm's operations achieving its budgeted net income requirements. The goal is measured by means of an indicator, which has been achieved during the year.

	Outcome 2022	Outcome 2023	Target value 2023	Weight	Goal attainment
GOOD FINANCIAL MANAGEMENT					
A balanced result					
A positive result for Region Stockholm according to the balance sheet requirement	SEK 4,810 million	SEK -1,091 million	≥ SEK -3,456.2 million	100%	Achieved ●

The outcome for the A positive result indicator according to the balanced budget requirement amounted to SEK -1,091 million, which corresponds to the year's result excluding capital gains of SEK 80 million. When the 2023 Budget was adopted by the Regional Council, exceptional circumstances were invoked due to the impact of inflation on the pension liability. The indicator reached its target value on the basis of the negative result budgeted for 2023.

5.1.2 Sustainable investment development

This goal aims to ensure that Region Stockholm invests to such an extent that Region Stockholm's fixed assets can be secured and managed sustainably, so that excessive borrowings are not built up as a result of the investments.

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	Outcome 2022	Outcome 2023	Target value 2023	Weight	Goal attainment
GOOD FINANCIAL MANAGEMENT					
Sustainable investment development					
Financing of Region Stockholm's operating costs and replacement investments will be done within the Group's cash flow	100%	100%	100%	25%	Achieved ●
Percentage of investment expenditure that is self-financed	100%	100%	≥ 58%	25%	Achieved ●
Capital costs as a proportion of total revenues of Region Stockholm	6.6%	6.6%	≤ 8.0%	25%	Achieved ●
Ratio of interest-bearing liabilities adjusted for cash liquidity to total income	37%	33%	≤ 50%	25%	Achieved ●

This goal is measured by four indicators. The aim is to assess whether investments could be funded with own liquidity, and to assess the financial impact of investments on depreciation and interest charges. The development of interest-bearing liabilities in relation to Region Stockholm's income is also reported. As all indicators have been achieved, the goal of sustainable investment development has also been achieved.

5.2 Needs-based quality healthcare

Region Stockholm's healthcare must be accessible and safe and focus on patients' needs. Healthcare services must be of good quality and help to enhance public health.

The orientation goal has an activity-specific goal and a committee-specific goal. The orientation goal was not achieved for the year, as one goal was not achieved and one goal was partially achieved.

5.2.1 High quality healthcare services

The goal of healthcare services is to achieve good health and care on equal terms for the entire population, with priority given to people who are most in need. The healthcare system must also be efficient and make the best use of available resources.

Healthcare in the right place

	Outcome 2022	Outcome 2023	Target value 2023	Weight	Goal attainment
NEEDS-BASED QUALITY HEALTHCARE					
High quality healthcare services					
Healthcare in the right place: Proportion of visits to local urgent care clinics out of the total number of visits to local urgent care clinics and A&E departments of acute care hospitals	45% ¹⁾	46%	≥ 51%	8%	Not achieved ●

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Healthcare in the right place: Percentage of visits to GP surgeries out of total outpatient visits	32%	31%	32%	8%	Not achieved ●
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¹⁾ The reference year 2022 has been adjusted due to a new measurement methodology for the indicator. GP surgeries used to be included in the survey, and the indicator's outcome in 2022 was 47.2 per cent according to the previous measurement method.

The emergency care clinics are part of the future plan's decision to shift care from acute care hospitals to community care. Acute care hospitals must focus on treating the most seriously ill patients, while local urgent care clinics must relieve the pressure on A&E departments at acute care hospitals and treat patients who do not require the special resources of A&E departments, as well as increasing the accessibility of specialised care.

The share of local urgent care clinics of the total number of emergency visits has increased from 45 per cent to 46 per cent, which is five percentage points below the target value of 51 per cent. Changing patterns of visits between A&E departments at acute care hospitals and local urgent care clinics after the pandemic have had a negative impact on the development of visits. Initiatives to communicate with the county's residents about the local urgent care clinics are necessary to direct patients to the right level of care.

Healthcare at the right time

	Outcome 2022	Outcome 2023	Target value 2023	Weight	Goal attainment
NEEDS-BASED QUALITY HEALTHCARE					
High quality healthcare services					
Healthcare at the right time: Percentage of patients spending 4 hours or less at A&E departments	37%	42%	≥ 50%	7%	Not achieved ●
Healthcare at the right time: Median waiting time for first medical assessment in A&E, all patients	66	65	52	7%	Not achieved ●
Healthcare at the right time: Percentage of patients receiving medical assessment within three days in general practice	93%	94%	≥ 90%	7%	Achieved ●
Healthcare at the right time: Percentage of patients waiting for a first appointment with a specialist within 30 days	58%	59%	≥ 70%	7%	Not achieved ●
Healthcare at the right time: Percentage of patients waiting for treatment with a specialist within 90 days	70% ¹⁾	72%	≥ 80%	7%	Not achieved ●

¹⁾ The reference year 2022 has been adjusted due to a new measurement methodology for the indicator. The sample has changed from the 2023 interim accounts onwards. Neuropsychiatric assessments have been excluded in line with national waiting time monitoring, and are now monitored separately. Treatment in the field of child and adolescent psychiatry (BUP) has been included. According to the previous measurement methodology, the value of the indicator in 2022 was 66 per cent.

The total length of stay is counted from arrival at the A&E department until the patient leaves the A&E department. The overall length of stay is influenced not only by the A&E department itself, but also by a number of other factors both inside and outside the acute care hospital, such as waiting times for examinations and waiting times for transport.

Examples of planned measures to reduce the length of stay at A&E departments include increasing the number of beds and taking on more nurses. Other measures taken include reinforcement of patient transport to geriatrics or sheltered housing. Furthermore, a shortage of nurses in A&E departments has affected the triaging and preparation of patients before seeing the doctors, which has prolonged length of stay times. Collectively, these reasons have contributed to the target value not being achieved for this indicator in 2023.

The percentage of people seeking care who receive a medical assessment at a GP surgery within three days has remained stable at over 90 per cent since 2019, even during the pandemic, despite limited capacity at health centres. The target value was achieved with a result of 94 per cent during the year, which is one percentage point higher than the previous year.

The percentage of patients waiting no more than 30 days for their first visit to a specialist was 59 per cent for the year, which means that the target value of at least 70 per cent was not achieved. This result is an improvement of one percentage point compared to 2022.

The target value in respect of the percentage of people waiting no more than 90 days for treatment by a specialist has been raised from 77 per cent to 80 per cent for 2023. This target value was not achieved for the year, when the outcome was 72 per cent, but it was an improvement on the previous year when the outcome was 70 per cent.

Safe healthcare

	Outcome 2022	Outcome 2023	Target value 2023	Weight	Goal attainment
NEEDS-BASED QUALITY HEALTHCARE					
High quality healthcare services					
Safe healthcare: The incidence of healthcare-associated infections	N/A	4.6%	≤ 4.4%	7%	Not achieved ●
Safe healthcare: Emergency readmissions within 7 days in inpatient care (for people aged 80+)	6.9%	6.3%	≤ 7.5%	7%	Achieved ●
Safe healthcare: Prescription of antibiotics (number of prescriptions for antibiotics filled per 1,000 residents)	248	269	≤ 250	7%	Not achieved ●
Safe healthcare: Suicide risk assessment of new patients in psychiatric outpatient care	82%	85%	82%	7%	Achieved ●

Healthcare-associated infections are the most common healthcare-associated injury.

Healthcare providers' activities to prevent healthcare-associated infections have been compiled and discussed in a regional working group on healthcare hygiene in order to disseminate effective approaches. The guidelines for reducing healthcare-associated infections and the spread of infection provide a supporting knowledge base for all healthcare providers in Region Stockholm, but also a governing document for monitoring measures in seven identified priority areas. Healthcare Hygiene Stockholm is involved in this work by providing advice and education to healthcare workers on the basis of the guidelines.

The seven-day readmission rate for people aged 80 and over was 6.3 per cent for the year, better than the target value of 7.5 per cent and an improvement on the previous year. The outcome has been affected compliance with the procedures for discharge from inpatient care and collaboration between home care and home help services.

The patient safety goal of a maximum of 250 antibiotic prescriptions dispensed per 1,000 residents per year was achieved during the pandemic, as changes in the population's behaviour led to fewer infections spreading in the population and significantly fewer antibiotic prescriptions being dispensed. Region Stockholm has shown a steady downward trend in the number of antibiotic prescriptions dispensed for a number of years, but the number of antibiotic prescriptions dispensed has increased as the effects of the pandemic have become less pronounced. Respiratory antibiotics for children have increased in particular. At a national level, 270 antibiotic prescriptions per 1,000 residents were dispensed in 2023.

Effective healthcare

	Outcome 2022	Outcome 2023	Target value 2023	Weight	Goal attainment
NEEDS-BASED QUALITY HEALTHCARE					
High quality healthcare services					
Effective healthcare: Number of completed cases in 1177 Vårdguidens e-services per 1,000 residents and month	95.1	112.4	≥ 62	7%	Achieved ●
Effective healthcare: Number of discharge-ready days to the municipality per medical care event	0.5	0.5	≤ 1.3	7%	Achieved ●

The use of the online services at 1177.se has continued to increase, which shows that more and more residents are using the service. In 2023, the number of both incoming and closed cases was significantly higher than in previous years. All services have generally increased in use, continuing the trend that has been seen in recent years. In November 2023, the number of

both incoming and closed cases reached a peak, with more than 245,000 cases incoming and more than 233,000 cases closed.

Region Stockholm's collaboration with the county's municipalities is important in order to ensure good healthcare for the county's residents. In 2023, patients ready for discharge who no longer needed inpatient resources remained in hospital for an average of 0.5 day per somatic inpatient admission, which is better than the target value of 1.3 days and in line with the previous year.

Healthcare focused on the patient

	Outcome 2022	Outcome 2023	Target value 2023	Weight	Goal attainment
NEEDS-BASED QUALITY HEALTHCARE					
High quality healthcare services					
Healthcare focused on the patient: Overall impression in primary care	78	79	82	7%	Not achieved ●

Region Stockholm participates annually in the National Patient Survey, which examines what patients think of their visits to primary care. The response rate for 2023 was 38 per cent (20,500 patients), which was two percentage points lower than in 2022, and lower than the country as a whole (41 per cent). Region Stockholm's result for Overall impression in primary care is 79 per cent for 2023, which is a slight improvement compared to 2022. The indicator did not reach the 2023 target value of 82 per cent. At national level, the result increased slightly from 79 to 80 per cent.

5.2.2 Region Stockholm helps to improve public health for all

This goal aims to improve public health and increase life expectancy in the county by reducing risk factors and diseases that contribute most to the burden of disease. The goal was not achieved for 2023. One of the indicators could not be measured in connection with the annual accounts and has been excluded from the assessment.

	Outcome 2022	Outcome 2023	Target value 2023	Weight	Goal attainment
NEEDS-BASED QUALITY HEALTHCARE					
Region Stockholm helps to improve public health for all					
Percentage of GP surgeries actively engaged in illness prevention	78.8%	75.5%	≥ 80%	34%	Not achieved ●
Percentage of 19-year-olds with lateral surfaces free of decay	74.8%	75.5%	≥ 72.5%	33%	Achieved ●
Differences in life expectancy between different municipalities in the county (RUF5)	N/A	N/A	< 3.4	33%	1)

¹⁾ It has not been possible to assess whether the indicator is achieving its target value due to results being unavailable.

Early intervention at risk of ill health improves health, can prevent illness, shorten the duration of illness or reduce the severity of illness. Discussions about the individual's health are key, and the individual's own resources must be utilised.

The percentage of GP surgeries actively engaged in disease prevention has decreased over the year compared to the previous year, from 78.8 per cent to 75.5 per cent in 2023. Most of the counselling and advanced counselling sessions conducted are related to physical activity and eating habits, while a smaller number of sessions are related to consumption of tobacco and alcohol. Individuals in need of support can be referred to the Stop Smoking Line and the Alcohol Line, which means that these people are offered support outside of health centres.

Good dental health is one of the prerequisites for good public health. A continued improvement in the dental health of the county's 19-year-olds was seen during the year compared to the previous year.

5.3 Sustainable regional development

Region Stockholm's work on regional development, public transport and culture focuses on today's residents and future generations. Region Stockholm must also work on preparedness, sustainability, digitalisation, research and innovation in order to secure and develop its operations.

The orientation goal has twelve activity-specific goals and four committee-specific goals. The orientation goal was achieved for the year as seven goals were met. Five goals have been excluded from the assessment as there were too few indicators for two of the goals that could be measured in the context of the annual accounts. Three of the goals have indicators where a baseline survey has been conducted in 2023 in order to measure progress going forward.

5.3.1 Region Stockholm's operations will have minimised their emissions of harmful substances by 2035

This goal aims to reduce the discharge of hazardous substances and pharmaceuticals in order to help bring about cleaner water and a cleaner environment. The goal indicator is not included in the assessment of goal attainment due to the fact that a baseline survey was conducted in 2023.

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	Outcome 2022	Outcome 2023	Target value 2023	Weight	Goal attainment
SUSTAINABLE REGIONAL DEVELOPMENT					
Region Stockholm's operations will have minimised their emissions of harmful substances by 2035					
Number of phase-out measures implemented	-	N/A	Baseline survey	0%	1)

¹⁾ The indicator does not include assessment of goal attainment as a baseline survey has been conducted in 2023. This indicator has no outcome for the annual accounts.

During the year, Region Stockholm has promoted more eco-friendly materials and products through sustainability requirements in procurement and in collaboration with other stakeholders, which permeates everything from building and construction projects to operational materials. Digitalisation and innovation are playing important roles in environmental work. New technologies and approaches are helping to reduce both environmental impact and exposure to chemicals. One key action to minimise the release of hazardous substances during the year has involved reducing waste and emissions, which includes everything from improved waste sorting to strategies to reduce unnecessary discarding of medications.

5.3.2 Region Stockholm strengthens sustainable travel to reduce the climate impact of transport

This goal aims to achieve sustainable travel in the county by strengthening the competitiveness of public transport and promoting accessible and efficient travel. The goal was met for 2023. One of the indicators could not be measured in connection with the annual accounts and has been excluded from the assessment.

Attractive travel

	Outcome 2022	Outcome 2023	Target value 2023	Weight	Goal attainment
SUSTAINABLE REGIONAL DEVELOPMENT					
Region Stockholm strengthens sustainable travel to reduce the climate impact of transport					
Attractive travel: Satisfied passengers	84%	79%	≥ 79%	10%	Achieved ●
Attractive travel: Passenger satisfaction – special passenger transport	88%	90%	≥ 86%	9%	Achieved ●
Attractive travel: Satisfied passengers – general archipelago services	96%	95%	≥ 94%	9%	Achieved ●

In 2023, the percentage of satisfied public transport passengers stood at 79 per cent. This outcome is in line with the target value, but lower than the result at the same time last year. All modes of transport except for commuter trains exceed the goal level.

The outcome for commuter trains is deemed to have been affected by cancellation of services. In November, the Transport Committee and MTR made a joint decision to terminate the commuter train contract early as deliveries failed to reach expected levels for over a year. This has been mainly due to a widespread national shortage of train drivers, which has also impacted commuter rail services, and shortcomings in maintenance activities. The serious disruptions to services have resulted in MTR receiving lower compensation and being forced to pay penalties, in accordance with MTR's contract with Region Stockholm. SJ will take over as the operator from 3 March 2024, with a two-year contract. This contract will future-proof commuter rail services, but it will take time before services can run at full capacity.

Efforts have been made during the year to improve and stabilise real-time information to passengers. Thanks to these efforts, the service information systems are able to cope with a much higher load than before, which has been particularly noticeable on days when commuter trains have not been running on time.

Safe travels

	Outcome 2022	Outcome 2023	Target value 2023	Weight	Goal attainment
SUSTAINABLE REGIONAL DEVELOPMENT					
Region Stockholm strengthens sustainable travel to reduce the climate impact of transport					
Safe travels: Safe passengers	73%	73%	≥ 76%	9%	Not achieved ●
Safe travels: Safe passengers – special passenger transport	71%	77%	≥ 76%	9%	Achieved ●

Feeling safe in and on the way to and from public transport is crucial when it comes to encouraging county residents to choose public transport over their cars. A number of activities to improve safety have taken place during the year. For instance, a project is in progress that aims to increase women's safety by means of safety information boards and what are known as "medtittarmonitorer" (co-viewer monitors) at stations. Efforts have been made in the passenger environment by means of safety measures such as safety teams and additional customer service hosts at stations and on board trains.

Special passenger transport as part of mobility services achieves the target value, which is deemed to be an effect of a new mobility service taxi agreement that was implemented on 1 April 2023. This agreement has meant that more suppliers are available, which has also led to an improvement in timely services. Surveys have shown a strong correlation between timely services and a high perceived safety outcome.

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Efficient travel

	Outcome 2022	Outcome 2023	Target value 2023	Weight	Goal attainment
SUSTAINABLE REGIONAL DEVELOPMENT					
Region Stockholm strengthens sustainable travel to reduce the climate impact of transport					
Efficient travel: Cost per passenger-kilometre, SL services	SEK 4.54	SEK 4.60	≤ SEK 4.13	9%	Not achieved ●
Efficient travel: Thousands of passengers on a typical weekday (land-based public transport)	2,232	2,366	≥ 2,623	9%	Not achieved ●
Efficient travel: Percentage of motorised trips made with public transport (RUF5)	N/A	N/A	≥ 52.25%	9%	¹⁾
Efficient travel: Public transport travel time between regional city centres and Arlanda Airport to be competitive with car travel time (RUF5), proportion of regional city centres with a travel time ratio below 1.5	57%	57%	≥ 50%	9%	Achieved ●

¹⁾ It has not been possible to assess whether the indicator is achieving its target value due to results being unavailable.

Residents and visitors to the Stockholm region must be able to travel together; safely, accessibly and sustainably. A number of initiatives have been implemented to make public transport the first choice for passengers. The number of passengers travelling on a regular weekday did not reach the target level, but increased by 134,000 passengers compared to the previous year.

A modern new, easy-to-use ticketing system has been launched, allowing passengers to buy tickets in several different ways: using a mobile phone or payment card, directly online, or via agents or service counters. They can also choose to tap in and out using their mobile phone or the new green SL card. The Transport Committee has also embarked upon an investigation into how future ticket selections and fares can be developed and amended in order to make public transport more attractive and accessible for students, children, young people and pensioners.

The measures initiated previously to improve accessibility have continued. Long-term efforts are in progress, with broad collaboration to implement more bus lanes for increased express bus services across the board, prioritisation of public transport in the road space, increased signal light prioritisation and better structures for communicating and coordinating traffic planning.

A review of the transport offering for 2024 was carried out during the year, given new travel needs, travel patterns and market potential, and a new

transport plan, T24, was introduced on 10 December 2023 which involved streamlining of the transport offering.

Sustainable travel

	Outcome 2022	Outcome 2023	Target value 2023	Weight	Goal attainment
SUSTAINABLE REGIONAL DEVELOPMENT					
Region Stockholm strengthens sustainable travel to reduce the climate impact of transport					
Sustainable travel: Compliance with environmental goals in the transport supply programme	57%	57%	≥ 71%	9%	Not achieved ●

Four out of seven environmental goals in the transport supply programme have been deemed to be achievable by 2030, based on developments in the 2011–2023 period. The environmental goals currently expected to be achieved are renewable energy in public transport and properties, and reduced emissions of particulate matter and nitrogen oxides.

Accessible and cohesive region

	Outcome 2022	Outcome 2023	Target value 2023	Weight	Goal attainment
SUSTAINABLE REGIONAL DEVELOPMENT					
Region Stockholm strengthens sustainable travel to reduce the climate impact of transport					
Accessible and cohesive region Fully accessible line or interchange (excl. boat services)	81%	85%	≥ 83%	9%	Achieved ●

Accessibility increased compared to 2022, and this year's target value was achieved. This increase is due to the delivery of the new C30 metro carriages, which will allow more people to travel, and the upgrade of the older C20 carriages.

5.3.3 Free culture for experiences, meetings, education and inclusion

The goal is to make cultural experiences and opportunities for education available to county residents through strategic coordination and support. Region Stockholm's own activities and public spaces are enriched by artistic expression. The goal was achieved for 2023.

Cultural experiences

	Outcome 2022	Outcome 2023	Target value 2023	Weight	Goal attainment
SUSTAINABLE REGIONAL DEVELOPMENT					
Free culture for experiences, meetings, education and inclusion					
Cultural experiences: Percentage of cultural operators who believe that the Region of Stockholm's financial support contributes to cultural experiences for the county's residents	97%	99%	≥ 75%	20%	Achieved ●
Cultural experiences: Percentage of municipalities that are of the opinion that Region Stockholm's promotional activities help to enhance cultural experiences for the county's residents	96%	98%	≥ 75%	20%	Achieved ●

Region Stockholm's grants to cultural stakeholders aim to contribute to an artistic and content-related qualitative and urgent offering for the county's residents, providing both excellence and breadth. Providing support funds aspects such as production sites, formation of centres and various forms of production activities, but also jobs for cultural practitioners. Of a total of 90 organisations that have received cultural funding, 89 responded that they believe that Region Stockholm's financial support for culture is helping to provide cultural experiences for the county's residents.

An important starting point in these cultural efforts is collaboration with the county's municipalities. Every year, Region Stockholm conducts discussions with different target groups in the field of culture in order to follow up on how they feel that Region Stockholm contributes to cultural experiences for the county's residents. Of a total of 86 municipal stakeholders who responded to the evaluation, 98 per cent believe that these discussions have helped to coordinate the Stockholm region's culture and associations.

Encounters with artistic expression

	Outcome 2022	Outcome 2023	Target value 2023	Weight	Goal attainment
SUSTAINABLE REGIONAL DEVELOPMENT					
Free culture for experiences, meetings, education and inclusion					
Encounters with artistic expression: Percentage of property investments in healthcare services used for artistic design	0.9%	1.1%	≥ 1.0%	20%	Achieved ●

The indicator's outcome was 1.1 per cent, which is in line with the Regional Council's target value of at least one per cent.

Education

	Outcome 2022	Outcome 2023	Target value 2023	Weight	Goal attainment
SUSTAINABLE REGIONAL DEVELOPMENT					
Free culture for experiences, meetings, education and inclusion					
Education: Percentage of study associations and adult education colleges that are of the opinion that Region Stockholm contributes to general education in the county	N/A	93.8%	≥ 75%	20%	Achieved ●

Region Stockholm's grants to general education stakeholders are based on clear criteria and the principles of arm's length, freedom and free will. That said, folk high schools and study associations are important resources for development of and skills supply in the Stockholm region. All of the study associations' district organisations and 91 percent of folk high schools are of the opinion that Region Stockholm's funding for study associations contributes to general education in the county.

Participation

	Outcome 2022	Outcome 2023	Target value 2023	Weight	Goal attainment
SUSTAINABLE REGIONAL DEVELOPMENT					
Free culture for experiences, meetings, education and inclusion					
Participation: Percentage of youth organisations that believe that Region Stockholm's financial support supports associations in the Stockholm region	100%	100%	≥ 85%	20%	Achieved ●

The percentage of youth organisations that believe that Region Stockholm clearly coordinates local associations in the Stockholm region was 100 per cent and the indicator achieved its target value of 85 per cent.

5.3.4 Achieve structured governance of Region Stockholm's activities

This goal aims to ensure an appropriate and resource-efficient structure for governance and follow-up of all Region Stockholm activities, based on the Regional Council's budget and other decisions. The goal was not achieved for 2023 as the goal indicator failed to meet its target value.

	Outcome 2022	Outcome 2023	Target value 2023	Weight	Goal attainment
SUSTAINABLE REGIONAL DEVELOPMENT					
Achieve structured governance of Region Stockholm's activities					
Percentage of committees and companies that have delivered results in line with net income requirements	81%	57%	100%	100%	Not achieved ●

Region Stockholm exists for the sake of its residents and should strive to provide the greatest possible benefit for the residents' tax money in every part of its activities.

The indicator's outcome was 57 per cent. This was mainly due to the deficits incurred in healthcare services on account of higher staff costs and increases in the price of medical supplies. See the Net income section for more details.

The Regional Executive Committee has developed Region Stockholm's goal structure with a view to achieving more appropriate management by objectives. In the context of the 2024 Budget, the Regional Council adopted the new goal structure, with indicators reduced by two-thirds compared with the 2023 Budget. The Regional Executive Committee also worked during the year on investigating the governance of Region Stockholm's proprietary healthcare in accordance with assignments in the 2023 Budget. A final report containing proposals for changes has been produced following submission of an interim report describing the current situation and options for governance. These proposals will be considered by the Regional Council in March 2024.

5.3.5 **Region Stockholm is accessible to all and provides equal treatment**

This goal aims to ensure that the public services provided by Region Stockholm aim to be designed and planned so that they can be utilised by as many people as possible in the county. The goal was achieved for 2023, with two out of three indicators achieving their target value.

	Outcome 2022	Outcome 2023	Target value 2023	Weight	Goal attainment
SUSTAINABLE REGIONAL DEVELOPMENT					
Region Stockholm is accessible to all and provides equal treatment					
Percentage of the county's residents who have a high level of confidence in the healthcare service	60% ¹⁾	62%	≥ 65%	34%	Not achieved ●
Percentage of committees and companies that have carried out activities in accordance with Region Stockholm's governing documents in the field of social sustainability and public health	96%	100%	≥ 85%	33%	Achieved ●
Percentage of committees and companies working with impact assessments relating to public health and/or social sustainability	-	73%	≥ 50%	33%	Achieved ●

¹⁾ The comparison year 2022 has been adjusted as an incorrect outcome was provided in Region Stockholm's annual report for 2022

The Healthcare Barometer is a national survey that aims to capture the attitudes, expectations and experiences of the population. Compared with the previous year, Region Stockholm's score in respect of confidence in healthcare services has risen by two percentage points. The country as a whole shows a result that is marginally lower, 61 per cent, than Region Stockholm as regards confidence in healthcare services.

All committees and companies have carried out activities on the basis of their assignments in accordance with Region Stockholm's governing documents in the field of social sustainability, including public health Skills-enhancing activities in the fields of social sustainability and public health were prioritised during the year, such as initiatives to strengthen the child rights perspective and improve the health of the LGBTI community and national minorities. Consultations were held with various interest groups during the year with a view to developing activities based on residents' needs.

5.3.6 By 2030, Region Stockholm's total climate impact will have been halved compared to 2019

The goal aims to reduce greenhouse gas emissions from Region Stockholm activities. The goal was not achieved for 2023. One of the indicators is not included in the assessment as a baseline survey was carried out in 2023.

	Outcome 2022	Outcome 2023	Target value 2023	Weight	Goal attainment
SUSTAINABLE REGIONAL DEVELOPMENT					
By 2030, Region Stockholm's total climate impact will have been halved compared to 2019					
Climate impact from greenhouse gas emissions compared with 2019	-	-20%	-21%	50%	Not achieved ●
Percentage of major transport investments that aim to reduce climate impact by at least 15% in the orientation phase	100%	75%	100%	50%	Not achieved ●
Region Stockholm's consumption-based climate impact	-	N/A	Baseline survey	0%	1)

¹⁾ The indicator does not include assessment of goal attainment as a baseline survey has been conducted in 2023. This indicator has no outcome for the annual accounts.

Region Stockholm's greenhouse gas emissions amounted to 163,000 tonnes of carbon dioxide equivalent in 2023, 20 per cent down on the base year 2019 (204,000 tonnes). The use of renewable fuels has increased in comparison with 2019. Maritime transport has tripled its consumption of HVO⁶ for instance, which has helped to reduce emissions.

In 2023, Region Stockholm took action to reduce its indirect greenhouse gas emissions linked to the use of goods and services, known as

⁶ HVO is a renewable diesel oil that can be made from vegetable and animal fats.

consumption-based emissions. These measures have helped to reduce textile waste in healthcare organisations and increase sorting and recycling rates.

Region Stockholm has also identified action areas that are to be prioritised so as to further reduce consumption-based emissions. This includes reducing unnecessary discarding and wasting of consumables and medications, as well as shifting to more climate-friendly products and increasing the percentage of materials with environmental product declarations in building and construction works. In many contexts, it is thought that measures to reduce consumption-based emissions will also help to bring about resilience and cost savings.

5.3.7 Region Stockholm's meals promote health and are sustainable

This goal aims for Region Stockholm to serve good, nutritious meals in order to promote patient recovery, as well as for the food to be produced sustainably and for food waste to be minimised. The goal was achieved in 2023 as the two goal indicators reached their target values.

	Outcome 2022	Outcome 2023	Target value 2023	Weight	Goal attainment
SUSTAINABLE REGIONAL DEVELOPMENT					
Region Stockholm's meals promote health and are sustainable					
Sustainability requirements set out for meals in Region Stockholm	-	100%	100%	50%	Achieved ●
Food waste from patient meals	-	-12.6%	-5%	50%	Achieved ●

All healthcare organisations that have procured food or meal services for patient meals during the year have defined sustainability requirements in the procurement process that include animal welfare, reduced environmental impact, reduced use of antibiotics in animal husbandry and Region Stockholm's code of conduct for suppliers.

Many measures aimed at increasing patients' food and energy intake in order to prevent malnutrition and promote health also help to reduce food waste, which is positive. Healthcare organisations have long been working with commitment and determination to reduce food waste, and significant reductions have been achieved in recent years.

5.3.8 The design of the physical environments in Region Stockholm's operations is sustainable and promotes health

This goal aims to achieve sustainable, health-promoting environments within Region Stockholm's operations in order to increase well-being, reduce stress and promote safety, as well as biodiversity and ecosystem

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services.⁷The goal indicator is not included in the assessment of goal attainment due to the fact that a baseline survey was conducted in 2023.

	Outcome 2022	Outcome 2023	Target value 2023	Weight	Goal attainment
SUSTAINABLE REGIONAL DEVELOPMENT					
The design of the physical environments in Region Stockholm's operations is sustainable and promotes health					
Ecosystem services are being developed at Region Stockholm's properties and facilities	-	N/A	Baseline survey	0%	¹⁾

¹⁾ The indicator does not include assessment of goal attainment as a baseline survey has been conducted in 2023. This indicator has no outcome for the annual accounts.

Region Stockholm works systematically with property development plans and detailed development plans in order to maintain healthcare properties that are sustainable in the long term. One aspect is that the outdoor environment should be designed to make it safe and accessible while also promoting healing and mental well-being for patients, nursing staff and visitors. Another aspect involves safeguarding and further developing various ecosystem services. Examples of measures implemented include the planting of seasonal vegetation, new walking trails and outdoor gyms, sedum roofs and tree preservation. The outdoor environment is also designed with stormwater management in mind.

Public transport is implementing measures for environments that promote both health and ecosystem services. One example is the Grön banvall utmed Roslagsbanan (Green embankment along the Roslagsbanan railway line) project, where trees have been preserved and planted in order to favour biodiversity. Extensive and long-term efforts are also underway to reduce noise pollution from public transport.

5.3.9 2035: Flows in Region Stockholm's operations are circular

This goal aims to achieve circular, non-toxic and resource-efficient product and material flows in operations to reduce Region Stockholm's environmental impact. The goal indicator is not included in the assessment of goal attainment due to the fact that a baseline survey was conducted in 2023.

	Outcome 2022	Outcome 2023	Target value 2023	Weight	Goal attainment
SUSTAINABLE REGIONAL DEVELOPMENT					
2035: Flows in Region Stockholm's operations are circular					

⁷ Ecosystem services are all products or services that ecosystems provide to mankind and that contribute to our well-being and quality of life. They include raw materials for buildings, food, clean water and healthy living environments, for example.

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Measures implemented to extend the service life of products and materials	-	N/A	Baseline survey	0%	1)
Measures implemented to increase recycling of product and material flows	-	N/A	Baseline survey	0%	1)

¹⁾ The indicator does not include assessment of goal attainment as a baseline survey has been conducted in 2023. This indicator has no outcome for the annual accounts.

Many contractors working on public transport investment projects reuse and recycle products and materials. As part of the Hornsberg bus depot demolition project, loose objects and structural elements have been reused by means of auction sales, while spoil has been reused for backfilling.

In the construction of healthcare properties, the aim is to increase the proportion of materials that can be recycled; and 66 per cent of the construction waste generated has been recycled in 2023. Working with reuse inventories in redevelopment projects is one way of promoting and establishing conditions for reuse.

Circular spoil management remains an important issue in investment projects. A spoil management strategy was developed during the year and adopted by the Regional Council (RS 2023-0397) in cooperation with various stakeholders in the Stockholm region.

5.3.10 Region Stockholm organisations are resilient

This goal aims to ensure that Region Stockholm's organisations are robust and resilient in the event of extraordinary events, with customised protection against threats and risks. The goal was not achieved for 2023. One of the indicators has been excluded from the assessment as no outcome is available for 2023.

	Outcome 2022	Outcome 2023	Target value 2023	Weight	Goal attainment
SUSTAINABLE REGIONAL DEVELOPMENT					
2035: Region Stockholm organisations are resilient					
Percentage of selected security measures implemented according to Region Stockholm's information security guidelines	77%	84%	≥ 90%	34%	Not achieved ●
Percentage of committees and companies with the capacity to deal with extraordinary events	86%	89%	100%	33%	Not achieved ●
Percentage of measures taken on identified vulnerabilities in the action plan for risk and vulnerability assessments	64%	N/A	≥ 70%	33%	1)

¹⁾ It has not been possible to make an assessment of goal fulfilment as no outcome is available.

Region Stockholm's information security work is showing a continued positive trend. The indicator did not achieve its target value for 2023, but is

higher than in the previous year. Checking on permits has been reinforced, and a number of compliance-related measures have been implemented.

The ability to cope with unforeseen incidents has been strengthened, but the indicator failed to achieve its target value for 2023. Most Region Stockholm committees and companies report that training and exercise activities are proceeding according to plan and that continuity planning efforts have been reinforced. Only the Climate and Regional Development Committee and the Patient Advisory Committee failed to meet the criteria for the indicator.

The indicator on actions implemented from the risk and vulnerability analysis action plan has improved compared to the previous year due to the fact that new vulnerabilities have been identified for certain activities, and some risks have been reassessed on the basis of the international situation. Actions have been initiated in some cases, and implementation of these will take several years.

Extensive work was done in 2023 on producing a region-wide risk and vulnerability analysis for Region Stockholm, which was adopted by the Regional Executive Committee in October (RS 2022-0908). This analysis is based on data from all committees and companies. Method development work is also in progress, linked with Region Stockholm's risk and vulnerability analyses.

5.3.11 Core activities shall be prioritised

This goal aims to free up resources for core activities by means of continuous improvement, increased efficiency and collaboration. The goal was achieved as the goal indicators achieved their target value for the year.

	Outcome 2022	Outcome 2023	Target value 2023	Weight	Goal attainment
SUSTAINABLE REGIONAL DEVELOPMENT					
Core activities shall be prioritised					
Administrative costs shall be reduced	SEK 3,874 million	SEK 3,888 million	SEK 4,344 million	50%	Achieved ●
Percentage of final court decisions where Region Stockholm has won	93%	91%	≥ 75%	50%	Achieved ●

Region Stockholm's committees and companies are working constantly to reduce their administrative costs⁸ in order to provide more scope for core activities.⁹ In Budget 2023, this indicator is expressed in total costs with the target value not to exceed the budget. Administrative costs for 2023 totalled SEK 3,888 million, compared with budgeted costs of SEK 4,344 million.

⁸ Administrative costs are defined as the costs of administrative support to the core activities, such as management, finance, staff, legal, procurement and IT.

⁹ Region Stockholm's core activities are healthcare, public transport, regional development and culture, including education, development and research in the respective core activities.

For Region Stockholm, a total of 186 final legal judgements or decisions have been issued in 2023, of which 169 have been successful for Region Stockholm. Seven committees and companies received no final legal judgements or decisions in 2023. Four committees failed to achieve the target value of 75 per cent.

5.3.12 High level of innovation and digitalisation

This goal aims to ensure that Region Stockholm's activities include systematic, structured and effective efforts toward innovation and digitalisation. The goal was achieved for 2023, with two out of three indicators achieving their target value.

	Outcome 2022	Outcome 2023	Target value 2023	Weight	Goal attainment
SUSTAINABLE REGIONAL DEVELOPMENT					
High level of innovation and digitalisation					
Percentage of committees and companies that have introduced methods and tools for working systematically with innovation	74%	88%	≥ 40%	34%	Achieved ●
Degree of innovation	3.0	3.3	≥ 3	33%	Achieved ●
Degree of digital maturity	49	47	≥ 55	33%	Not achieved ●

Region Stockholm's innovation work is based on the Innovation Strategy (RS 2019-0672). Constant efforts are being made to reinforce the capacity for innovation in all organisations in order to ensure that new solutions are deployed, distributed and integrated into the organisations. Both innovation indicators have improved compared to the previous year and achieved their target value.

Digital Maturity in the Public Sector, DiMiOS, is an evidence-based model to measure and monitor the organisation's ability to absorb the benefits of digitalisation. Region Stockholm's level of digital maturity reached 47, and the indicator did not meet its target value for 2023. The survey has been broadened in 2023 and the number of respondents increased by moving the survey from management teams to people in the organisations who work with digitalisation, which may have impacted the indicator's outcome.

5.3.13 One of Europe's leading research regions in research for better health

This goal aims to ensure that Region Stockholm's organisations are available to conduct research that can lead to knowledge breakthroughs of national and international importance. The goal was achieved for 2023 as the target value was achieved for three out of five indicators.

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	Outcome 2022	Outcome 2023	Target value 2023	Weight	Goal attainment
SUSTAINABLE REGIONAL DEVELOPMENT					
One of Europe's leading research regions in research for better health					
Number of ethical review authorisations where Region Stockholm is the principal investigator	1,052	1,053	≥ 805	20%	Achieved ●
Number of publications in peer-reviewed journals by researchers working in medicine in Region Stockholm	5,074	N/A	≥ 4,400	20%	¹⁾
Research activity within the SU and KTH partnerships	66%	73%	≥ 65%	20%	Achieved ●
Percentage of data disclosure cases supported by Centrum för hälsodata [the Health Data Centre] where privacy-protected health data was disclosed within 90 days of receipt of a complete request	29%	28%	≥ 70%	20%	Not achieved ●
Number of ongoing clinical trials	1,650	1,922	2 per cent increase	20%	Achieved ●

¹⁾ It has not been possible to assess whether the indicator is achieving its target value due to results being unavailable.

The number of ethical review authorisations granted in 2023 remained at the same level as in 2022, and the target value for the year was significantly exceeded. The target value for the number of publications by researchers active in the field of medicine in Region Stockholm is expected to be achieved, but the number of articles that can be linked to Region Stockholm staff has not been verified as yet.

Research activity as part of the Region Stockholm partnership with Stockholm University and KTH Royal Institute of Technology is gauged by the number of applications to three calls for research funding. These calls are also deemed to have reached out to new research groups and research domains.

The percentage of data disclosure cases processed within 90 days fell slightly in 2023, and the outcome was significantly below the target value. This is mainly due to the fact that the applications received have become more complex, which means that more organisations need to be involved in assessing whether data can be disclosed. Staff have been recruited and procedures have been reviewed in order to improve management.

The number of ongoing clinical trials has increased and the target value for 2023 was achieved.¹⁰ The indicator's outcome shows that extensive clinical research is taking place at hospitals.

¹⁰ A clinical trial is a healthcare research study involving trial subjects in order to analyse the efficacy of a new treatment or medication, for instance. The number of clinical trials is surveyed at Karolinska University Hospital, Stockholm County

During the year, the Regional Executive Committee has been tasked with investigating how the primary care sector's share of research funding can be increased and how research in healthcare services can be reinforced. This assignment has resulted in an investment of SEK 5.3 million that will be implemented and evaluated in 2024.

5.3.14 Regional development for an attractive growth region

Region Stockholm is responsible for regional spatial planning and regional growth in Stockholm County. The efforts are based on the regional development plan for the Stockholm region, RUF5 2050. 2) It has not been possible to perform an assessment of goal attainment as too few indicators could be measured in connection with the annual accounts.

	Outcome 2022	Outcome 2023	Target value 2023	Weight	Goal attainment
SUSTAINABLE REGIONAL DEVELOPMENT					
Regional development for an attractive growth region					
Compliance of municipal plans with the RUF5 plan map	N/A	N/A	≥ 80%	8%	1)
New developments in the Stockholm region's most accessible locations (RUF5)	N/A	N/A	≥ 84%	8%	1)
Greenhouse gas emissions from the Stockholm region in tonnes of CO2 per capita (RUF5)	N/A	N/A	≤ 2.3	7%	1)
Number of business start-ups per 1,000 residents	14%	14 ²⁾	≥ 15	7%	Not achieved ●
Private and public investment in research and development (R&D) as a proportion of GDP	N/A	N/A	≥ 3.8%	7%	1)
Percentage of employment in knowledge-intensive occupations (RUF5)	N/A	N/A	≥ 52%	7%	1)
Availability of 100 Mbit/s connectivity for workplaces (RUF5)	94.3%	94.3% ²⁾	≥ 93%	7%	Achieved ●
Percentage of cooperation stakeholders who believe that Region Stockholm contributes to harnessing skills and facilitating matching in the labour market in the Stockholm region	N/A	N/A	≥ 80%	7%	1)
Percentage of upper secondary students completing upper secondary education with a qualification within three years (RUF5)	79.5%	79.3%	≥ 76%	7%	Achieved ●
Gap in employment rates between native and foreign born (RUF5)	N/A	N/A	≤ 16.5 percentage points	7%	1)

Healthcare Area, Danderyd Hospital, Södersjukhuset, St Erik Eye Hospital and Capio S:t Görans Sjukhus.

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	Outcome 2022	Outcome 2023	Target value 2023	Weight	Goal attainment
Percentage of stakeholders who believe that Region Stockholm contributes to increasing housing construction and creating attractive living environments in the Stockholm region	N/A	N/A	≥ 80%	7%	¹⁾
Number of housing units completed annually (RUF5)	13,380	13,380 ²⁾	≥ 22,000	7%	Not achieved ●
Percentage of residents who say that perceived lack of safety affects their quality of life (RUF5)	8.0%	9%	≤ 8%	7%	Not achieved ●
Percentage of renewable sources in Stockholm County's energy production (RUF5)	N/A	N/A	≥ 83%	7%	¹⁾

¹⁾ It has not been possible to assess whether the indicator is achieving its target value due to results being unavailable.

²⁾ The assessment of whether the indicator has reached its target value is based on the outcome in 2022 as the outcome in 2023 is not available.

The number of housing construction projects started fell by more than 50 per cent in the county in the first three quarters of 2023, impacting the indicator for the number of homes completed. The number of start-ups per 1,000 residents fell from 16 in 2021 to 14 in 2022 and remained at the lower level in 2023. The percentage of residents who are in fear of falling victim to crime has a significant impact on quality of life and has increased slightly.

Region Stockholm has worked during the year to accelerate regional development work together with the municipalities and others.

Discussions have been initiated in order to develop action plans relating to regional city centres. A feasibility study has been devised in order to explore how a collaborative platform can be designed to address the acute housing shortage. A proposal for a long-term plan for seasonal extension in the archipelago has been developed in discussion with the business community, municipalities and promotion stakeholders. This plan is expected to be adopted in the spring of 2024 (KRN 2023-0111).

The Regional Executive Committee has set up a Growth and Business Council that brings together regional business stakeholders. Klimatarena Stockholm has been established as a long-term collaborative platform in order to reduce greenhouse gas emissions from the construction sector.

Region Stockholm, together with the Stockholm County Administrative Board, has formed the Stockholm County Regional Electricity Supply Forum (REST). Svenska kraftnät, Vattenfall, Ellevio, E.ON and Stockholm Exergi are also participating. An in-depth situation report on the capacity of the county's power grid has been produced and will provide a starting point for further work.

More than 400 managers, politicians, board members and experts attended the Future Day event. Furthermore, discussions have been held with municipalities and stakeholders in the business community, the academic community and employee organisations in order to discuss the new regional development plan.

5.3.15 **Contribute to a transport-efficient society in the Stockholm region**

This goal aims to achieve a more transport-efficient society in the Stockholm region, which means low costs for accessibility and transport in financial, temporal and environmental terms. It has not been possible to assess goal attainment as the goal indicator could not be measured by the end of 2023.

	Outcome 2022	Outcome 2023	Target value 2023	Weight	Goal attainment
SUSTAINABLE REGIONAL DEVELOPMENT					
Contribute to a transport-efficient society in the Stockholm region					
Percentage of journeys within the county made on foot, by cycling or on public transport (RUF5)	N/A	N/A	≥ 57%	100%	¹⁾

¹⁾ It has not been possible to assess whether the indicator is achieving its target value due to results being unavailable.

The last travel habit survey was conducted in 2020 and showed that 49 per cent of all trips in the county were made by walking, cycling or public transport. The survey showed that there was a shift from public transport to travel by bicycle or car during the pandemic.

Negotiations on two regional cycle routes were held during the year. These have resulted in two declarations of intent that are aiming to accelerate the effective expansion of the regional cycle network. Guidelines have been developed in order to divert regional cycle routes during roadworks and other works impacting on traffic. A regional cycling report has also been produced following up the implementation of the regional cycling plan, as well as a design concept for the regional cycle routes in discussion with municipalities, the Swedish Transport Administration and Cykelfrämjandet.

5.3.16 **The Stockholm region shall be Europe's most attractive growth region**

Region Stockholm will contribute to the development, growth and attractiveness of the county. The Stockholm region should be perceived as attractive by the people who live, work and spend time here. The goal was not achieved for 2023 as two out of three indicators failed to achieve their

target value. One of the indicators could not be measured in connection with the annual accounts and has been excluded from the assessment.

	Outcome 2022	Outcome 2023	Target value 2023	Weight	Goal attainment
SUSTAINABLE REGIONAL DEVELOPMENT					
The Stockholm region shall be Europe's most attractive growth region					
Ranking in the comparison of gross regional product in metropolitan regions of the EU (RUFSS)	5 ¹⁾	N/A	≤ 5	34%	2)
Ranking in the EU Regional Competitiveness Index	1 ³⁾	6	≤ 3	33%	Not achieved ●
Number of international guest nights in the Stockholm region	-	4.1 million	≥ 5.5 million	33%	Not achieved ●

¹⁾ The last appointment was in 2020.

²⁾ It has not been possible to assess whether the indicator is achieving its target value due to results being unavailable.

³⁾ The last appointment before 2023 was in 2019.

The Stockholm region generally performs well in international comparisons but has lost positions in some international indices in recent years. This may indicate a slight deterioration in competitiveness.

Within the framework of the Besökskraft Stockholmsregionen (Visitor Power Stockholm Region) project, more than 300 companies, organisations, municipalities and researchers have gathered for workshops and meetings and identified areas that the hospitality industry can grow and develop. A collaboration model has been developed.

Region Stockholm has worked during the year to integrate healthcare issues more clearly into the region's international work. Other priorities during the year included the European Health Data Space Regulation and the upcoming cohesion policy programming period.¹¹ Procedures and approaches have been developed in order to strengthen cooperation with the EU Office in Brussels.

5.4 Good and sustainable employer

Region Stockholm is one of Sweden's biggest employers and maintains an active and long-term approach to recruiting, retaining and developing the right skills.

The Good and sustainable employer goal was partially achieved in 2023, as one of the two activity-specific goals was achieved while the other was not.

¹¹ Region Stockholm cooperates with the Stockholm Region EU Office on these issues, working on the basis of the priority areas identified by the board of the Stockholm region European Association.

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5.4.1 Region Stockholm – an attractive employer

The goal aims to ensure that Region Stockholm is an attractive and sustainable employer that protects existing employees and is capable of attracting new ones. Three out of a total of seven indicators were met for 2023, and so the goal was not achieved.

	Outcome 2022	Outcome 2023	Target value 2023	Weight	Goal attainment
GOOD AND SUSTAINABLE EMPLOYER					
Region Stockholm – an attractive employer					
Motivation (Sustainable Employee Engagement, SEE)	76	80	≥ 78	14%	Achieved ●
Leadership (Sustainable Employee Engagement, SEE)	75	82	≥ 77	14%	Achieved ●
Governance (Sustainable Employee Engagement, SEE)	73	78	≥ 75	14%	Achieved ●
Percentage of employees exposed to threats and/or violence in the course of their work	9%	9%	≤ 8%	14%	Not achieved ●
Percentage of employees subjected to work-related harassment	7%	7%	≤ 6%	14%	Not achieved ●
Percentage of absence due to illness in relation to regular working hours	7.2%	6.5%	< 6.1%	15%	Not achieved ●
Staff turnover	9.3%	10.0%	≤ 7.9%	15%	Not achieved ●

Region Stockholm conducts a region-wide employee survey every year. In 2023, the performance of all Sustainable Employee Engagement (SEE) index areas – motivation, leadership and governance – improved and the indicators achieved their target value.

The staff turnover indicator increases if a lot of employees join or leave. Hence a high staff turnover rate can result from either an increase or a decrease in the number of employees. This indicator measures changes in the number of permanent employees. In 2023, 4,446 permanent staff were recruited and 4,322 permanent staff left. Hence the increase in staff turnover is due to more employees starting permanent employment with Region Stockholm during the year compared to the previous year.

Within the framework of the assignment to coordinate proprietary care and the Regional Executive Committee's responsibility for strategic skills supply, joint initiatives have been implemented in 2023 between healthcare providers under their own management to reduce dependence on agency staffing. Costs for agency staff have decreased.

During the year, the Regional Executive Committee coordinated Region Stockholm's participation in the joint national procurement of agency staff for healthcare services (RS 2020-0469). The start date of the national

contract was 1 January 2024, and Region Stockholm will be joining the contract on 1 May 2024.

Sustainable workplaces that promote health

Systematic work environment management is conducted in each committee and company in accordance with Region Stockholm's employee and work environment policy (RS 2019-1060). This work aims to promote health and prevent ill health at individual, group and organisational level. Systematic work environment management is followed up at workplace meetings, for instance, through various types of surveys and in cooperation groups and safety committees. The annual follow-up of systematic work environment management shows that committees and companies are working systematically on the issue and have improved their performance compared to 2022. This follow-up includes efforts on the basis of the work environment policy and procedures, distribution of tasks linked to work environment management and employees' criteria for involvement.

Work environment efforts during the year focused on promoting health and preventing ill health at individual, group and organisational level.

In 2023, the Regional Executive Committee allocated SEK 100 million to initiatives and activities with a view to promoting sustainable workplaces that promote health and reducing sick leave. During the year, Region Stockholm's committees and companies implemented a total of just over 200 local projects with a view to promoting employee health and skills. These initiatives have included leadership, ergonomics, automation and the development of virtual training through what is known as VR technology.

The Regional Executive Committee has produced information and training programmes on the amendments to the regulations on daily rest periods. The aim has been to create the conditions for achieving sustainable organisation of working hours for Region Stockholm employees. Some of this work has been done in discussion with employees' organisations. In parallel, a region-wide procurement procedure for a scheduling system has been initiated so as to contribute to efficient schedule management and reduce administration for managers and employees.

Region Stockholm has continued to conduct training programmes in order to strengthen skills in preventing and dealing with threats and violence. Training programmes on gender equality and equal opportunities have been offered to managers and staff working with human resources issues. Region Stockholm has also conducted the annual salary survey required by the Swedish Discrimination Act (2008:567). This year's survey relates to salaries as at 31 December 2022 and shows no gender pay gap (RS 2024-0126).

During the year, several wards and A&E departments at acute care hospitals have been subject to the Swedish Work Environment Authority's national targeted inspection of the organisational work environment in healthcare.

5.4.2 Systematic skills supply

This goal aims to ensure that Region Stockholm works in a structured and sustainable way so as to ensure that expertise is available to perform its assignment both now and in the future. Long-term skills development initiatives and clarification of development opportunities and career paths also contribute to this goal. The goal was achieved for 2023, with three out of four indicators achieving their target value.

	Outcome 2022	Outcome 2023	Target value 2023	Weight	Goal attainment
GOOD AND SUSTAINABLE EMPLOYER					
Systematic skills supply					
Number of full time equivalent students training to become specialised nurses or midwives while retaining their salaries during their studies	351	375	390	25%	Not achieved ●
Number of general service blocks started per year	272	290	270	25%	Achieved ●
Number of ST doctors	2,451	2,500	Increase in specialities in short supply	25%	Achieved ●
Percentage of ST training units that have undergone external quality review	78%	86%	≥ 60%	25%	Achieved ●

The Regional Executive Committee allocated a total of SEK 300 million for 2023 for investments in long-term skills supply, of which SEK 270 million has been used. Among other things, these funds have financed the maintenance of salaries for nurses who are continuing their training to become specialist nurses or midwives, and other measures to improve skills among healthcare workers. Work is also in progress on validating the skills of assistant nurses so that they can obtain a protected professional title.

In 2023, more than 700 staff trained as specialist nurses or midwives on a full-time or part-time basis while retaining their salary, with a total of 375 full-time equivalent studies. Region Stockholm does not have the opportunity to influence which individuals receive study places in each specialisation, and the indicator's target value was not achieved. Staff members have also been on parental leave or sick leave during their studies, which extends their study periods.

The number of blocks in general service (AT) that were started has increased compared to 2022. This increase has been made possible by systematic development work and a larger proportion of central funding than before. In December 2023, the number of doctors with specialisation training (ST) that were employed by healthcare providers in Region Stockholm was around 2,500, while 48 doctors were employed in independent basic training (BT). The number of ST doctors has increased in some specialisations that are in short supply, but has remained unchanged

or decreased in others. The number of BT doctors has increased since 2021, when the programme started.

Region Stockholm works systematically with skills planning through the KOLL region-wide skills planning model, as well as with competence ladders for various occupational groups. Procurement of new IT support for skills planning and development has started in 2023.

6 Significant personnel conditions

Region Stockholm's most important resource is its staff. Region Stockholm needs to recruit, develop and retain employees with the right skills in order to fulfil the Region Stockholm mission, not least in healthcare services, in order to provide good, equal care to residents.

Region Stockholm is one of the country's largest employers, with more than 47,000 employees, 77.5 per cent of whom are women and 22.5 per cent men. Most of them work in healthcare, but there are also other professional roles in this regard such as project managers, economists, lawyers and engineers.

The average number of full-time equivalents during the year was 44,958. The number of full-time equivalents increased by 1.9 per cent compared with the previous year, corresponding to 844 full-time equivalents. Acute care hospitals in particular have increased their staff numbers. The efforts to significantly reduce agency staffing are one important explanation for this. The increase in the proportion of own employees creates continuity and paves the way for business development and a sustainable work environment.

Region Stockholm conducts a region-wide employee survey every year. The results of the 2023 employee survey showed clear improvements in the Sustainable Employee Engagement (SEE) index, which stood at 80 and increased by five points compared to the previous year. All committees and companies improved their results in this year's staff survey.

Karolinska University Hospital worked to streamline its administration during the year. One consequence is that Karolinska has given notice of redundancies of managers and employees in administration and support activities, corresponding to 450 positions.

Sick leave	Outcome	Outcome	Change*
	2023	2022	
Percentage of total sick leave	6.52%	7.29%	-0.77 pp
Women	7.27%	8.03%	-0.76 pp
Men	4.03%	4.87%	-0.84 pp

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Breakdown by age			
29 years or younger	6.9%	7.7%	-0.8 pp
30–49	6.0%	6.7%	-0.7 pp
50 years or older	7.1%	7.8%	0.7 pp
Breakdown by period			
1–14 days	2.86%	3.52%	-0.66 pp
15–90 days	0.99%	1.05%	-0.06 pp
91– days	2.66%	2.73%	-0.07 pp

* The change is expressed in percentage points (pp) which describe the difference between two percentages.

Sick leave in relation to regular working hours was 6.52 per cent in 2023, which is a decrease compared to the previous year when sick leave stood at 7.29 per cent. This improvement applies to both men and women, and to long-term, medium-term and short-term sick leave. However, the goal of less than 6.1 per cent sick leave was not achieved.

7 Net income

7.1 Net income, Region Stockholm

Performance	Outcome	Budget	Deviation	Deviation in	Outcome
SEKm	2023	2023	against budget	per cent	2022
Operating income	30,784	29,809	975	3.3%	30,358
Operating costs	-116,872	-115,113	-1,759	-1.5%	-109,126
Depreciation	-7,080	-7,264	184	2.5%	-6,890
Net operating costs	-93,168	-92,567	-601	-0.6%	-85,658
Tax revenue	93,405	91,670	1,735	-1.9%	87,661
General government grants and equalisation	3,623	2,532	1,091	43.1%	5,099
Net operating income	3,860	1,635	2,225		7,102
Financial income	238	73	165	225.7%	87
Financial expenses	-5,110	-5,164	54	1.0%	-2,224
Profit after financial items	-1,011	-3,456	2,445		4,965
Extraordinary items	0	0	0		0
Net income for the year	-1,011	-3,456	2,445		4,965

Region Stockholm reports a deficit for 2023 of SEK -1,011 million. The main reason for this deficit is high inflation, which means higher costs for staff and pensions. Despite this, profit for the year was SEK 2,445 million better than the budgeted profit. This is explained mainly by higher total tax revenue of SEK 2,826 million. Operating income was SEK 975 million higher than budget, of which SEK 830 million relates to targeted government grants. Operating expenses were SEK 1,759 million higher than budget. This relates to healthcare services, which recorded a larger deficit for the year. Public transport, the Property and Services Committee, the Regional Executive Committee and Group Financing all report better results than budget.

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7.1.1 Revenue

Operating income	Outcome	Budget	Deviation	Deviation	Outcome
SEKm	2023	2023	against budget	as a percentage	2022
Patient fees for healthcare and dental care	1,479	1,333	146	10.9%	1,363
Passenger revenue	8,910	9,265	-355	-3.8%	8,281
Sales of primary services*	3,315	3,340	-26	-0.8%	2,990
Rental income, sale of other services, materials, goods	5,647	4,943	704	14.2%	5,084
Government grants and other grants	9,300	7,642	1,657	21.7%	10,501
Other revenue	2,134	3,286	-1,152	-35.1%	2,139
<i>of which items affecting comparability</i>	<i>90</i>				<i>157</i>
Total operating income	30,784	29,809	975	3.3%	30358

*Primary services consist of sales of healthcare, dental care and other primary services.

Operating income totalled SEK 30,784 million, exceeding the budget by SEK 975 million.

The largest deviation relates to grants, which were SEK 1,657 million higher than budget. Targeted government grants were SEK 830 million higher than budget and related to funds for increased accessibility in healthcare services, higher compensation for asylum, energy grants for businesses and additional vaccination in 2023.

Higher production in primary care, psychiatry and adult dental care resulted in higher revenue from patients of SEK 146 million compared to budget.

Passenger revenue in public transport was SEK 355 million lower than budget due to reduced travel.

Rental income and sales of materials and goods were SEK 704 million higher than budget. Rental income from the letting of premises for public transport activities, plus higher sales of materials and goods related to healthcare, explain the deviation from the budget.

Other revenue had a negative deviation of SEK 1,152 million compared with the budget, but this deviation is due to the fact that the outcome is recognised in the revenue items relating to the sale of services and materials plus grants, which have a positive deviation against the budget.

7.1.2 Costs

Operating costs	Outcome	Budget	Deviation	Deviation	Outcome
SEKm	2023	2023	against budget	as a percentage	2022
Staff costs and agency staff	-34,435	-31,683	-2,752	8.7%	-33,124
Pension costs	-7,849	-7,193	-656	9.1%	-5,163

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Purchased healthcare	-27,196	-26,518	-678	2.6%	-25,503
Purchased services	-16,005	-16,285	279	-1.7%	-16,223
Medications	-10,247	-9,703	-544	5.6%	-9,460
Materials and supplies etc.	-7,618	-7,120	-498	7.0%	-7,263
Contributions paid	-2,422	-1,910	-512	26.8%	-2,315
Costs for premises, rental of equipment	-4,112	-4,026	-86	2.1%	-3,664
Other expenses	-6,989	-10,676	3,687	-34.5%	-6,413
<i>of which items affecting comparability</i>	-11				-46
Total operating costs	-116,872	-115,113	-1,759	1.5%	-109,126

The cost of operations totalled SEK 116,872 million. Expenditure was SEK 1,759 million higher than budget.

Staff costs including agency staff totalled SEK 34,435 million for the year, which is SEK 2,752 million higher than budget and an increase of SEK 1,311 million compared with the previous year. The deviation from the budget is explained by more full-time equivalents and higher salary costs. As of December, the number of full-time equivalents was 44,958. Compared to budget, the volume of staff has increased by 718 full-time equivalents, which corresponds to about EUR 500 million. The collective bargaining round resulted in a “mark” of 4.1 per cent, which is high in nominal terms, and higher than what administrations and companies had anticipated in their business plans for 2023. A one per cent increase in staff costs is equivalent to about SEK 300 million.

When the committees and companies worked on their business plans, the need for efficiency improvements emerged in order for the committees and companies to balance their budgets. In order to deal with the major financial deficits at acute care hospitals, SEK 2,000 million was allocated to healthcare services, of which around SEK 1,800 million was for Region Stockholm’s own activities (RS 2022-0638). This reinforcement did not alter the 2023 budget but was dealt with in the context of reporting and forecasting during the year. The subsidy has thus funded a larger part of the increases in staff costs.

The outcome includes SEK 361 million saved by reducing the hiring of agency staff

Pension costs increased by SEK 656 million compared with the budget, which is due to the introduction of the new AKAP-KR pension agreement, salary increases and increased personnel costs linked to the pandemic. Inflationary effects linked to the pension liability are also recognised in net financial items and commented on below.

Inflation is also reflected in price increases for medications and materials and goods, resulting in negative deviation from the budget.

The cost of purchased healthcare¹² is higher than budget due to increased consumption in care choices, higher costs for externally purchased prehospital care and geriatric care.

Contributions paid deviated negatively from budget by SEK 512 million, which relates mainly to the transfer of contributions from the Healthcare Committee to the Municipal Association for Health and Care in Norrtälje for increased funding of existing activities and compensation for increased pension costs. This deviation is explained by the fact that the costs for KSON are budgeted as purchased healthcare, while the outcome is recognised as contributions paid.

The cost of purchased transport was SEK 279 million lower than budget due to lower costs for price indexes in contracts and disruptions to commuter rail services, which reduced the cost of incentives and resulted in penalties for services not provided.

Other expenses were SEK 3,687 million below budget, mainly related to the Regional Executive Committee's Group Financing. This was because the budget included a reserve for managing risks in the activities, including the effects of increased inflation, while the outcome is recognised in the respective cost items. Other costs include consultancy costs, which amounted to SEK 833 million and exceeded the budget by SEK 99 million, which corresponds to 13 per cent of the budget. Larger deviations relate to service administration (SEK 87 million) and the Regional Executive Committee (SEK 39 million), which is explained mainly by an increase in IT consultants for the Vaccinera (Vaccinate) and the Vårdens informationsmiljö (Healthcare Information Environment) projects.

Consultancy costs have fallen by SEK 44 million, or five per cent, compared to the previous year. This is explained by factors such as consultant rotation efforts. For instance, the Transport Committee completed 41 consultant rotation initiatives and another 28 were signed starting in the first quarter of 2024. The Regional Executive Committee also implemented a consultant rotation initiative, resulting in lower consultancy costs.

7.1.3 Tax revenue

Tax revenue, general government grants and equalisation	Outcome 2023	Budget 2023	Deviation against budget	Outcome 2022	Change
SEKm					

¹² Purchased healthcare refers to care provided by healthcare providers other than Region Stockholm.

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Tax revenue	93,405	91,670	1,735	87,661	6.6%
General government grants	7,718	7,573	145	7,383	4.5%
Equalisation system	-4,095	-5,041	946	-2,284	79.3%
Total	97,028	94,202	2,826	92,760	4.6%
Change from previous year, SEKm	4,268	1,442		4,790	
Change from previous year, per cent	4.6%	1.6%		5.4%	
Tax rate	12.08	12.08		12.08	

Total tax revenue amounted to SEK 97,028 million. Total tax revenue exceeded the budget by SEK 2,826 million. This deviation is explained mainly by higher tax revenue of SEK 1,735 million. The main reason is an increase in 2023 tax revenue, which is explained by strong growth in residents' total payroll expenses in the context of the post-pandemic recovery. General government grants and reimbursements from central government for regulatory contributions within the equalisation system also improve the outcome.

7.1.4 Financial net income

Net income totalled SEK -4,871 million. The outcome includes around SEK -3,700 million relating to the financial cost of the pension liability, due primarily to increased inflation. Net financial items deviated positively from budget by SEK 219 million. This positive deviation is mainly due to interest income on bank balances.

7.1.5 Balance requirement profits

Profit for the year after balanced budget requirement adjustments totalled SEK -1,091 million. So as not to have to restore a deficit in the balanced budget requirement, exceptional reasons are invoked due to the fact that inflation has had such a strong impact on Region Stockholm's pension costs. Region Stockholm would have recorded a surplus in 2023 instead if the impact of high inflation had been excluded from the revaluation of Region Stockholm's pension obligation. The decision to invoke exceptional reasons is in accordance with Chapter 11(13) of the Swedish Local Government Act and means that the deficit of SEK 1.0 billion will not be restored.

For 2023, Region Stockholm has special reasons for a reduced debt to equity ratio due to the higher provisions for Region Stockholm pensions. In 2023, Region Stockholm's debt to equity ratio fell by one per cent compared to 2022, reaching 2.3 per cent at the end of the year. The debt to equity ratio will be restored at the 2022 level in 2026, provided that the budgeted surpluses in 2025 and 2026 are realised, which is in line with sound financial management.

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SEKm	Year-end 2023	Budget 2023	Year-end 2022
Net income according to balanced budget requirement			
Net income for the year according to the income statement	-1,011	-3,456	4,965
All capital gains	-80	0	-155
Net income for the year after balanced budget requirement adjustments	-1,091	-3,456	4,810
Allocation of funds to the profit equalisation reserve	0	0	-3,882
Balance requirement profits	-1,091	-3,456	928

7.1.6 Items affecting comparability

Items affecting comparability SEKm	Outcome 2023	Outcome 2022
Within operating revenue:		
Capital gain	90	157
Within operating costs:		
Capital losses	-2	0
Adjustment costs	0	-44
Costs incurred on the sale of properties	-9	-2
Total items affecting comparability	80	111

Items affecting comparability amounted to SEK 80 million and relate to capital gains. Capital gains from the sale of Berga Naturbruksgymnasium and associated property totalled SEK 65 million. AB Storstockholms Lokaltrafik reports a capital gain of SEK 10 million from the sale of the Grisslinge bus depot.

7.2 Net income committees and companies

SEKm	Outcome 2023	Budget 2023	Deviation against budget	Deviation percentage of turnover	Year-end 2022
Healthcare					
Healthcare Committee	-772.9	0.0	-772.9	-0.9%	230.8
Statutory Joint Authority for Healthcare and Social Care	-63.1	0.1	-63.2	-7.5%	30.7
Primary Care Committee	-174.5	0.0	-174.5	-1.4%	0.0
Patient Advisory Committee	2.0	0.0	2.0	5.1%	1.5
Stockholm County Healthcare Area	-280.2	201.0	-481.2	-3.2%	426.8
Karolinska University Hospital	-735.8	44.0	-779.8	-2.9%	230.8
Södersjukhuset AB	-176.8	21.0	-197.8	-3.0%	-201.3
Danderyds Sjukhus AB	-116.3	24.0	-140.3	-2.3%	-225.9
Södertälje Sjukhus AB	-43.8	5.0	-48.8	-2.7%	-4.7
S:t Eriks Ögonsjukhus AB	5.4	7.0	-1.6	-0.2%	42.0

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SEKm	Outcome 2023	Budget 2023	Deviation against budget	Deviation percentage of turnover	Year-end 2022
Folktandvården Stockholms Län AB	23.2	-12.4	35.6	2.0%	148.0
Ambulanssjukvården i Storstockholm AB	-2.7	6.0	-8.7	-1.7%	7.9
Tobiasregistret AB	4.5	0.0	4.5	8.9%	0.0
MediCarrier AB	25.1	3.5	21.6	1.6%	28.3
Healthcare total	-2,306.1	299.2	-2,605.3	-2.8%	716.1
Public transport					
Transport Committee	-550.3	-1,166.0	615.7	1.6%	832.3
<i>of which transport administration</i>	-10.9	32.0	-42.9	-0.3%	-39.4
<i>of which mobility services</i>	41.0	4.0	37.0	2.0%	292.3
<i>of which administration for extended metro</i>	13.9	0.0	13.9	0.2%	17.5
AB Storstockholms Lokaltrafik	-594.3	-1,202.0	607.7	2.5%	562.0
<i>of which AB SL Finans</i>	132.0	0.0	132.0	9.6%	424.2
<i>of which SL Nya Tunnelbanan AB</i>	0.0	0.0	0.0	0.0%	0.1
<i>of which Waxholms Ångfartygs AB</i>	37.7	0.0	37.7	6.2%	1.8
Public transport total	-550.3	-1,166.0	615.7	1.6%	832.3
Culture					
Culture Committee	3.1	0.0	3.1	0.5%	1.6
Film Stockholm AB	0.1	0.0	0.1	0.2%	0.0
Total culture	3.1	0.0	3.1	0.5%	1.6
Regional Executive Committee	202.1	0.0	202.1	6.3%	354.0
Climate and Regional Development Committee	4.5	0.0	4.5	2.4%	0.0
Property and services					
Property and Services Committee	673.2	493.0	180.2	2.2%	775.1
<i>of which Service Administration</i>	-183.5	-65.0	-118.5	-6.3%	-4.1
<i>of which Property Administration</i>	856.7	558.0	298.7	4.8%	779.2
Locum AB	8.5	-12.1	20.6	5.1%	14.4
Properties and services total	681.7	480.9	200.8	2.4%	789.5
Other					
Board of Auditors	0.3	0.0	0.3	0.6%	0.5
Landstingshuset i Stockholm AB	-159.8	0.0	-159.8		-199.6
Group shared functions					
Reservation for claims, damages	16.0	0.0	16.0	82.6%	-3.7
Group Financing	78.5	-3,070.2	3,148.7	2.9%	3,051.1
Group adjustments	1,018.6	0.0	1,018.6		-575.4
Total	-1,011.5	-3,456.1	2,444.7		4,965.2

Committees and companies in the healthcare sector report a total negative result of SEK -2,306 million.

Negative deviations from the net income requirement are reported by Stockholm County Healthcare Area, Karolinska University Hospital, Södersjukhuset AB, Danderyds Sjukhus AB, Södertälje Sjukhus AB, S:t

Eriks Ögonsjukhus AB, Ambulanssjukvården i Storstockholm AB, the Healthcare Committee, the Primary Care Committee and the Statutory Joint Authority for Healthcare and Social Care in Norrtälje. The deviation is mainly due to higher costs for staffing and externally purchased healthcare, but also for materials and goods.

The healthcare committees and companies that achieved the budgeted net income requirements were the Patient Advisory Committee, Tobiasregistret AB and MediCarrier AB.

The overall profit for the committees and companies within the Transport Committee's area of responsibility totalled SEK -545 million, which was SEK 616 million better than budget. Public transport thus met its net income requirement.

The Culture Committee and Film Stockholm AB, as well as the Regional Executive Committee, the Climate and Regional Development Committee and the reservation for claims reported a profit that met the budgeted net income requirement.

A profit of SEK 682 million was reported for properties and services, which means that the net income requirement was met. The Service Administration's profit totalled SEK -184 million, due mainly to higher interest costs and IT and telecommunications costs. The Property Administration's profit totalled SEK 857 million, primarily due to lower ongoing maintenance, media, operating, service and financial costs.

Landstingshuset i Stockholm AB (LISAB) reported a profit of SEK -84 million, compared with a budgeted profit of SEK 0. The negative deviation from budget mainly relates to the write-down of the value of shares in subsidiaries. Excluding the write-down, the profit would have been SEK -25 million.

Group Financing reported a profit of SEK 79 million, which is SEK 3,149 million higher than budget, of which total tax revenue amounted to SEK 2,826 million. Group Financing includes tax revenue, financial expenses, pensions and provisions in order to manage risks in activities, including the effects of increased inflation.

Committees and companies reporting a result that deviates negatively from the net income requirement must ensure that the action plans developed have an effect and, if necessary, develop and implement additional new measures to meet the net income requirements.

The net income requirements according to budget are a minimum requirement, which means that profits in excess of the net income

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requirement may be retained within equity, provided that the Group's equity increases by a corresponding amount. Profits in excess of the net income requirement may not be retained by the committees or companies as the Group's equity decreases due to the deficit for the year.

7.2.1 Measures for sound financial management

SEK 150 million was allocated to measures for sound financial management in the 2023 budget for Region Stockholm. The Business Plan (RS 2022-0803) stated that the Regional Executive Committee aims to work to strengthen financial performance and limit cost developments, both across the Group and within its own activities. The Regional Executive Committee has allocated this SEK 150 million to 21 projects for committees and companies. The Transport Committee, Karolinska University Hospital, Danderyds Hospital AB, Södersjukhuset AB, Södertälje Hospital AB, Stockholm County Healthcare Area, the Culture Committee, the Public Dental Service and the Property and Services Committee have all implemented projects to strengthen the financial result and limit the development of costs. A number of these projects have already had an impact this year, but full impact is expected to be achieved by 2025 at the latest.

One example is the Transport Committee's project for reducing the use of consultants. The consultant rotation process is expected to continue for three years in order to achieve stronger internal governance and control. 41 consultant rotations were completed during the year and a further 28 were signed, starting in the first quarter of 2024. A total of 254 consultant rotations are expected to be implemented by December 2025 and a further 20 through phasing out.

Another example is the Public Dental Service, which has introduced digital scheduling. A resource app has been implemented with a view to optimising resources between different clinics in order to reduce the number of cancelled appointments. Up to November, 269 bookings have been made in the app for 50 employees paid by the hour, resulting in an estimated saving of SEK 1.2 million, excluding time freed up for management and administration.

7.3 Investments within committees and companies

SEKm	Outcome 2023	Budget 2023	Deviation against budget	Year-end 2022
Healthcare	1,003.3	1,797.4	794.1	837.9
Public transport	13,449.3	13,859.2	410.0	10,431.7
Property and services	2,302.1	3,216.6	914.5	1,739.7
Other investments	6.7	9.8	3.1	3.6
<i>of which Regional Executive Committee</i>	3.7	8.6	4.9	2.4
<i>of which Culture Committee</i>	2.7	1.0	-1.7	1.2
<i>of which Board of Auditors</i>	0.3	0.2	-0.1	0.0

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Total investments	16,761.5	18,883.1	2,121.6	13,012.9
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Region Stockholm's investment expenditure for the year amounted to SEK 16,762 million, corresponding to a work-up rate of 89 per cent in relation to a budgeted volume of SEK 18,883 million. The outcome was SEK 2,122 million below budget. Co-financing from the state and municipalities during the year totalled SEK 5,568 million, of which SEK 4,557 million relates to the expansion of the new metro.

The prevailing international situation involving inflation, material shortages, long delivery times and an increased construction cost index affected Region Stockholm's investments during the year. The situation has led to significant cost overruns and delays, resulting in negative financial consequences and increased total cost forecasts for several ongoing investments.

A report on the year's investment outcomes in each operational area and major investments with implementation decisions is presented below.

7.3.1 Healthcare investments

Healthcare	Outcome	Budget	Deviation	Year-end
SEKm	2023	2023	against budget	2022
Healthcare Committee	8.6	7.0	-1.6	8.3
Primary Care Committee	0.0	0.0	0.0	0.0
Patient Advisory Committee	0.0	0.0	0.0	0.0
Stockholm County Healthcare Area	213.0	252.4	39.4	162.5
Karolinska University Hospital	312.6	850.0	537.4	300.5
Södersjukhuset AB	168.6	298.0	129.4	98.4
Danderyds Sjukhus AB	140.7	229.0	88.3	108.1
Södertälje Sjukhus AB	38.5	30.0	-8.5	51.6
S:t Eriks Ögonsjukhus AB	21.3	20.0	-1.3	18.1
Folktandvården Stockholms Län AB	56.2	70.0	13.8	60.1
Ambulanssjukvården i Storstockholm AB	25.9	29.0	3.1	15.9
MediCarrier AB	18.0	12.0	-6.0	14.4
Healthcare total	1,003.3	1,797.4	794.1	837.9

Healthcare's investments in medical equipment, fixtures and information and communication technology amounted to SEK 1,003 million, giving a work-up rate of 56 per cent against the year's budget of SEK 1,797 million. The outcome was SEK 794 million below budget. Committees and companies that report outcomes above SEK 100 million are commented on below.

The Stockholm County Healthcare Area's investments consist of replacement investments, and the assistive device organisation accounts for around 67 per cent of the total investment budget. Preparations were made during the year for technical upgrading and operational adaptation at Löwenströmska Hospital, premises were adapted for national highly

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specialised care for self-harming adults and eating disorders, and procurement of medical technology for ECT¹³ in Nacka.

Karolinska University Hospital has a lower rate of investment than planned during the year due to better utilisation of the equipment as a result of the hospital actively working on this, but also due to low procurement capacity and extended delivery times. Expenditure for the year was underspent by SEK 537 million, which corresponded to a 37 per cent work-up rate in relation to the budget.

Södersjukhuset AB is experiencing delays in the major investments MR 3T¹⁴, PCI¹⁵ equipment and equipment for the renovation of Bldgs 17/18, which has meant that planned expenditure has been moved to 2024. Expenditure for the year was SEK 129 million below budget, which corresponded to a 57 per cent work-up rate in relation to the budget.

During the year, Danderyds Sjukhus AB reduced the level of investment in order to cope with future depreciation costs given the economic situation. The hospital is investing mainly in replacement investments. The decision to reduce the level of investment has had no major impact on operations. Expenditure for the year was SEK 88 million below budget, which corresponded to a 62 per cent work-up rate in relation to the budget.

7.3.2 Public transport investments

Public transport	Outcome	Budget	Deviation	Year-end
SEKm	2023	2023	against budget	2022
Transport Committee	13,449.3	13,859.2	410.0	10,431.7
<i>of which Transport Administration</i>	6,974.6	6,779.6	-195.0	5,010.6
<i>of which mobility services</i>	35.4	37.7	2.3	60.8
<i>of which Administration for Extended Metro</i>	6,439.3	7,041.9	602.6	5,360.3
Public transport total	13,449.3	13,859.2	410.0	10,431.7

The Transport Committee is responsible for investments in public transport and the extension of the metro. Investments totalled SEK 13,449 million, of which SEK 6,439 million related to investments in the extended metro. The work-up rate of SEK 13,859 million against budget for the year was 97 per cent. Investments with a total budget of over SEK 300 million are presented below, and comments are provided on individual investments with outcomes and deviations of over SEK 100 million.

Transport investment implementation over SEK 300 million	Outcome	Budget	Deviation	Total	Total	Total	Total	Comple-
SEKm	2023	2023	2024	acc. outcome	forecast	budget	deviation	tion (year)

¹³ Electroconvulsive therapy is an electrical treatment for certain mental disorders.

¹⁴ Magnetic Resonance Tomography

¹⁵ Percutaneous Coronary Intervention refers to balloon angioplasty, which is designed to treat narrowing of the coronary arteries.

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Red Line upgrade programme	1,216	1,108	-108	8,543	10,710	10,710	0	2027
Roslagsbanan extension programme ¹	477	587	109	9,425	10,678	10,446	-232	2026
Northern Crossrail Kistagrenen programme	1,002	1,348	346	4,950	6,522	6,522	0	2025
Northern Crossrail Solnagrenen programme	11	7	-3	5,554	5,592	5,584	-8	2024
Bus depots programme ¹	18	144	126	3,371	4,195	4,010	-185	2027
Bussterminal Slussen ¹	1,075	334	-741	4,222	4,176	3,388	-788	2026
Saltsjöbanan programme	196	210	14	1,619	1,835	1,835	0	2027
Red and Blue Line operating system	63	72	10	89	541	541	0	2029
Slussen programme	14	43	29	423	485	485	0	2025
Green Line service life extension	43	52	9	234	412	412	0	2026
Nockebybanan line replacement to Akka 4 ¹	9	17	7	22	407	377	-30	2027

¹The total investment forecast has been decided in the Regional Council budget for 2024

The Red Line upgrade programme relates to the acquisition of C30 metro coaches, as well as adaptations of the Nyboda depot and land-based IT for vehicles. Two workshop sites were completed for the Nyboda depot during the year. Expenditure for the year exceeded the year's budget by SEK 108 million on account of the fact that more vehicles than planned were delivered during the year. Additionally, indexation in the contract has increased at a higher rate than expected in 2023. A total of 61 vehicles are now in service.

The Roslagsbanan line extension programme includes the extension of double tracks, a new depot, noise protection measures and new X15p vehicles. The aim is to ensure that services on the Roslagsbanan line are more frequent and less sensitive to disruption. The flyunder for pedestrian and cycle paths was opened in Frescati and Portvägen in Enebyberg during the year. Delays in vehicle delivery mean that completion of the investment is delayed until 2026, which contributed to this year's expenditure being SEK 109 million below this year's budget and the total forecast exceeding the total budget by SEK 232 million.

The Northern Crossrail Kistagrenen programme refers to the new construction of an eight-kilometre-long cross-connection from northern Ulvsunda to Helenelund, with stops at locations such as Bromma Airport and Kista. This project involves the delivery of 20 A35 trams. Expenditure for the year was SEK 346 million below budget due to production stoppages early in the year and changes in schedules. The increased price situation is expected to impact the final cost forecast, and the remaining parts of the Ursviks torg to Helenelund section have been cancelled by the turnkey contractor. A renewed implementation decision is planned for 2024.

The Northern Crossrail Solnagrenen programme has largely been completed. Several tests have been carried out during the year, and preparatory activities are ongoing for handover to completion and management in 2024. The overall forecast exceeds the total budget by SEK

8 million on account of delays in signalling-related work and increased indexation costs.

The Bus depots programme relates to the refurbishment of the Tomtebodas bus depot and construction of a bus depot in Enlunda, which is planned to replace the bus depot in the centre of Ekerö. The start of construction work on the Enlunda bus depot has been postponed until 2024 as a result of the cancellation of the building permit and the failure to obtain a Water Rights Court ruling. Expenditure for the year was SEK 126 million below budget as a result. The total forecast exceeds budget by SEK 185 million due to increased scope in respect of electric buses and workshop places. A new decision by the Regional Council is planned for 2024.

The Slussen bus terminal is a collaborative project with the City of Stockholm and involves a new bus terminal in Katarinaberget. A review was carried out at the beginning of the year (RS 2022-0896) which resulted in the Regional Council taking a renewed decision (RS 2022-0896) of SEK 4,271 million. Negotiations were held with the City of Stockholm during the year and a cooperation plan was drawn up. Expenditure for the year exceeded budget by SEK 741 million due to delays and cost overruns in the City of Stockholm's construction projects. The total forecast exceeds the total budget by SEK 788 million, and a new decision by the Regional Council is planned for the first quarter of 2024.

The Saltsjöbanan line programme relates to upgrading and capacity measures on the Saltsjöbanan line, including double-track sections at Fisksätra and Tattby, where construction work has been ongoing during the year with a view to opening to services in early 2024. Most of the noise mitigation initiatives have been completed. The City of Stockholm's Slussen project is affecting the completion time for the Saltsjöbanan line, which involves a risk of delay. Expenditure for the year was SEK 14 million below budget.

The Red and Blue Line operating system includes a new digital operating system and transmission for both the Red Line and the Blue Line. Procurement procedures were implemented during the year which were appealed against, resulting in delays. One element of the system delivery has been postponed to 2024, and expenditure for the year was therefore SEK 10 million below budget.

The Green Line service life extension investment concerns the replacement of signalling switchgear on the Green Line's Farstagrenen interchange track to ensure maintenance until 2035. A number of tests have been approved during the year, and a time-limited permit from the Swedish Transport Agency for components, as well as a decision on route closure for the summer of 2025, have been obtained. Expenditure for the year was SEK

9 million below budget because of a revised schedule compared to what was previously estimated.

The Slussen programme relates to the renovation of the Söderström bridges, the relocation of a technical room and the replacement of a rectifier station. Completion is forecast for 2025. Ongoing works have been delayed due to appeals and delays in adjacent works carried out by the City of Stockholm. Expenditure for the year was thus SEK 29 million below budget. Completion is forecast for 2025.

Replacement investments, service implementation over SEK 300 million SEKm	Outcome	Budget	Deviation	Total	Total	Total	Total	Completion (year)
	2023	2023	2024	acc. outcome	forecast	budget	deviation	
Replacement of lifts and escalators	242	289	46	1,092	1,494	1,494	0	2027
C20 – upgrade	298	321	24	1,250	1,453	1,453	0	2025
Saltsjöbanan and Slussen metro entrances	67	110	42	183	1,007	1,008	1	2027
Expansion of Älvsjö depot	140	170	30	449	864	864	0	2026
Rissne Metro Depot ¹	117	146	29	238	1,007	632	-375	2026
Low-frequency maintenance X60, X60A, X60	79	118	40	231	626	626	0	2026
Roslagsbanan replacement X10p ¹	128	46	-83	128	472	340	-132	2025

¹The total investment forecast has been decided in the Regional Council budget for 2024

Region Stockholm's replacement investments aim to preserve the value of the asset, maintain existing benefits and ensure effective operations. This is done through maintenance, life cycle investments and replacement of technical solutions. Lift and escalator replacements were completed at 39 stations during the year, and 95 of a planned 106 C20 vehicles were upgraded.

The renovation and modernisation of the Rissne Metro depot has been postponed, which has impacted the overall forecast, exceeding the total budget by SEK 375 million due to higher costs and increased indexation. The Regional Council took a renewed implementation decision (RS 2023-0582) during the year, corresponding to the overall forecast.

Work on the Roslagsbanan line's replacement of vehicle type X10p with the newer x15p has continued during the year, and four new x15p vehicles have been subordered. The total forecast exceeds the total budget by SEK 132 million on account of index increases and currency effects. A renewed implementation decision corresponding to the total forecast was made by the Regional Council in 2023.

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Extended metro implementation over SEK 300 million	Outcome	Budget	Deviation	Total	Total	Total	Total	Comple- tion (year)
	2023	2023	2024	acc. outcome	forecast	budget	deviation	
SEKm								
Metro to Nacka and Söderort ^{1,2}	3,627	3,852	225	11,196	23,178	22,849	-329	2030
Metro to Arenastaden ^{1,2}	893	802	-91	3,316	6,049	6,046	-3	2028
Metro to Barkarby ^{1,2}	474	929	455	3,414	5,493	5,460	-33	2026
Södra Hagalund station ^{1,2}	78	99	21	368	1,378	1,332	-46	2028
New metro depot	1,012	1,127	115	3,218	5,884	5,884	0	2026
Vehicles	0	2	2	15	1,737	1,737	0	2030

¹Exceeding total forecasts is due to the fact that the CPI forecast has been revised upwards according to the Economic Institute's forecast in accordance with Region Stockholm's directive.

²The total investment forecast has been decided in the Regional Council budget for 2024.

The metro to Nacka and Söderort involves an extension of the Blue Line from Kungsträdgården to Nacka, with a branch via Gullmarsplan and connection to Sockenplan. A total of 11.2 kilometres of rail tunnel will be built with seven stations. Most construction, installation and BEST¹⁶ contracts were procured in 2023, most of which have started up. Expenditure for the year was SEK 225 million below budget due to lower progress as a result of more difficult water crossing conditions, amendment of production planning for Gullmarsplan and Nacka, and construction stoppages at Sickla and Järla in June.

The Arenastaden metro means a new metro line from Odenplan to Arenastaden. Work continued on tunnelling in Hagastaden, Rudviken and Arenastaden during the year. At Hagastaden, the platform tunnels have been blasted out in their entirety and work has been done on rock excavation and reinforcement. Concrete work has begun towards the entrance to Karolinska. Expenditure for the year exceeded budget by SEK 91 million due to the deferral of expenditure from previous years as water has leaked in and lower rock overburden had to be addressed. The Södra Hagalund station is a separate investment property, but the work is being done as part of the same project as Arenastaden.

The metro to Barkarby involves extending the Blue Line from the existing Akalla station to Barkarby commuter train station via Barkarbystaden. The construction contract in the Järfälla tunnel was cancelled during the year and a new contractor was procured in the autumn, which contributed to expenditure for the year being SEK 455 million below budget. An agreement was reached with the Swedish Transport Administration to extend the work on the Mälärbanan line's rise so as not to lose momentum. Additionally, a contract was signed for the signalling work on the Akalla-Barkarby section after the summer.

The new metro depot is intended to secure vehicles and depot capacity before the new metro begins operating services. Work has been carried out

¹⁶ Track, electricity, signalling and telecommunications.

on the first ten metres of the Kvikksundsvägen concrete tunnel, the casting of walls and vaults has been completed during the year, and the base plate connecting the single track with the double track has been completed. The single track was also completed for commissioning on the Farstagrenen interchange track. The technical buildings at the depot were completed for handover in the autumn, and the sprinkler tank, the washing and cleaning hall and the sheet piling on the west side were handed over at the end of the year.

7.3.3 Property and services

Property and services	Outcome	Budget	Deviation	Year-end
SEKm	2023	2023	against budget	2022
Property and Services Committee	2,300.6	3,212.1	911.5	1,737.0
of which Property Administration	2,188.9	2,887.7	698.8	1,531.3
of which Service Administration	111.7	324.4	212.7	205.7
Locum AB	1.5	4.5	3.0	2.6
Properties and services total	2,302.1	3,216.6	914.5	1,739.7

The Property and Services Committee is responsible for investments in healthcare properties and information technology provision. Investments amounted to SEK 2,302 million, providing a work-up rate of 72 per cent of the year's budget of SEK 3,217 million.

Property investments, implementation Karolinska University Hospital over SEK 300 million	Outcome	Budget	Deviation	Total	Total	Total	Total	Comple-
SEKm	2023	2023	2023	acc.	Forecast	Budget	deviation	tion
				outcome				(year)
HS New construction and renovation of A&E department ¹	109	126	17	150	331	295	-36	2025
HS Adaptation 1 ward/year Ward of the future, phase 2	58	84	26	105	236	236	0	2026
HS Refurbishment of clinic, 1 per year Clinic of the future, phase 2	18	57	39	52	134	134	0	2026
HS New ventilation system C2 ²	50	0	-50	51	209	0	-209	2025

¹ Exceeding the overall forecast is attributable to risks and uncertainties related to general inflation and the international situation. The total investment forecast has been decided in the Regional Council budget for 2024.

² The total investment forecast has been decided in the Regional Council budget for 2024.

Construction and renovation of the A&E department at Karolinska University Hospital relates to the construction and renovation of the A&E department with paediatric A&E and a local A&E and ambulance hall at Huddinge. Delays in project planning and procurement of a construction contractor have meant that this year's expenditure was SEK 17 million below budget. The total forecast exceeds the total budget by SEK 36 million.

Adaptation of wards and clinics, phase 2, at Karolinska University Hospital refers to phased refurbishment of wards and clinics in Huddinge, one ward and one clinic being refurbished every year. The schedule has been delayed

on account of changes in the scope of the investment, which has resulted in the year's expenditure being under budget by SEK 26 million and SEK 39 million respectively for the refurbishment of wards and clinics.

The new C2 ventilation system at Karolinska University Hospital relates to the renovation of the ventilation system in building C2 and is part of planned renovation of most of the ventilation systems at Huddinge over the next decade. The scope of the investment in building C2 was extended during the year, and the Property and Services Committee made a renewed implementation decision (FSN 2023-0133) in March 2023 relating to SEK 209 million, which corresponds to the total forecast. The total forecast was not included in the 2023 budget, but it has been included in the Regional Council's adopted budget for 2024 (RS 2023-0160).

Expansion of the forensic psychiatric facility in Huddinge, Helix phase 2, was planned during the year to meet part of the future need for beds for forensic psychiatric care in Region Stockholm after 2026. A decision on implementation is planned to be made by the Regional Council in the first quarter of 2024, at an investment cost of SEK 1,050 million.

Property investments, implementation Södersjukhuset, Danderyd University Hospital and Södertälje Hospital over SEK 300 million SEKm	Outcome	Budget	Deviation	Total	Total	Total	Total	Comple-
	2023	2023	2023	acc. outcome	forecast	budget	deviation	tion (year)
SÖS-Modernisation of beds phase 1 and 2 ¹	114	248	134	207	902	800	-102	2026
SÖS ICU beds	6	35	29	20	204	116	-88	2026
DS – New care building, bldg 61 ¹	759	606	-153	1,519	1,975	1,854	-121	2025
Södertälje Hospital – Bldg 20 – extension for geriatric care ¹	20	162	142	32	394	350	-44	2025

¹ Exceeding the overall forecast is attributable to risks and uncertainties related to general inflation and the international situation. The total investment forecast has been decided in the Regional Council budget for 2024.

The modernisation of beds, phases 1 and 2, at Södersjukhuset concerns the renovation and modernisation of wards in buildings 17 and 18. Preparatory work on the buildings has been carried out during the year, and procurement of a general contractor is ongoing. The schedule has been delayed compared to the budgeted schedule, which meant that expenditure for the year was SEK 134 million below budget. The total forecast exceeds the total budget by SEK 102 million.

“ICU beds at Södersjukhuset” relates to the construction and refurbishment of intensive care premises. The schedule has been delayed compared to the budgeted schedule and has meant that expenditure for the year was SEK 29 million below budget. In October 2023, the Property and Services Committee made an implementation decision (FSN 2020-0442) of SEK

204 million, which corresponds to the total forecast and exceeds the total budget by SEK 88 million.

“New care building, bldg 61 at Danderyd University Hospital” refers to the construction of new beds and clinic activities. The care building reached its full height during the year, frame completion and installation works are ongoing and a helipad has been installed. Expenditure for the year exceeded the budget by SEK 153 million, which is explained by construction delays. The total forecast exceeds the total budget by SEK 121 million.

“Bldg 20 – extension for geriatric care at Södertälje Hospital” refers to a four-storey extension of building 20 for geriatric care. Preparatory works were carried out during the year, and the procurement of the construction contract was finalised. The schedule has been delayed compared to the budgeted schedule and has meant that expenditure for the year was SEK 142 million below budget. The total forecast exceeds the total budget by SEK 44 million.

Property investments, implementation Other hospitals over SEK 300 million SEKm	Outcome	Budget	Deviation	Total	Total	Total	Total	Comple-
	2023	2023	2023	acc. outcome	forecast	budget	deviation	tion (year)
St Görans wards and treatment incl techn. inst.	39	137	98	2,217	2,234	2,337	103	2024
Rosenlund Hospital – Bldg 09 – Vertical framework replacement	6	26	20	21	295	110	-185	2027
Nacka – Replacement trunks for sewerage Bldg 01 and 05 low section	5	0	-5	7	126	0	-126	2026

S:t Görans wards and treatment including technical renovation relates to the construction and refurbishment of healthcare buildings at S:t Görans Hospital. Most of the investment has been completed, with two healthcare buildings having now been commissioned. A connecting corridor and a new maternity entrance were built between buildings 20 and 30 during the year. The total forecast has been set at SEK 2,234 million, which is SEK 103 million below the total budget and has contributed to the year’s expenditure being SEK 98 million below budget.

Rosenlund Hospital – Bldg 09 – Vertical trunk replacement refers to the refurbishment of soil trunking in building 09 at Rosenlund Hospital. Design work has been carried out during the year and the schedule has been postponed due to changes in the scope of the investment and delays in the planning of evacuation premises. Overall, this has resulted in the year’s expenditure being SEK 20 million under budget, contributing to the total investment forecast exceeding the total budget by SEK 185 million. A renewed implementation decision is planned to be made by the Property and Services Committee in the first quarter of 2024.

Nacka Hospital – Replacement of soil trunking Bldg 01 and 05 low section concerns the refurbishment of soil trunking in part of Nacka Hospital. Design work was carried out during the year and is still ongoing ahead of the procurement of a contract in 2024. In December 2022, the Property and Services Committee made a decision on implementation (FSN 2022-0414) of SEK 126 million, which corresponds to the total forecast.

8 Important conditions for the profit and the financial position

8.1 Financing

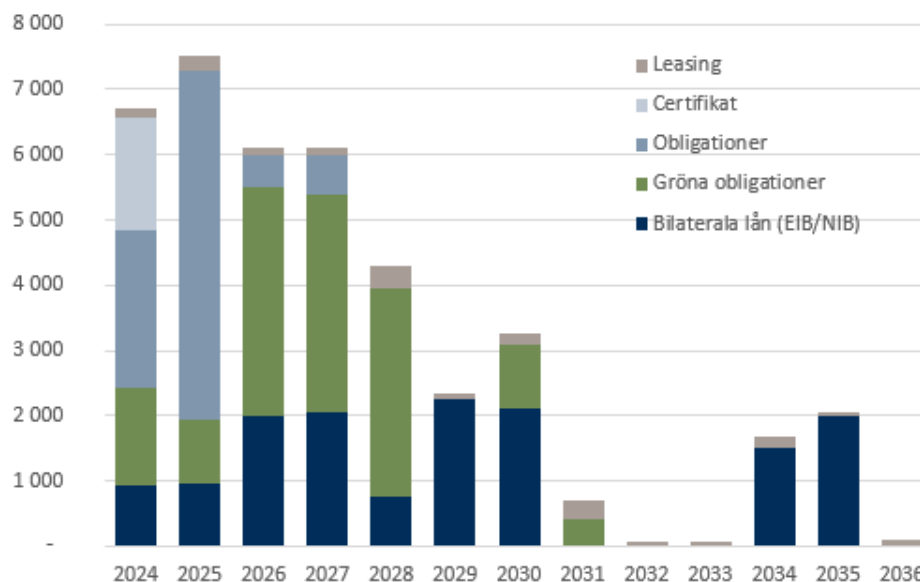
Region Stockholm's credit rating from the credit rating institute Standard & Poor's remains AA+.

The Regional Council has set a borrowing limit of SEK 95 billion. The total refers to all contractual loan and credit commitments, loan programmes and lease obligations as well as overdraft facilities. The region's interest-bearing debt decreased during the year by SEK 1.7 billion and amounted to SEK 46.6 billion as at 31 December 2023. This amount includes debt for the financing of the New Karolinska Solna hospital, which at the time of preparation of the financial statements amounted to SEK 5.4 billion.

According to Region Stockholm's financial guidelines, the fixed-interest period of the debt portfolio must fall in the range 2–5 years. During the year, it varied between 2.9 and 3.2 years and amounted to around 3.2 years at 31 December 2023. The position at 31 December implies that around 23 per cent of the total debt portfolio will be repriced in the coming year.

Region Stockholm's financial guidelines require that liquidity needs and short-term debt to equity ratio must always be secured through contractual financing. As at 31 December 2023, the maximum liquidity requirement for the next six months was SEK 6.3 billion. At the same time, the agreed financing totalled SEK 12.3 billion, of which an overdraft facility linked to the Group account of SEK 3 billion, a credit facility with commercial banks of SEK 4 billion and as yet unutilised loan agreements and refinancing facilities with the European Investment Bank, EIB, of just over SEK 2 billion and just over SEK 3 billion respectively

The chart below shows the maturity structure of the Region Stockholm's debt portfolio.

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8.2 Region Stockholm's health bond shows positive results

Region Stockholm is the first organisation in the world to innovatively invite external stakeholders to carry out preventive health initiatives financed through what is known as a health bond. This involves trialling new ways to prevent ill health, the private and public sectors sharing the risks. This is unique. The first health bond relates to the prevention of type 2 diabetes, with repayment and interest linked to the success of the prevention programme. In this case, people at risk of developing type 2 diabetes have been participating in a digital health programme since February 2021. The programme has now been running successfully for three years. In total, 51 per cent of the 925 participants are no longer at risk of developing type 2 diabetes. Women have fared better than men to date.

8.3 Pensions

A new pension agreement, AKAP-KR, was introduced in the local government sector in 2023. This agreement covers all of the region's employees who were not covered by a defined-benefit retirement pension under the KAP-KL pension agreement until the end of 2022. AKAP-KR is entirely contribution-based; the size of the contributions has increased from four and a half per cent to six per cent in comparison with KAP-KL. In 2023, employees who were previously covered by the KAP-KL defined-benefit pension scheme were given the opportunity to choose whether they wanted to remain in the old pension agreement or transfer to the new one. Of 13,000 people who were eligible to vote, 11,000 chose to remain in KAP-KL.

The Regional Group's total pension obligations at the end of 2023 amounted to SEK 64,442 million including special employer's contribution, of which SEK 42,253 million was made up of the provision in the balance sheet and SEK 22,189 million was made up of the contingent liability.

There are no financial investments for pension funds, instead pension funds are fully re-lent in the business. Total funds reborrowed at the end of 2023 amounted to SEK 64,442 million, which corresponds to a consolidation ratio of zero per cent.

The regional group's total pension costs, including the financial pension costs, amounted to SEK 11,629 million in 2023, which is SEK 698 million above budget. The deviation from budget is mainly due to several interacting factors in 2023. The most significant factors include the introduction of the AKAP-KR pension agreement, the fact that the upward revision of the income base amount was lower than assumed in the budget and led to a higher increase in provisions than was budgeted, and the fact that the assumption for salary increases in the budget was lower than actual salary increases in 2023, thereby contributing to a higher increase than budgeted in the cost of pension contributions.

9 Expected development

Geopolitical developments are alarming and highly uncertain. Ongoing wars and crises around the world are impacting the global economy and the economy in Sweden. Region Stockholm is facing a number of challenges in the next few years, and committees and companies will need to pool their resources in order to adapt to the new conditions. The need for robust, sustainable operations requires sound financial management.

Region Stockholm's financial position is being strengthened ahead of 2023, which is a strength as Region Stockholm is having to deal with less favourable economic times while also providing residents with healthcare, public transport and regional development. The economy has turned out to be stronger than budgeted in 2023, mainly due to the fact that total tax revenues are higher than when the 2023 Budget was adopted. This provides a better starting point for the coming fiscal years when the economic conditions for 2024 are strained.

High inflation has affected the revaluation of Region Stockholm's pension liability in 2023 and the 2024 budget year, which is temporarily generating significantly higher pension costs for the period. This leads to a budgeted result that underbalances both years, for which the Regional Council invokes exceptional reasons.

For 2023, Region Stockholm has special reasons for a reduced debt to equity ratio due to the higher provisions for Region Stockholm pensions. In 2023, Region Stockholm's debt to equity ratio fell by one per cent compared to 2022, reaching 2.3 per cent at the end of the year. If the budgeted surpluses in 2025 and 2026 are realised, the debt to equity ratio will be restored to the 2022 level in 2026, which is in line with sound financial management. Positive financial results are needed to cope with economic fluctuations, unexpected costs and the development of the Region's activities. Good performance also increases the ability to finance investments from own resources to a greater extent. This reduces Region Stockholm's vulnerability to interest rate increases.

The forecast for the tax base shows weaker development until 2027. Outcomes have been stronger to date, but in the immediate future the tax base will be weakened in 2024 and 2025 on account of a weaker labour market. This will have an impact, with lower employment and fewer hours worked. Swedish GDP growth is expected to pick up only in the second half of 2024, and to then increase gradually. Households and companies that build homes will continue to be affected, given higher prices and high interest rates.

This price trend will affect the cost structure of Region Stockholm's activities in 2024. According to the Economic Institute's December forecast, price growth in accordance with the CPI¹⁷ is expected to fall to 2.9 per cent in 2024. The forecast is slightly above the Riksbank's inflation goal of two per cent, and is mainly due to lower energy prices and international commodity prices. The county council price index (Landstingsprisindex, LPI) is also expected to rise in 2024, which is expected to be reflected in wage cost developments, but not to the same extent as in 2023. The Swedish krona has grown stronger since September 2023 and this trend is expected to continue. Inflation in 2025 is expected to remain slightly above the Riksbank's inflation goal of two per cent as a result of improved economic activity, a less restrictive monetary policy and an expansionary fiscal policy. Inflation will also affect Region Stockholm's staff costs in 2025 and beyond, but not to the same extent as in 2023–2024.

The financing conditions for Region Stockholm are deteriorating, partly due to the higher charges in respect of municipal economic equalisation, and partly because the government grants used during the pandemic have ceased as planned in order to strengthen operations. Between 2023 and 2026, the contributions within municipal economic equalisation are expected to increase from SEK 4.1 billion to SEK 5.9 billion in 2026.

Demographic change, with the number of people aged 75 and over increasing by five per cent per year, is placing greater demands on

¹⁷ Statistics Sweden: CPI – Consumer Price Index.

healthcare services. At the same time, the number of people of working age is not increasing at the same rate as before, which is helping to reduce the tax increase rate. The average increase in the cost of operations is budgeted at 4.6 per cent per year, while the population is expected to increase by an average of 0.8 per cent per year. The implemented tax increase of SEK 0.30 paves the way for coping with a higher cost trend and thus strengthening of the organisation.

Skills supply in Region Stockholm's activities is an important prerequisite if Region Stockholm is to go on producing and delivering activities. In 2024 and the coming years, the region will be continuing to focus on further staff training, improving the work environment, reducing sick leave and implementing measures to reduce staff turnover. Efforts to minimise the need for agency staff, reduce administrative costs and reduce dependence on consultants will continue.

In public transport, post-pandemic travel has not reached budgeted levels due to changes in travel patterns and digitalisation in society. Ticket revenues have not reached the levels planned before the pandemic, and so the Transport Committee and AB Storstockholms Lokaltrafik are budgeted to have a lower net income requirement in 2024. The organisation will have to make a transition in order to achieve equilibrium with its financial goals by 2026.

Multi-year overview	Outcome	Budget	Plan	Plan
SEKm	2023	2024	2025	2026
Operating income	30,784	29,682	29,835	29,365
Operating costs	-116,874	-123,844	-122,971	-126,949
Depreciation	-7,080	-7,506	-8,259	-8,921
Net operating costs	-93,170	-101,667	-101,395	-106,505
Tax revenue, general government grants and equalisation	97,028	103,332	107,790	112,611
Net operating income	3,858	1,666	6,395	6,106
Financial net income	-4,870	-5,698	-3,599	-3,134
Net income for the year	-1,011	-4,032	2,796	2,972
Profit for the year in relation to total tax revenue	-1.0%	-3.9%	2.6%	2.6%
Investments	16,761	21,675	20,546	15,065
Interest-bearing liabilities	46,556	48,165	51,827	50,208
Equity/asset ratio incl. total pension obligations	2.3%	-1.1%	0.9%	3.0%
Self-financing rate of investments (taking into account co-financing)	100%	64%	77%	100%

The development of budgeted total tax revenue for 2024–2026 is estimated to average 5.1 per cent compared to 2023, including the increase in the tax rate by SEK 0.30. This increase is on a par with the good years 2016–2019, which saw average development of 4.9 per cent per year. In the 2024 budget, a decision was made to increase ticket prices by SEK 40 for a 30-day pass to SEK 1,020, and by SEK 3 to SEK 42 for a single ticket. For 2025,

the price of a 30-day ticket will increase by a further SEK 40 to SEK 1,060.

Investment in Region Stockholm will remain high, totalling around SEK 57 billion during the budget and planning period 2024–2026. Taking into account those investments where Region Stockholm has co-financing agreements with the state and municipalities, the self-financing rate amounts to an average of 80 per cent per year during the period 2024–2026.

Agreements have been reached between the government and SALAR regarding the conditions and net income requirements for being able to obtain funds from the targeted government grants for good and close care, increased accessibility in healthcare, maternity care and women's health, initiatives in the field of mental health and suicide prevention, equitable and effective cancer care with shorter waiting times, as well as security of supply for medications.

10 Financial statements

10.1 Income statement

SEKm	Note	Regional Group				Region		
		2023	2022	Budget	Deviation	2023	2022	Budget
Operating income	2	30,784	30,358	29,809	975	18,253	18,244	17,591
Operating costs	2	-	-	-	-	-	-	-
		116,872	109,126	115,113	-1,759	109,305	100,626	108,118
Depreciation	3	-7,080	-6,890	-7,264	184	-2,934	-2,998	-3,051
Net operating costs		-93,168	-85,658	-92,567	-601	-93,987	-85,379	-93,578
Of which, items affecting comparability	7	80	111	0	80	66	108	0
Tax revenue	4	93,405	87,661	91,670	1,735	93,405	87,661	91,670
General government grants and equalisation	4	3,623	5,099	2,532	1,091	3,623	5,099	2,532
Total tax revenue collected		97,028	92,760	94,202	2,826	97,028	92,760	94,202
Financial income	5	238	87	73	165	1,183	561	1,059
Financial expenses	6	-5,110	-2,224	-5,164	54	-5,179	-2,900	-3,979
Financial net income		-4,871	-2,137	-5,091	219	-3,995	-2,340	-2,920
Of which, items affecting comparability	7	0	0	0	0	-878	-976	0
Extraordinary items		0	0	0	0	0	0	0
Net income for the year		-1,011	4,965	-3,456	2,445	-954	5,042	-2,296

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10.2 Balance sheet

SEKm					
		Regional Group		Region	
	Note	2023	2022	2023	2022
Assets					
Fixed assets					
<i>Intangible fixed assets</i>					
Rights of use and other intangible assets					
fixed assets	9	688	628	220	202
<i>Tangible fixed assets</i>					
Land, buildings and technical installations	10	70,238	71,028	36,312	37,192
Machinery and equipment	11	33,112	32,699	13,614	14,368
Construction in progress, advances relating to property, plant and equipment	12	41,461	31,726	8,286	5,735
<i>Financial non-current assets</i>					
Financial non-current assets	13	3,962	3,121	49,936	47,093
Total fixed assets		149,460	139,201	108,369	104,591
Current assets					
Inventory etc.		609	654	249	208
Short-term receivables	14	12,361	13,209	25,016	22,423
Short-term investments		0	0	0	0
Cash and cash equivalents		4,163	2,766	1,053	1,011
Total current assets		17,132	16,630	26,318	23,642
Total assets		166,593	155,831	134,687	128,232

The balance sheet total increased in 2023, amounting to SEK 167 billion at year-end. Region Stockholm's debt to equity ratio, the long-term ability to pay, fell by 0.8 percentage point compared with the previous year, which is explained mainly by the negative result. At year-end, the equity/assets ratio was 15.6 per cent excluding the pension commitments recognised as contingent liabilities. The debt to equity ratio was 2.3 per cent if the pensions recognised as contingent liabilities are included.

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SEKm	Not e	Regional Group		Region	
		2023	2022	2023	2022
Equity, provisions and liabilities					
Equity					
	15				
Net income for the year		-1,011	4,965	-954	5,042
Profit equalisation reserve		7,128	7,128	7,128	7,128
Other equity		19,872	14,908	19,857	14,816
Total equity		25,989	27,001	26,031	26,985
Provisions					
Provisions for pensions and similar obligations	16	42,253	36,019	31,215	26,715
Other provisions	17	532	619	329	439
Total assets		42,785	36,638	31,545	27,154
Liabilities					
Non-current liabilities	18	66,127	62,351	40,182	41,524
Current liabilities	19	31,692	29,841	36,929	32,569
Total liabilities		97,819	92,192	77,111	74,093
Total equity, provisions and liabilities		166,593	155,831	134,687	128,232
Pledges and comparable collateral		none	none	none	none
Liabilities					
Pension obligations not recognised in liabilities or provisions		22,189	21,809	22,189	21,809
Other contingent liabilities	20	2,092	1,939	18,479	16,639
Total contingent liabilities		24,281	24,412	40,668	40,430

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10.3 Cash flow statement

SEKm	Regional Group		Region	
	2023	2022	2023	2022
Current operations				
Net income for the year	-1,011	4,965	-954	5,042
Adjustment for non-cash items*	12,876	7,996	8,243	4,906
Funds from operations before changes in working capital	11,865	12,961	7,289	9,948
Increase(-) or decrease(+) in inventories	45	171	-41	-17
Increase(-) or decrease(+) in short-term receivables	849	-4,067	-2,593	-8,685
Increase (+) or decrease (-) in current liabilities (excl. lease and loan financing)	1,548	558	-641	765
Cash flow from operating activities	14,307	9,623	4,014	2,011
Investment activities				
Investment in intangible assets	-286	-347	-69	-150
Investment in property, plant and equipment	-16,499	-12,681	-3,967	-3,004
Sale of property, plant and equipment	134	197	120	201
Shareholder contributions made	0	0	-400	0
Cash flow from investing activities	-16,651	-12,831	-4,316	-2,953
Financing activities				
New loans	4,857	520	9,079	2,504
Repayment of long-term debt	-5,400	-4,200	-5,400	-4,200
Change in long-term receivables	-841	-1,723	-3,721	2,601
Changes in long-term liabilities	563	1,446	-270	-558
Change in lease financing	-1,006	-1,303	0	0
Grants received	5,568	4,772	656	603
Cash flow from financing activities	3,741	-488	344	950
Cash flow for the year	1,397	-3,696	42	8
Cash and cash equivalents at the beginning of the year	2,766	6,462	1,011	1,003
Cash and cash equivalents at the end of the year	4,163	2,766	1,053	1,011
*) Specification of non-cash items				
Depreciation and write-downs	7,080	6,890	2,934	2,998
Change in provisions	6,147	1,706	4,391	1,363
Gains and losses on disposals	79	-74	-26	-124
Other items	-430	-526	944	669
Adjustment for non-cash items	12,876	7,996	8,243	4,906

Cash flow for the year for the year was SEK 1,397 million. Cash flow from operating activities is positive at SEK 14,307 million, which is due to items that do not affect cash flow, mainly depreciation and pension provisions that do not result in any payments during the year.

Investments for the year affect cash flow by SEK -16,785 million. The sale of fixed assets of SEK 134 million relates to the sale of the Berga property and

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the Grisslinge bus depot. Within the financial activities, cash flow has been affected by repayment of loans and lease liabilities of SEK -6,406 million. Co-financing received for public transport investments totalled SEK 5,568 million. Cash and cash equivalents as at 31 December 2023 thus amounted to SEK 4,163 million.

10.4 Operating accounts

SEKm	Revenue*	Costs*	Outcome	Budget	Deviation
	2023	2023	2023	2023	against budget
Healthcare					
Healthcare Committee	86,230.1	-87,003.1	-772.9	0.0	-772.9
Healthcare Knowledge Management Committee	12,463.4	-12,637.8	-174.5	0.0	-174.5
Patient Advisory Committee	39.3	-37.3	2.0	0.0	2.0
Statutory Joint Authority for Healthcare and Social Care	2,067.6	-2,130.8	-63.1	0.1	-63.2
Stockholm County Healthcare Area	15,622.6	-15,902.8	-280.2	201.0	-481.2
Karolinska University Hospital	27,475.3	-28,211.0	-735.8	44.0	-779.8
Södersjukhuset AB	7,317.7	-7,494.5	-176.8	21.0	-197.8
Danderyds Sjukhus AB	6,494.1	-6,610.5	-116.3	24.0	-140.3
Södertälje Sjukhus AB	1,951.8	-1,995.6	-43.8	5.0	-48.8
S:t Eriks Ögonsjukhus AB	829.0	-823.6	5.4	7.0	-1.6
Folktandvården Stockholms Län AB	1,849.5	-1,826.3	23.2	-12.4	35.6
Ambulanssjukvården i Storstockholm AB	548.2	-550.9	-2.7	6.0	-8.7
Tobiasregistret AB	63.4	-58.9	4.5	0.0	4.5
MediCarrier AB	1,327.7	-1,302.6	25.1	3.5	21.6
Healthcare total	164,279.6	-166,585.9	-2,306.1	299.2	-2,605.3
Public transport					
Transport Committee	39,135.9	-39,595.2	-591.3	-1,170.0	578.7
<i>of which Transport Administration</i>	12,564.7	-12,575.5	-10.9	32.0	-42.9
<i>of which Administration for Extended Metro</i>	2,220.9	-2,075.0	13.9	0.0	13.9
AB Storstockholms Lokaltrafik	24,350.3	-24,944.6	-594.3	-1,202.0	607.7
<i>of which AB SL Finans</i>	1,390.6	-1,258.6	132.0	0.0	132.0
<i>of which SL Nya Tunnelbanan AB</i>	6,736.5	-6,736.5	0.0	0.0	0.0
<i>of which Waxholms Ångfartygs AB</i>	645.5	-607.8	37.7	0.0	37.7
Mobility Service Committee	1,930.3	-1,889.3	41.0	4.0	37.0
Public transport total	41,066.1	-41,484.4	-550.3	-1,166.0	615.7
Culture					
Culture Committee	640.4	-637.3	3.1	0.0	3.1
Film Stockholm AB	25.8	-25.8	0.1	0.0	0.1
Total culture					
Growth and Regional Planning Committee	0.0	0.0	0.0	0.0	0.0
Regional Executive Committee	3,373.0	-3,170.8	202.1	0.0	202.1
Climate and Sustainability Committee	189.4	-184.8	4.5	0.0	4.5

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SEKm	Revenue*	Costs*	Outcome	Budget	Deviation
	2023	2023	2023	2023	against budget
Property and services					
Property and Services Committee	8,358.1	-7,684.8	673.2	493.0	180.2
<i>of which Service Administration</i>	1,895.2	-2,078.7	-183.5	-65.0	-118.5
<i>of which Property Administration</i>	6,462.9	-5,606.1	856.7	558.0	298.7
Locum AB	405.5	-397.0	8.5	-12.1	20.6
Properties and services total	8,763.6	-8,081.9	681.7	480.9	200.8
Other					
Board of Auditors	44.9	-44.7	0.3	0.0	0.3
Landstingshuset i Stockholm AB	6.4	-166.2	-159.8	0.0	-159.8
AB SLL Internfinans	0.0	0.0	0.0	0.0	0.0
Group shared functions					
Reservation for claims, damages	24.1	-8.1	16.0	0.0	16.0
Group Financing	115,293.4	-115,214.9	78.5	-3,070.2	3,148.7
Group adjustments	-205,440.9	206,332.2	1,018.6	0.0	1,018.6
Net income, all profit centres	128,265.8	-129,272.7	-1,011.5	-3,456.1	2,444.7

* Revenue corresponds to operating revenue, tax revenue and general government contributions, and financial revenue. Costs comprise operating costs, depreciation and financial charges.

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10.5 Investment report

SEKm	Outcome 2023	Budget 2023	Deviation against	Year-end 2022
Healthcare				
Healthcare Committee	8.6	7.0	-1.6	8.3
Primary Care Committee	0.0	0.0	0.0	0.0
Patient Advisory Committee	0.0	0.0	0.0	0.0
Stockholm County Healthcare Area	213.0	252.4	39.4	162.5
Karolinska University Hospital	312.6	850.0	537.4	300.5
Södersjukhuset AB	168.6	298.0	129.4	98.4
Danderyds Sjukhus AB	140.7	229.0	88.3	108.1
Södertälje Sjukhus AB	38.5	30.0	-8.5	51.6
S:t Eriks Ögonsjukhus AB	21.3	20.0	-1.3	18.1
Folktandvården Stockholms Län AB	56.2	70.0	13.8	60.1
Ambulanssjukvården i Storstockholm AB	25.9	29.0	3.1	15.9
Tobiasregistret AB	0.0	0.0	0.0	0.0
MediCarrier AB	18.0	12.0	-6.0	14.4
Healthcare total	1,003.3	1,797.4	794.1	837.9
Public transport				
Transport Committee	13,449.3	13,859.2	410.0	10,431.7
<i>of which Transport Administration</i>	6,974.6	6,779.6	-195.0	5,010.6
<i>of which mobility services</i>	35.4	37.7	2.3	60.8
<i>of which Administration for Extended Metro</i>	6,439.3	7,041.9	602.6	5,360.3
Public transport total	13,449.3	13,859.2	410.0	10,431.7
Property and services				
Property and Services Committee	2,300.6	3,212.1	911.5	1,737.0
<i>of which Property Administration</i>	2,188.9	2,887.7	698.8	1,531.3
<i>of which Service Administration</i>	111.7	324.4	212.7	205.7
Locum AB	1.5	4.5	3.0	2.6
Properties and services total	2,302.1	3,216.6	914.5	1,739.7
Other				
Regional Executive Committee	3.7	8.6	4.9	2.4
Climate and Regional Planning Committee	0.0	0.0	0.0	0.0
Culture Committee	2.7	1.0	-1.7	1.2
Board of Auditors	0.3	0.2	-0.1	0.0
Total investments	16,761.5	18,883.1	2,121.6	13,012.9
<hr/>				
SEKm	Outcome 2023	Budget 2023	Deviation against	Year-end 2022
Healthcare	1,003.3	1,797.4	794.1	837.9
Public transport	13,449.3	13,859.2	410.0	10,431.7
Property and services	2,302.1	3,216.6	914.5	1,739.7
Other investments	6.7	9.8	3.1	3.6
<i>of which Regional Executive Committee</i>	3.7	8.6	4.9	2.4
<i>of which Culture Committee</i>	2.7	1.0	-1.7	1.2
<i>of which Board of Auditors</i>	0.3	0.2	-0.1	0.0
Total investments	16,761.5	18,883.1	2,121.6	13,012.9

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10.6 Administrative costs

Administrative costs	Outcome	Budget	Deviation
SEKm	2023	2023	
Healthcare Committee	832.5	845.0	12.5
Primary Care Committee	0.0	0.0	0.0
Patient Advisory Committee	1.7	1.8	0.0
Statutory Joint Authority for Healthcare and Social Care	51.3	34.6	-16.7
Stockholm County Healthcare Area	210.0	201.7	-8.2
Karolinska University Hospital	607.0	578.2	-28.8
Södersjukhuset AB	153.1	152.8	-0.3
Danderyds Sjukhus AB	84.3	109.3	25.0
Södertälje Sjukhus AB	77.0	70.4	-6.6
S:t Eriks Ögonsjukhus AB	15.3	16.8	1.5
Folktandvården Stockholms Län AB	96.3	73.2	-23.1
Ambulanssjukvården i Storstockholm AB	25.7	26.9	1.2
Tobiasregistret AB	4.5	1.6	-2.9
MediCarrier AB	75.9	74.8	-1.0
Transport Committee	457.4	473.4	16.0
Culture Committee	25.9	26.8	0.9
Regional Executive Committee	925.2	987.6	62.4
Climate and Regional Planning Committee	0.0	0.0	0.0
Property and Services Committee	1,848.6	1,697.3	-151.3
<i>of which Service Administration</i>	<i>1,847.4</i>	<i>1,692.2</i>	<i>-155.2</i>
<i>of which Property Administration</i>	<i>1.2</i>	<i>5.1</i>	<i>3.9</i>
Locum AB	357.2	369.5	12.3
Board of Auditors	0.0	0.0	0.0
Film Stockholm AB	1.6	1.9	0.3
Reservation for claims, damages	8.1	19.3	11.2
Group adjustments	-1,971.1	-1,419.1	552.0
Total administrative costs	3,887.5	4,343.8	456.3

* Administrative costs for the Property Administration are recognised within Locum AB, and costs for the Primary Care Committee are recognised within the Healthcare Committee. The Board of Auditors is not included in the survey. Administrative costs include operating costs but not depreciation.

Region Stockholm's committees and companies are working constantly to reduce their administrative costs in order to provide more scope for core activities. In the 2023 Budget, this indicator is expressed in total costs with a target value not to exceed the budget. In total, administrative costs in 2023 amounted to SEK 3,888 million, compared with budgeted costs of SEK 4,344 million.

The Regional Executive Committee, the Transport Committee and Danderyds Hospital AB have mainly succeeded in reducing their administrative costs compared to budget. The lower administrative costs can be explained in part by the consultant rotation process. Danderyds sjukhus AB has reorganised its administrative activities, which has led to lower salary costs. The Property and Services Committee has the largest negative deviation from the budget, which is explained by an increase in the service administration's sales of administrative services to committees and

companies within Region Stockholm. The service administration's own internal administrative costs are lower than budget.

DIRECTORS' REPORT

11. Healthcare

11.1 General information on healthcare services

Region Stockholm is responsible for ensuring that the county's residents receive the healthcare and dental care services that they need. Its activities range from healthcare and health promotion efforts to research, education and development.

The healthcare situation in 2023 has generally been more stable than in the years immediately preceding, with generally good capacity during the summer and the rest of the year. The year ended as it began, with viruses such as influenza, COVID-19 and the RS virus in circulation and an increased load in several activities, but lower than the year before.

Work continued during the year on creating a needs-based healthcare system. Part of this work involves the transition plan for phasing out and revising care choices.

Inpatient care and visits by Region Stockholm residents to outpatient care have increased in 2023 compared to the previous year. This is explained by the fact that the population of Region Stockholm is growing, and the proportion of older people over 75 is increasing.

The use of e-services at 1177.se has continued to increase. The number of cases closed in 1177 Vårdguiden's e-services increased by 18 per cent in 2023.

11.2 Healthcare consumption

Healthcare consumption refers to statistics on how Region Stockholm residents have visited healthcare facilities within and outside the region, both in proprietary organisations and among external care providers, measured in terms of inpatient cases and outpatient visits.

Healthcare Region Stockholm	Outcome	Budget	Deviation	Outcome	Change in outcome,
	2023	2023	against	2022	2023
total, thousands			budget		cf. outcome, 2022
Total visits to doctors	7,848	8,104	-257	7,719	1.7%
Total other visits*	13,434	12,741	693	12,328	9.0%
Total number of hospital admissions	329	323	5	314	4.8%

* Other visits relate to visits to physiotherapy, occupational therapy, speech therapy and nurses

Overall, Stockholmers' consumption of healthcare services has increased in 2023 compared to 2022, in terms of both outpatient visits and inpatient care.

Visits to doctors and other visits

The total number of face-to-face visits to doctors has increased by 1.7 per cent compared to 2022. This increase has been seen in many areas such as visits to GPs, specialised somatic care, private healthcare providers for all care choices, local urgent care clinics, psychiatry, geriatric care and rehabilitation.

The increase in the number of visits to doctors can be explained by an increase in the need for care. Face-to-face visits to GPs have increased by 3.8 per cent, and remote visits have fallen by 2.0 per cent. The number of GP surgeries in Region Stockholm has increased, contributing to the increase in face-to-face visits.

There has been a 4.4 per cent decrease in the number of visits to doctors at Child Welfare Clinics compared to the previous year, due to a decrease in the number of births and hence a decrease in the number of children registered.

The number of visits to other healthcare providers (e.g. nurses, physiotherapists, occupational therapists, speech therapists and podiatrists) increased by 9.0 per cent compared to 2022. There has been an increase in many areas such as visits to GPs, private care providers, acute somatic specialised care, psychiatry, geriatric care, basic home care and rehabilitation.

Medical care events

The total number of inpatient admissions has increased by 4.8 per cent compared to 2022. This increase has mainly occurred in psychiatry and geriatric care. This change is due to an increase in production in order to meet an increased need for care, which is explained mainly by the opening of Sollentunageriatriken and integrated geriatric care and enhanced discharge at Jakobsbergsgeriatriken and Sabbatsbergsgeriatriken, and at Dalengeriatriken and Handengeriatriken.

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11.3 Net income

Results, healthcare services	Outcome	Budget	Deviation	Deviation in	Outcome
SEKm	2023	2023		per cent	2022
Patient fees	1,479	1,333	146	10.9%	1,363
Appropriations	73,823	73,823	0	0.0%	71,069
Government grants	677	286	391	136.6%	1,789
Other revenue	19,428	16,994	2,434	14.3%	14,682
Total operating income	95,407	92,437	2,970	3.2%	88,903
Staff costs and agency staff	-40,297	-37,048	-3,249	-8.8%	-34,827
Purchased healthcare, dental care services	-27,722	-27,004	-718	-2.7%	-25,990
Other expenses	-27,909	-25,668	-2,240	-8.7%	-26,435
Total operating costs	-95,928	-89,721	-6,207	-6.9%	-87,252
Depreciation	-1,285	-1,411	125	8.9%	-1,333
Net operating income	-1,806	1,306	-3,112		319
Financial income	571	0	570		5
Financial expenses	-1,070	-1,007	-64	-6.3%	-246
Performance	-2,306	299	-2,605		78

The table shows the total outcome for Region Stockholm's committees and companies in respect of healthcare services.

The overall profit for healthcare services for the year was SEK -2,306 million, which is a deficit of SEK -2,605 million compared with the budget. This is mainly due to high inflation, high staff and pension costs, and high costs for purchased healthcare services.

Revenue

Patient fees were favourable compared to the budget due to a higher than planned number of applicants in outpatient care, particularly in geriatrics, primary care and psychiatric care.

The healthcare service has received higher government grants than budgeted, including for increased accessibility and in the mental health field. Revenue for out-of-county and international patients is also higher than budgeted for the year.

Other income exceeded the budget by SEK 2,434 million. On 20 March 2023, the Regional Council decided to award the healthcare committee a permanent subsidy of SEK 2 billion for 2023 (RS 2022-0638) to deal with deficits in existing operations at acute care hospitals. This subsidy has been allocated to the Healthcare Committee, which in its turn has passed this money on to the acute care hospitals.

Financial income is favourable to the budget on account of interest income received.

Costs

Staff costs including agency staff totalled SEK 40,299 million for the year, which is SEK 3,251 million higher than budget and an increase of SEK 5,472 million compared with the previous year. The deviation from the budget is explained mainly by an increase in staff numbers and higher salary and pension costs. Costs for agency staff have decreased by SEK 348 million or 29 per cent compared to the full year 2022. In particular, costs for agency nurses have decreased by 43 per cent compared to the previous year. This is a result of the joint efforts by the region's healthcare-producing committees and companies to reduce dependency on agency staff, including the ending of all direct procurement procedures and the implementation of a new region-wide framework agreement.

41 per cent of healthcare services in Region Stockholm are provided by external healthcare providers. In 2023, the cost of externally purchased healthcare deviates negatively from budget by SEK -718 million, or 2.7 per cent. This negative deviation can be linked to factors such as increased purchases of digital care outside the region, several digital stakeholders having moved to Sörmland and invoicing Stockholmers' visits as out-of-county visits. This development became evident from May onwards, when Region Stockholm adjusted the reimbursement model and reduced reimbursement for remote services. As a result, Region Stockholm's costs are increasing as reimbursement according to the price list for out-of-county care exceeds the reimbursement received for remote services where healthcare providers have signed contracts with Region Stockholm.

Other negative deviations include higher consumption in care choices, higher costs for externally purchased pre-hospital care and geriatric care.

Other costs deviate by SEK 2,240 million compared with the budget, which is due to higher costs for medications by SEK 544 million and materials and goods by SEK 463 million, partly as a result of high inflation. The deviation also includes reimbursement from the Healthcare Committee for the Statutory Joint Authority for Healthcare and Social Care in Norrtälje for reinforced funding of existing activities and compensation for increased pension costs. The remaining part of the deviation is explained by the fact that the costs for KSON are budgeted as purchased healthcare, while the outcome is recognised as other expenses.

Action plans developed by health committees and companies to balance their budgets totalled SEK 1,109 million. Intensive efforts are underway to reduce the proportion of agency staff in line with the region-wide agreement, while recruitment of self-employed staff is ongoing. A joint effort to optimise the use of collective healthcare resources was also implemented during the year. The follow-up shows that the financial impact of the action plans is difficult to realise as cost developments are

also affected by inflation. Therefore, committees and companies are constantly working on identifying and implementing additional new measures to balance their budgets. The achieved impact in 2023 amounted to SEK 741 million, which corresponds to 67 per cent of the action plans developed.

Acute care hospitals

Region Stockholm has five acute care hospitals that are run under their own management. From south to north, these are Södertälje sjukhus AB, Södersjukhuset AB, Karolinska University Hospital, S:t Eriks Ögonsjukhus AB and Danderyds Sjukhus AB.

The total outcome for acute care hospitals amounted to SEK -1,067 million and deviated negatively from the budget by SEK 1,168 million. All acute care hospitals had negative deviations in staff costs, which can be explained by higher staff numbers, higher salary levels and higher pension costs than budgeted. Additionally, the costs of equipment and purchased services for acute care hospitals have increased as a result of high inflation.

In the context of the decision to allocate additional funds to acute care hospitals to avoid short-term measures that negatively affect residents, they were tasked with developing a joint action plan to streamline operations, reduce costs and accelerate the transition to community-based care. The joint action plan includes activities to optimise the use of healthcare resources, reduce agency staffing, reduce administration and shift towards an increased percentage of primary care. Besides the joint action plan, Karolinska University Hospital, Södersjukhuset AB, Danderyds Sjukhus AB and Södertälje Sjukhus AB are working on their own action plans to streamline care flows and resource utilisation, as well as reviewing administrative working methods.

S:t Eriks Ögonsjukhus AB is also implementing activities to cope with the inflation-driven cost increase.

The reduction in agency staff has led to temporary shortages in certain staff categories during the year, which in turn has affected inpatient beds and surgical capacity. Acute care hospitals have worked on capacity enhancement and recruitment measures during the year to attract more nurses in particular. The inpatient care situation has gradually improved. Despite a significant reduction in agency staff, the availability of healthcare services for first visits within 30 days has improved by one percentage point and treatment within 90 days has improved by two percentage points compared to the previous year.

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11.4 Healthcare production

Healthcare production, acute care hospitals

Type of care, treatment, assignment number	Outcome 2023	Budget 2023	Deviation against budget	Outcome 2022	Change in outcome, 2023 cf. outcome, 2022
Acute care hospitals*					
Visits, emergency	401,095	430,601	-29,506	401,973	-0.2%
Visits, elective	2,634,740	2,522,291	112,449	2,496,044	5.6%
Inpatient admissions, acute	155,091	160,084	-4,992	157,985	-1.8%
Inpatient admissions, elective	48,621	53,150	-4,530	49,614	-2.0%

*Karolinska University Hospital, Södersjukhuset AB, Danderyds Sjukhus AB, Södertälje Sjukhus AB, S:t Eriks Ögonsjukhus AB, TioHundra AB.

Overall, production in terms of outpatient visits and inpatient admissions at acute care hospitals lower than budget in respect of both acute and elective inpatient care and in acute outpatient care. The outcome for elective outpatient care is higher than budget. Reduced production in inpatient care can largely be explained by the region's investment in restrictive hiring of agency staff, which had a negative impact on surgical capacity and the number of beds during the spring and summer. Production has increased during the autumn as a result of skills-enhancing activities and recruitment of the right skills.

Healthcare production, Stockholm County Healthcare Area

Form of care number	Outcome 2023	Budget 2023	Deviation against budget	Outcome 2022	Change in outcome, 2023 cf. outcome, 2022
Outpatient care	5,572,034	5,471,370	100,664	5,304,925	5.0%
Inpatient care	37,460	37,987	-527	36,651	2.2%
Care days, advanced care at home (ASiH) and palliative care	244,095	251,668	-7,573	242,654	0.6%

The Stockholm County Healthcare Area has had a high production of outpatient care in geriatrics, primary care and psychiatric care compared with both the budget and the outcome of the previous year. For geriatrics, production has increased in terms of enhanced discharge; and in primary care, home care and rehabilitation account for most of the increase. The start-up of new units in child and adolescent psychiatry has resulted in more visits. Production for specialised somatic care is higher than in 2022 and above budget for the period on account of high flows of referrals.

The number of care days in ASiH, advanced care at home, and care days in palliative inpatient care is lower than budget. In palliative care, the flow of referrals has been lower than budgeted and the number of beds has been

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reduced periodically due to staff shortages. Geriatrics has also experienced difficulties with providing staff for beds due to staff shortages.

Healthcare production, Folkandvården i Stockholms län AB

Form of care	Outcome	Budget	Deviation	Outcome	Change in outcome,
number	2023	2023	against budget	2022	cf. outcome, 2022
Number of children treated	286,219	289,000	-2,781	284,270	0.7%
Number of adults treated	259,145	248,000	11,145	243,264	6.5%
Number of specialised dental care patients treated	34,973	40,000	-5,027	39,373	-11.2%

In 2023, general dental healthcare production was 0.7 per cent higher for children treated and 6.5 per cent higher for adults treated than in the previous year. This increase is primarily due to lower sick leave than in the previous year and greater availability of practitioners. That said, there has been an eleven per cent decrease from the previous year in the number of people receiving specialised dental treatment, mainly due to a continued shortage of practitioners.

12. Public transport

12.1 General information about public transport

The Transport Committee is responsible for public transport on land and at sea, including its infrastructure, special passenger transport¹⁸, and the extension of the Stockholm metro. The committee is also responsible for strategic coordination at the regionally owned transport companies AB Storstockholm Lokaltrafik (SL) and Waxholms Ångfartygs AB (WÅAB).

The year has been characterised by stabilisation in travel patterns and the number of passengers at a level around 82 per cent of the 2019 level. Remote working and new behaviours following the pandemic are helping to reduce travel by public transport. Some journeys that used to be made by public transport are now being replaced by car, bicycle and walking, or are not made at all.

2023 was characterised by uncertainty around the world and rising inflation. Costs for operation and maintenance, fuel, energy and interest costs all increased. Russia's war against Ukraine has helped to bring about disruption in global supply chains, which have led to rising prices for a number of input goods that are important to investment activities.

¹⁸ Special passenger transport is the collective name for mobility services, national mobility services, medical travel and school transport. The purpose of this transport is to ensure that passengers with special needs have the opportunity to travel.

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The transport infrastructure has been expanded in 2023, new trains have been delivered and a number of important service contracts have been signed. A modern new ticketing system that is easy to use and makes it easier to travel on SL services was launched, and SL access was shut down. Commuter rail services in the Stockholm region have been subject to major disruptions in the past year. These problems were caused by a significant shortage of available train drivers and problems with vehicle maintenance. The wildcat strike that took place in mid-April involving a number of MTR train drivers was another reason for the disruptions. The strike originated from the fact that MTR would no longer be providing train attendants on each train from 1 March. Use of rail services was unpredictable for commuters in the Stockholm region, which had a negative impact on everyday life. In May 2023, the Transport Committee decided not to extend the commuter train contract with service operator MTR, and in November a decision was made jointly with MTR to terminate the commuter train contract early. SJ will be taking over as the operator of commuter rail services from 3 March 2024.

12.2 Net income

Performance	Outcome	Budget	Deviation	Deviation in	Outcome
SEKm	2023	2023		per cent	2022
Ticket revenue	8,914	9,265	-351	-3.8%	8,134
Appropriations	12,279	12,279	0	0.0%	10,512
Other revenue	5,457	4,765	692	14.5%	4,827
Total operating income	26,649	26,309	341	1.3%	23,473
Staffing costs	-1,247	-1,318	71	5.4%	-1,018
Purchased services	-16,005	-16,285	279	1.7%	-15,281
Other expenses	-5,041	-4,782	-259	-5.4%	-3,763
Total operating costs	-22,293	-22,384	92	-0.4%	-20,062
Depreciation	-3,845	-3,850	5	0.1%	-3,547
Net operating income	511	74	437		-136
Financial income	177	55	121	220.6%	45
Financial expenses	-1,238	-1,295	57	4.4%	-636
Performance	-550	-1,166	616		-727

The committee's annual profit totalled SEK -550 million, which is SEK 616 million better than budget.

Revenue

Ticket revenue for the year deviated negatively by SEK 351 million compared with the budget. Public transport fares – the SL tariff, as it is known – remain unchanged compared to 2022 levels so as to make public transport accessible to more people. Although passengers in 2023 chose other types of tickets that generate higher revenue per journey, this does not compensate for the negative impact of reduced travel. This is also the main reason as to why ticket revenue was below budget. Other income exceeded the budget by SEK 692 million, mainly due to state energy grants,

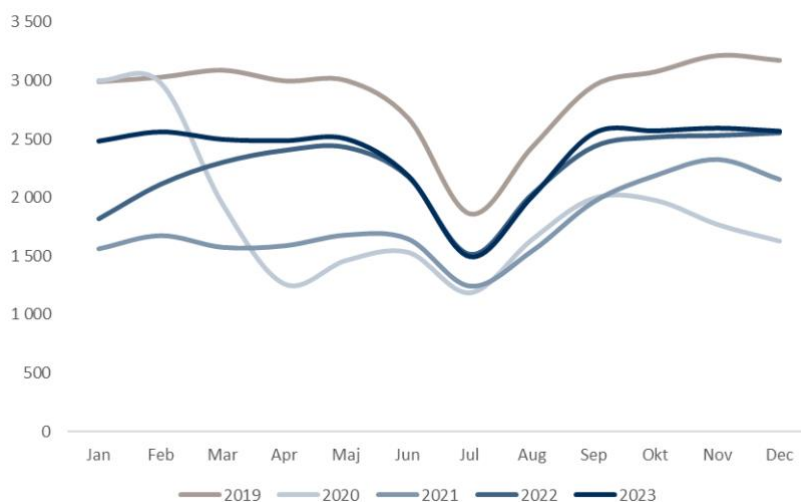
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higher income from premises, the sale of the Grisslinge bus depot, and internal regional project funding for sound financial management.

Costs

Staff costs were SEK 71 million below budget, mainly due to a lower than budgeted level of employed staff as a result of vacancies. The cost of purchased transport is SEK 279 million down on budget. This is mainly due to commuter rail services, where the lower costs are due to factors such as a positive price index deviation in the contracts. Costs were also lower as services did not run at the planned time and to the planned extent, resulting in reduced payment of incentives, while higher penalties were charged for failure to provide services.

Other costs exceeded the budget, partly due to higher costs for fuel for buses (retroactive biogas tax) and higher costs for more medical travel that was more expensive.

Passengers using SL services


The diagram shows the average number of passengers boarding on a typical weekday. The average number of passengers boarding varies depending on the time of year. All modes of transport have fewer average numbers of passengers boarding during the summer than in the winter months. Travel by public transport decreased significantly due to the pandemic. Remote working and new behaviours are helping to bring about a gradual increase in travel. The average number of passengers boarding on a regular weekday after December was 2,366,000. The budgeted average for the full year was 2,623,000 passengers boarding. Travel by local rail has recovered to a greater extent than travel by bus, metro and commuter train.

Challenges relating to commuter rail services have had a negative impact on travel. Commuter trains have been affected by cancellations in 2023, initially due mainly to a widespread driver shortage.

There is still uncertainty about how travel will evolve, such as the impact of increased remote working, the pace of population growth in the county, any new waves of pandemic and restrictions, and changes in travel patterns.

The number of passengers boarding waterborne public transport increased compared to the previous year. Shuttle boat services increased by 26 per cent, while archipelago services decreased by 15 per cent. The increase in shuttle boat services is due to a new service contract (Line 80 by sea) with more departures and higher capacity, as well as the new Line 83 trial line.

Travel in special passenger transport was up 11 per cent compared to the same period last year, mainly as a result of a new taxi contract that has improved access to cars.

13. Productivity

In primary care, productivity is measured by the key ratios production/cost and production/hour worked. Productivity in 2023 increased by 2.6 per cent compared with the previous year, production rose by 4.6 per cent, while costs adjusted for price and wage increases were up 1.7 per cent. The greatest productivity increases were in specialised somatic care and rehabilitation, at 7.6 per cent and 4.4 per cent respectively.

Productivity at acute care hospitals is measured in terms of the number of DRG points produced per full-time equivalent attendance. Danderyds sjukhus AB and Södertälje sjukhus AB are reporting an increase in productivity of 0.9 per cent and 2.3 per cent respectively in 2023. Södersjukhuset AB and Karolinska University Hospital report decreases in productivity of -0.9 per cent and -0.6 per cent respectively. When weighted in terms of hospital size, this implies slightly lower overall productivity at acute care hospitals this year compared to 2022. One contributing factor to lower productivity is the more restrictive use of agency staff in hospitals since March this year, which has resulted in slightly lower healthcare production in the short term.

In terms of public transport, productivity has been measured using a more comprehensive method than before, which includes all the costs of operations for the various modes of transport. Public transport productivity is measured in terms of cost per passenger kilometre per mode of transport. The cost of public transport has fallen compared to the previous year for Bus services, from SEK 6.3 to SEK 5.7, and from SEK 20.3 to SEK 19.1 for Maritime services. However, the cost has increased compared to 2022 for

Metro services (from SEK 3.5 to SEK 3.7), for Commuter Rail services (from SEK 1.7 to SEK 1.8) and for Local Rail services (from SEK 8.9 to SEK 9.3). The fact that travel is on the increase again after the pandemic provides better conditions for increased productivity, although travel has not reached the target level in the budget, while cost increases have been high in several areas.

In the 2024 budget, the Regional Executive Committee has been tasked with analysing Region Stockholm's operations with a view to increasing productivity and cost-effectiveness. As part of this assignment, the Regional Executive Committee will also review how coordination between Region Stockholm's committees and companies can be improved in order to identify synergies and efficiency gains, for instance.

14. Statutory joint authorities

14.1 **Kommunalförbundet sjukvård och omsorg i Norrtälje**

The Statutory Joint Authority for Healthcare and Social Care in Norrtälje (KSON) is a cooperation between Region Stockholm and the municipality of Norrtälje and is responsible for integrated healthcare and care services for the residents of the municipality of Norrtälje. KSON owns commissioned Tiohundra AB, which runs healthcare and care activities at Norrtälje Hospital and elsewhere, as well as a number of GP surgeries and care operations on behalf of KSON. The association and the company make up the KSON Group.

14.2 **Statutory Joint Authority for Advanced Radiotherapy / Skandion Clinic**

The Statutory Joint Authority for Advanced Radiotherapy (KAS) was established in 2006. KAS runs the Skandion Clinic in Uppsala, which treats tumours with proton radiation. Operations began in August 2015. KAS also operates the Hotel von Kraemer in the same building as the Skandion Clinic. This hotel offers patients and their families accommodation during treatment. It also has a restaurant and conference facilities. Operations began in 2014. The regions that have university hospitals are members of KAS: Region Skåne, Region Stockholm, Region Uppsala, Region Västerbotten, Region Örebro County, Region Östergötland and Region Västra Götaland.

14.3 **Statutory Joint Authority for the Swedish Air Ambulance**

The Swedish Air Ambulance is a municipal association in which all 21 regions of Sweden are members. It coordinates and provides air ambulance transport on standby at three emergency bases, 24 hours a day, 365 days a

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year. The purpose of the authority is to conduct aviation activities and provide air ambulance services for its members, as well as coordinating these. Its responsibilities include dealing with operational management of both the air ambulance and the dispatch and coordination centre, either in-house or outsourced. The authority otherwise aims to promote the development of its activities,

15. Foundations

A foundation is an endowment owned by itself, without external owners or members, which has been endowed to provide for a particular purpose. Foundations are not included in the Regional Group's income statement and balance sheet for 2021 other than to recognise any grants awarded as an expense in the income statement. Below is a presentation of the foundations over which Region Stockholm has supervisory responsibility in 2023. The proportion of executive committee members appointed by Region Stockholm is shown in brackets.

Operating foundations

Foundations in which Region Stockholm is the sole founder

- Stiftelsen Cancercentrum Karolinska (100%)
- Stiftelsen Centrum för Molekylär Medicin (100%)
- Stiftelsen Clara (0%)¹⁹

Foundations of which Region Stockholm is a founder together with others

- Stockholm Gerontology Research Center (50%)
- Archipelago Foundation (53%)
- Flemingsberg Science Foundation (13%)

Foundation where Region Stockholm is the main funding body

- Stockholm Concert Hall Foundation (67%)

Stiftelsen Cancercentrum Karolinska, the Karolinska cancer centre foundation, aims to promote experimental cancer research. The foundation works for the development of individualised cancer treatment, in close collaboration with Karolinska University Hospital and Karolinska Institutet.

The Stiftelsen Centrum för Molekylär Medicin foundation works primarily on research into chronic inflammatory diseases.

The Stockholm Gerontology Research Center foundation is an interdisciplinary centre for research and development on the health, care and welfare of older people.

The Archipelago Foundation in the County of Stockholm manages properties and works to preserve the Stockholm archipelago and develop

¹⁹ As of February 2018, the region does not appoint any members or auditors to the Clara Foundation.

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outdoor life in the archipelago. Region Stockholm is the main funder of the foundation, which receives annual support for operations and property maintenance. An agreement was signed between Region Stockholm and the Archipelago Foundation in 2023 regarding operating and investment funds in the form of funding granted (KRN 2023-0174) for 2024–2027.

The foundation Stiftelsen Flemingsberg Science aims to strengthen collaboration between various operators in Flemingsberg. The foundation's new strategy period for the years 2022–2025 began in 2022. The overall goal of the strategy is to make Flemingsberg the first choice for establishments in southern Stockholm, for Flemingsberg to offer an internationally competitive innovation environment and for Flemingsberg to provide a test bed for societal challenges.

The Stockholm Concert Hall Foundation aims to pursue musical activities by giving concerts and for this purpose maintain and sustain the Royal Stockholm Philharmonic Orchestra. Region Stockholm is the main funder of the foundation, which receives annual support for operations and property maintenance. In 2023, Region Stockholm and the Foundation signed an agreement on operating and investment funds in the form of grants for the period 2023–2026 (KN 2022/344).

Region Stockholm has a supervisory responsibility to ensure that operational foundations where Region Stockholm is a founder or co-founder are run appropriately, in accordance with regulations in the Foundation Ordinance and based on sound financial management. The Regional Council must annually examine the issue of discharge from liability for the committee in the Stiftelsen Cancercentrum Karolinska and Stiftelsen Centrum för Molekylär Medicin foundations. Nothing emerged in connection with the supervisory duty for 2022 that contradicts the decision to discharge the executive committees of each foundation from liability, which is why the Regional Council has granted discharge from liability to both committees in 2023.

The Stiftelsen Stockholms läns museum foundation is what is known as a county cultural function with the purpose of conducting scientific collection and documentation as well as outreach activities in cultural heritage and museum activities in the county. In 2020, the foundation's executive committee decided to transfer the foundation's activities to Region Stockholm and wind up the foundation. The activities of the foundation have been integrated into the activities of the Cultural Committee since 2021. The Stockholm County Administrative Board removed the foundation from the foundation register in February 2023, and the foundation is thus wound up as of this date.

16. Notes

Note 1. Accounting policies

The annual report has been prepared in accordance with the Local Government Act, the Local Government Bookkeeping and Accounting Act (LKBR) and the recommendations of the Council for Municipal Accounting (RKR) concerning the legal entity Region Stockholm and the consolidated financial statements.

Consolidated financial statements

The consolidated financial statements have been prepared using the proportional consolidation method (split method), which means that only the owned share of the accounting items of the municipal group companies is included in the consolidated financial statements. The exception is the associated company Barnbördshuset Stockholm AB, which is consolidated using the equity method.

Companies and statutory joint authorities in which Region Stockholm has a significant influence but which are not included in the consolidated financial statements because their activities are insignificant in scope are the coordinating federations, the Statutory Joint Authority for the Swedish Air Ambulance, ALMI Företagspartner i Stockholm Sörmland AB, Mälardalstrafik MÄLAB AB and operating foundations.

Items affecting comparability

An item affecting comparability is defined within Region Stockholm as an infrequent item exceeding SEK 100 million. The limit is set according to the region's turnover and activities. An exception is capital gains from the sale of fixed assets, which are always defined as items affecting comparability. Capital gains are the items defined as items affecting comparability in 2023.

Tax revenue

Tax revenue is presented in accordance with the recommendation R2, Revenue of the Council for Municipal Accounting, RKR. The forecast of the tax settlement published by the Swedish Association of Local Authorities and Regions (SALAR) in December of the financial year is used to calculate and accrue the year's tax revenue.

Depreciation

Depreciation of property, plant and equipment and intangible assets over their estimated useful lives is calculated using the straight-line method based on the cost of the asset excluding any residual value. Depreciation begins when the asset is ready for use.

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The following depreciation periods are generally applied:

Intangible fixed assets	3–10 years
Machinery and equipment	3–10 years
Buildings	See components
Building inventory	17 years
Track-bound vehicles	10–30 years
Buses	12 years
Track facilities	See components
Boats, ships	See components

Assets such as land and art do not depreciate.

Components

For assets where significant components have been identified and where the difference in their consumption is expected to be material, component depreciation has been applied since 2015. This applies to the following categories of fixed assets:

Fixed asset Depreciation intervals for components

Track facilities	10–50 years (substructure 40–100 years)
Buildings, public transport	17–50 years (ground/frame 20–50 years)
Boats, ships	15–30 years (hull 30, alternatively 80 years)

Borrowing costs

Region Stockholm's general rule for accounting for borrowing costs is that they are charged to profit or loss in the period to which they relate. The Property and Services Committee makes an exception from the general rule and instead includes interest costs in the cost of the asset during the construction period if it is directly attributable to the purchase, construction or production of an asset. The Property and Services Committee uses a notional borrowing rate, which is a deviation from the real borrowing rate. Interest expenses for property investments corresponding to SEK 68 million were capitalised in 2023.

Corporation tax

The companies in the Landstingshuset i Stockholm AB group and the AB Storstockholms Lokaltrafik group do not currently pay income tax in accordance with the applicable tax rules, as the tax loss carry-forwards amount to significant amounts. A tax expense arises only if the tax authorities reassess the taxable income of one of the companies, which means that the tax loss carryforwards are used up.

In Region Stockholm, the companies' deferred taxes are reported under the item untaxed reserves as equity. Region Stockholm companies have large tax loss carry-forwards, which means that no tax expenses and no deferred tax arise.

Pensions

According to the Local Government Accounting and Reporting Act, pensions are accounted for using the mixed municipal model. This means that pensions earned before 1998 are recognised as contingent liabilities. Pensions earned from 1998 onwards are recognised as a provision in the balance sheet. Pensions accrued during the year, as well as paid pensions accrued before 1998, are recorded in the income statement. The pension obligations of the administrations are calculated according to RIPS (Guidelines for the calculation of pension liabilities), which means that the pension obligations are discounted to present value using a real discount rate of one per cent.

In Region Stockholm's group of companies, pension obligations are recognised as provisions in the balance sheet on the basis of the K3 regulations (BFRNAR 2012:1) and the simplification rule for pension obligations secured through provisions in the balance sheet. As of 2021, pension obligations are discounted to present value using a discount rate of -0.1 per cent. The interest rate is lower than the discount rate set by the Swedish Financial Supervisory Authority for 2023, which is permitted under what are known as the Regulations regarding technical bases (FFFS 2007:24). The implication of applying a lower discount rate is that Region Stockholm's group of companies will not recognise any impact on profit or loss that is attributable to changes in the discount rate, provided that the discount rate set annually by the Swedish Financial Supervisory Authority is above -0.1 per cent.

For contracts with a coordination clause, the calculation is based on the situation known at the time of the financial statements. If nothing else is known, the calculation is made on the basis that no coordination will take place.

Fixed-term contracts giving entitlement to a special contractual pension are recognised as a provision when it is probable that they will result in payments. Contracts that have not been settled are recognised as contingent liabilities.

Public investment grants received

Investment grants received from the state and municipalities refer to the expansion of public transport and part of the state grant for additional costs related to COVID-19 related to the acquisition of fixed assets. The investment grants are recognised as income in the income statement, systematically over the useful life of the asset, and for staff costs during the construction period of the new metro.

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Derivatives and hedge accounting

Hedge accounting is applied to all external derivative instruments. This is applied both within Region Stockholm and within the consolidated accounts. All implemented hedging is guided by the requirements of the financial governance documents to reduce currency and interest rate risks. The hedging relationships outstanding at 31 December 2023 were of two different types: borrowing in Swedish kronor and borrowing in foreign currencies.

Borrowing in Swedish kronor

For these hedging relationships, the hedged item consists of a borrowing in Swedish kronor at a variable interest rate. The hedging instruments consist of interest rate swaps where the region's nets a variable interest rate for a fixed interest rate. The purpose of these hedging relationships is to reduce the uncertainty of future interest costs when borrowing at variable interest rates. The uncertainty is linked to changes in the variable interest rate. The hedged risk is the variability in future interest payments due to changes in the base rate, STIBOR.

On 31 December 2023, Region Stockholm had a total of 133 outstanding hedging instruments of this type, with a total notional amount of SEK 61,822 million. The swap portfolio includes both roll-over and roll-down swaps and the net amount of the interest rate swaps was SEK 7,098 million as at 31 December 2023. The market value of all interest rate swaps, which are hedging instruments in the hedging relationships, amounted to SEK 484 million.

In the financial year 2023, interest income on the hedging instruments amounts to SEK 113 million. Interest income is the net of interest paid, received and accrued on all swaps. In accordance with RKR R8, unrealised changes in market value have not been included in the accounts.

The impact of hedging instruments on the average fixed interest period and the cost of borrowing is shown in the table below.

Borrowing in Swedish kronor	Before hedging	After hedging
Average fixed interest term	2.27 years	3.82 years
Average borrowing cost, %	1.88%	1.50%
Average borrowing cost, SEKm	SEK 594 million	SEK 476 million

*) The aim of the aforementioned hedging is to reduce the uncertainty of future interest payments to maintain a stable interest charge that does not change over time.

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Borrowing in foreign currency

For these hedging relationships, the hedged item consists of foreign currency borrowings at a fixed rate. Hedging instruments consist of currency interest rate swaps, where the region receives a fixed interest rate in a foreign currency and pays a fixed or floating interest rate in Swedish kronor.

Loans in other currencies are raised when the interest cost including currency hedging is deemed lower than raising the loan in Swedish kronor. Region Stockholm's aim with this hedging strategy is to reduce the exchange rate and interest rate risk associated with foreign currency borrowing. The uncertainty is linked to changes in exchange rates. The hedged risk is the spot risk, i.e. future changes in spot rates compared to the hedged date, and the interest rate risk in the respective borrowing currency.

The Region had a total of 5 outstanding hedging instruments of this type as at 31 December 2023. The total nominal amount was EUR 600 million, equivalent to SEK 5,678 million. The market value of all swaps comprising hedging instruments in these hedging relationships amounted to SEK 831 million.

In the financial year 2023, the interest cost of the hedging instruments is SEK 136 million. Interest expense is the net of interest paid, received and accrued on all swaps. The interest cost is associated with the currency-hedged loans raised in foreign currencies. In accordance with RKR R8, unrealised changes in market value have not been included in the accounts.

The impact of hedging instruments on the average fixed interest period and the cost of borrowing is shown in the table below.

Borrowing in Euro	Before hedging	After hedging
Average fixed interest term	1.00 year (EUR)	0.41 year (SEK)
Average borrowing cost, %	0.68%	3.43%
Average borrowing cost, SEK/EUR millions	EUR 39 million	SEK 195 million

*) The aim of the aforementioned hedging is to reduce the uncertainty of future interest payments and repayments in foreign currencies.

Miscellaneous

The assessment is that the proprietary guarantee that the region has for AB SL Finance's lease agreement constitutes a binding commitment for the region. As a result, the lease within AB SL Finans can be recognised as a hedged item in the consolidated hedge accounting of Region Stockholm.

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Note 2 Operating income and expenses

SEKm	Regional Group		Region	
	2023	2022	2023	2022
Patient fees healthcare	914	867	496	472
Patient fees dental care	565	496	0	0
Passenger fees	8,910	8,281	198	184
Sold healthcare services	2,726	2,389	2,159	1,884
Sold dental care	316	288	0	0
Sale of other primary services	272	313	66	87
Rental income, sale of other services	5,647	5,084	6,064	5,175
Government grants	7,460	9,382	7,267	8,796
Other grants	1,839	1,119	760	37
Other revenue	2,134	2,139	1,243	1,610
<i>of which income affecting comparability</i>	<i>90</i>	<i>157</i>	<i>75</i>	<i>154</i>
Operating income	30,784	30,358	18,253	18,244
Personnel expenses	41,115	36,757	28,527	25,253
Purchased healthcare	24,691	22,955	36,169	34,122
Purchased dental care	671	565	1309	1196
Purchased services	16,005	16,223	1,089	990
Other primary services purchased	265	253	288	275
Ancillary services (lab, x-ray)	1569	1730	1576	1737
Pharmaceuticals covered by the pharmaceutical subsidy	7,864	7,324	7,620	7,104
Other pharmaceuticals	2,382	2,136	1,952	1,737
Other supplies and goods, etc.	7,618	7,263	3,564	3,457
Contributions paid	2,422	2,315	6,084	4,523
Contributions made to SL and WÅAB	0	0	10,961	10,290
Cost of premises, equipment hire	4,112	3,664	4,019	3,563
Tax expenditure in subsidiaries	0	0		
Other expenses	8,158	7,943	6,148	6,378
<i>of which costs affecting comparability</i>	<i>11</i>	<i>46</i>	<i>9</i>	<i>46</i>
Operating costs	116,872	109,126	109,305	100,626

Note 3 Depreciation/amortisation

SEKm	Regional Group		Region	
	2023	2022	2023	2022
Amortisation of intangible assets	-221	-165	-51	-20
Depreciation of buildings and equipment	-3,087	-2,993	-1,071	-1,071
Depreciation of machinery and equipment	-3,772	-3,732	-1,812	-1,907
Total depreciation	-7,080	-6,890	-2,934	-2,998

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Note 4 Tax revenue, general government grants and municipal economic equalisation

SEKm	Regional Group		Region	
	2023	2022	2023	2022
Preliminary tax revenue	91,902	85,562	91,902	85,562
Projection of settlement proceeds in 2023 and 2022 respectively	1,118	1,632	1,118	1,632
Adjustment item for tax revenue, 2022 and 2021 respectively	384	467	384	467
Total tax revenue	93,405	87,661	93,405	87,661
Contributions for pharmaceutical subsidy	7,718	7,362	7,718	7,362
Other general government grants	0	21	0	21
Total general government grants	7,718	7,383	7,718	7,383
Implementation grant	0	137	0	137
Regulatory contribution	173	0	173	0
Total contributions from equalisation	173	137	173	137
Income equalisation levy	-2,803	-2,424	-2,803	-2,424
Appropriation charge	867	1,583	867	1,583
Cost equalisation fee	-2,332	-1,580	-2,332	-1,580
Total charges for equalisation	-4,268	-2,421	-4,268	-2,421
Total cost and income equalisation	-4,095	-2,284	-4,095	-2,284
Total tax revenue, general government grants and municipal economic equalisation	97,028	92,760	97,028	92,760

Note 5 Financial income

SEKm	Regional Group		Region	
	2023	2022	2023	2022
Interest income	160	33	1,137	550
Other financial income	78	55	46	11
Total financial revenue	238	87	1,183	561

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Note 6 Financial costs

SEKm	Regional Group		Region	
	2023	2022	2023	2022
Interest charges on loans	-1,305	-1,283	-1,633	-1,255
Financial expense, change in pension provisions	-3,750	-891	-2,615	-632
Write-down of financial non-current assets	-	-	-878	-976
Other financial expenses	-55	-50	-54	-37
Total financial costs	-5,110	-2,224	-5,179	-2,900
Average interest rate %	1.91	1.50	1.91	1.50
Average interest rate % excluding derivatives	2.21	1.56	2.21	1.56
Interest rate hedging has affected the cost by	-23	-122	-23	-115

Note 7 Items affecting comparability

SEKm	Regional Group		Region	
	2023	2022	2023	2022
Within operating revenue:				
Capital gain	90	157	75	154
Within operating costs:				
Capital losses	-2	0	0	0
Adjustment costs	0	-44	0	-44
Costs incurred on the sale of properties	-9	-2	-9	-2
Within net financial income:				
Write-down of financial non-current assets	0	0	-878	-976
Total items affecting comparability	80	111	-812	-868

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Note 8 Specification of capital gains

SEKm	Regional Group		Region	
	2023	2022	2023	2022
Other operating income				
<i>Capital gain</i>				
Sale of property, plant and equipment				
Property and Services Committee	64	149	64	149
SL Group	11	8	-	-
other units	6	5	1	3
Other operating expenses				
<i>Capital loss</i>				
Sale of property, plant and equipment				
SL Group	0	0	-	-
other units	-2	0	0	0
Net capital gains on sale of property, plant and equipment	80	162	65	152

Note 9 Intangible assets

SEKm	Regional Group		Region	
	2023	2022	2023	2022
Opening acquisition value	1,514	1,167	343	193
Purchases	21	1	18	0
Transfers from ongoing new installations	266	333	51	147
Sales and disposals	-92	0	-7	0
Reclassifications	-4	14	0	3
Closing accumulated cost	1,705	1,514	405	343
Opening depreciation	-887	-722	-141	-121
Depreciation for the year	-221	-165	-52	-20
Sales and disposals	91	0	7	0
Closing accumulated depreciation/amortisation	-1,017	-887	-185	-141
Total closing value	688	628	220	202
Average useful life (years)	7.7	9.2	7.8	17.4

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Note 10 – Land, buildings and technical facilities

SEKm	Regional Group		Region	
	2023	2022	2023	2022
Opening acquisition value	105,919	103,359	51,803	51,028
Purchases	0	0	0	0
Transfers from ongoing new installations	2,486	2,260	348	393
Sales and disposals	-475	-111	-106	-31
Corrections	-102		-102	
Reclassifications	-24	411	-24	413
Closing accumulated cost	107,803	105,919	51,918	51,803
Opening depreciation	-34,773	-31,832	-14,493	-13,406
Depreciation for the year	-3,095	-2,992	-1,071	-1,071
Sales and disposals	421	90	76	24
Reclassifications	0	-39	0	-39
Closing accumulated depreciation/amortisation	-37,447	-34,773	-15,488	-14,493
Opening write-down	-118	-118	-118	-118
Closing accumulated write-downs	-118	-118	-118	-118
Total closing value	70,238	71,028	36,312	37,192
Closing planned residual value, broken down by facility type:				
Buildings	42,793	43,452	31,059	31,675
Land	2,351	2,353	1,452	1,455
Ground facilities	25,095	25,223	3,801	4,062
Total closing value	70,238	71,028	36,312	37,192
Average useful life (years)	35	35	48	48

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Note 11 Machinery and fixtures

SEKm	Regional Group		Region	
	2023	2022	2023	2022
Opening acquisition value	69,324	67,904	29,158	29,011
Purchases	1,090	1,117	613	637
Transfers from ongoing new installations	3,141	1,988	462	499
Sales and disposals	-2,424	-1,270	-631	-605
Corrections	2	2	2	2
Reclassifications	20	-417	24	-387
Closing accumulated cost	71,153	69,324	29,628	29,158
Opening depreciation	-36,625	-34,072	-14,790	-13,423
Depreciation for the year	-3,764	-3,732	-1,812	-1,907
Sales and disposals	2,353	1,162	595	527
Reclassifications	-6	18	-7	13
Closing accumulated depreciation/amortisation	-38,041	-36,625	-16,014	-14,790
Opening write-down	0	-10	0	0
Sales and disposals	0	10	0	0
Closing accumulated write-downs	0	0	0	0
Total closing value	33,112	32,699	13,614	14,368
Closing planned residual value, broken down by facility type:				
Cars and other means of transport	14,277	11,936	1	1
Medical technology apparatuses	3,030	3343	1,765	1,997
Conversion of rented premises	415	439	62	74
Building inventory	11,525	12,058	10,285	10,732
Art and non-depreciating equipment	120	113	118	112
Leases, machinery and equipment	1,704	2626	0	0
IT equipment	514	558	340	371
Other machinery and equipment	1,528	1,626	1,043	1,081
Total closing value	33,112	32,699	13,614	14,368
Average useful life (years)	18.9	18.6	16.4	15.3

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Note 12 Construction in progress and advances on property, plant and equipment

SEKm	Regional Group		Region	
	2023	2022	2023	2022
Opening balance	31,726	24,410	5,735	4,266
Costs incurred during the year for buildings	15,348	11,852	3,376	2,469
Costs incurred during the year for machinery and equipment	328	59	29	49
Transfer to other fixed assets	-5,893	-4,581	-861	-1,040
Reclassifications	14	14	7	-3
Sales and disposals	-62	-28	0	-7
Total ongoing new installations and advances	41,461	31,726	8,286	5,735

A large part of this year's costs relate to investments within SL and Landstingsfastigheter.

Note 13 Financial assets

SEKm	Regional Group		Region	
	2023	2022	2023	2022
Shares and holdings				
AB Storstockholms Lokaltrafik	0	0	6,104	6,679
Landstingshuset i Stockholm AB	0	0	191	494
Barnbördshuset Stockholm AB	7	6	0	0
Landstingens Ömsesidiga Försäkringsbolag	311	311	311	311
Swedish Air Ambulance	2	2	2	2
Other securities holdings				
Other shares and holdings	1	1		
Total shares and holdings	322	321	6,609	7,486
Long-term lending				
AB Storstockholms Lokaltrafik			41,460	38,739
Landstingshuset i Stockholm AB			1,495	370
Waxholms Ångfartyg AB			200	320
Statutory Joint Authority Norrtälje			28	28
Other long-term receivables	3,637	2,797	142	147
Total long-term lending	3,637	2,797	43,324	39,603
Condominiums	3	3	3	3
Total financial fixed assets	3,962	3,121	49,936	47,093

Details of corporate registration number and registered office

Subsidiary	Co. reg. number	Registered office
AB Storstockholms Lokaltrafik	556013-0683	Stockholm
Landstingshuset i Stockholm AB	556477-9378	Stockholm

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Note 14 Current receivables

SEKm	Regional Group		Region	
	2023	2022	2023	2022
Trade receivables	2,310	2,039	2,311	1,472
Government grants receivable	1,808	1,683	1,807	1,683
Tax receivables	3,108	3,627	3,086	3,559
Prepaid expenses	1,741	1,565	1,831	1,425
Accrued income	1,808	1,432	1,506	1,419
Other receivables	1,586	2,864	14,474	12,865
Total current receivables	12,361	13,209	25,016	22,423

Note 15 Equity

SEKm	Regional Group		Region	
	2023	2022	2023	2022
Opening shareholders' equity	27,001	22,036	26,985	21,944
<i>of which profit equalisation reserve</i>	<i>7,128</i>	<i>3,246</i>	<i>7,128</i>	<i>3,246</i>
Net income for the year	-1,011	4,965	-954	5,042
<i>of which increase in profit equalisation reserve</i>	<i>0</i>	<i>3,882</i>	<i>0</i>	<i>3,882</i>
Closing equity	25,989	27,001	26,032	26,985

Note 16 Provisions and contingent liabilities for pensions and similar obligations
Provision for pensions

SEKm	Regional Group		Region	
	2023	2022	2023	2022
Provisions for pensions incl. payroll tax	36,019	34,009	26,715	25,299
Newly earned pension, of which				
- defined benefit pension	3,143	1,642	2,109	1,120
- special contractual pension	0	0	0	0
- survivor's pension	31	13	22	8
- others	2	14	2	14
Payments for the year	-799	-687	-619	-539
Interest and base rate revaluation	3,011	727	2,102	508
Change in actuarial assumptions	7	0	2	-2
Other items	-40	25	3	31
Change in payroll tax	879	276	879	276
Total allocated to pensions, including payroll tax	42,253	36,019	31,215	26,715

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Liability for pensions

SEKm	Regional Group		Region	
	2023	2022	2023	2022
Opening liability for pensions incl. payroll tax	21,809	22,613	21,809	22,613
Interest and base rate revaluation	1,431	535	1,431	535
Change in actuarial assumptions	0	0	0	0
Payments for the year	-1,192	-1,103	-1,192	-1,103
Other items	67	-79	67	-79
Change in payroll tax	74	-157	74	-157
Closing liability for pensions, including payroll tax	22,189	21,809	22,189	21,809

Other information on pensions

	Regional Group		Region	
	2023	2022	2023	2022
Number of fixed-term contracts				
Politicians	9	10	9	10
Officials	0	0	0	0
Updating level	97%	97%	97%	97%

The basis for calculating pensions is set out in the section Accounting policies.

Note 17 Other provisions

Summary	2022	Utilised during the year	Reversal not utilised amount	Profit for provision	2023
SEKm					
Group					
Other provisions	619	-135	0	48	532
Region					
Other provisions	438	-132	0	24	330

Specification of provisions

Companies	2022	Utilised during the year	Reversal not utilised amount	Profit for provision	2023	Expected date of regulation, year
SEKm						
AB SL estimated maintenance costs, C20 vehicles	63	0	0	0	63	*
AB SL Demolition and rehabilitation measures	67	-2	0	0	65	**
AB SL soil pollution	35	0	0	0	35	***
AB SL sanction fee supervision case	16	0	0	0	16	2024
AB SL procurement fines	0	0	0	10	10	2024
AB SL dispute damages	0	0	0	14	14	2024
Danderyds Sjukhus AB, Swedish Work Environment Authority penalty	1	-1	0	0	0	-
Total other provisions	182	-3	0	24	203	

* 2024 at the earliest – a new assessment will be performed in 2024 when a new metro contract is in place.

** Cannot be specified as the timing depends on when the City of Stockholm carries out remediation work.

*** Cannot be stated as the timing of the start of land use is not known.

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Region	2022	Utilised during the year	Reversal not utilised amount	Profit for provision	2023	Expected date of regulation, year
SEKm						
Landstingsfastigheter properties Stockholm						
Patienten Karolinska property, selling expenses	12	0	0	0	12	2024
Patienthotellet Karolinska property, selling expenses	2	0	0	0	2	2024
Dispute with Swedish Work Environment Authority regarding premises at Södersjukhuset	5	0	0	0	5	2024
Dispute with Swedish Work Environment Authority regarding premises at Södertälje Hospital	6	0	0	0	6	2024
Transport Administration						
Procurement fines	0	0	0	10	10	2024
Dispute, damages	0	0	0	14	14	2024
Regional Executive Committee						
Procurement fines	10	0	0	0	10	2024
Co-funding grant to city of Solna for Norra Hagastaden	250	0	0	0	250	*
Permanent damages	9	0	0	0	9	2044
Karolinska University Hospital						
Contract renegotiation (confidentiality)	124	-124	0	0	0	-
Disputed depreciation Autofrys	8	-8		0	0	2024
Write-down of HUGO surgical robot	11	0	0	0	11	2024
Total other provisions	437	-132	0	24	329	

* Timing and outflow are dependent on when the detailed development plan comes into force and therefore cannot be estimated.

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Note 18 Total non-current liabilities

SEKm	Regional Group		Region	
	2023	2022	2023	2022
Liabilities to banks and credit institutions	32,660	34,382	32,660	34,382
Non-current leasing liabilities	1,787	1,919	0	0
Investment contributions	26,208	20,364	2,309	1,738
OPS debt New Karolinska Solna	5,164	5,399	5,164	5,399
Other non-current liabilities	307	287	49	6
Total non-current liabilities	66,127	62,351	40,182	41,524
Information on non-current and current borrowing				
Credit maturity proportion of loans				
0–1 year	13%	13%	13%	13%
1–3 years	35%	30%	35%	30%
3–5 years	27%	27%	27%	27%
5–10 years	16%	23%	16%	23%
over 10 years	10%	7%	10%	7%
Average interest rate %	1.91	1.50	1.91	1.50
Average interest rate % excluding derivatives	2.21	1.56	2.21	1.56
Average capital tie-up period, years	3.77	4.03	3.77	4.03
Average fixed interest period incl. derivatives, years	3.2	3.1	3.2	3.1
Average fixed-interest period, excl. derivatives, years	1.9	2.5	1.9	2.5
Information on hedging instruments				
Secured loan debt	15,961	17,747	15,961	17,747
Market value of derivatives	1,315	1,490	1,315	1,490

Note 19 Current liabilities

SEKm	Regional Group		Region	
	2023	2022	2023	2022
Current liabilities to banks and credit institutions	6,799	5,610	18,002	12,591
Customer advances	740	908	485	629
Trade payables	9,275	8,286	7,360	7,525
Debts to the state	0	0	0	0
Short-term debt leasing	132	1,006	0	0
Holiday and salary liability	3,051	2,977	2,108	2,015
Accrued expenses	9,251	8,381	5,613	6,222
Prepaid income	1,363	1,499	530	781
Other liabilities	1,081	1,175	2,829	2,806
Total current liabilities	31,692	29,841	36,929	32,569

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Note 20 Guarantees and other contingent liabilities

SEKm	Regional Group		Region	
	2023	2022	2023	2022
Contingent liabilities in favour of group companies and associated companies*				
AB SL, finansiell leasing	-	-	3,212	3,588
AB Storstockholms Lokaltrafik, pension obligations	-	-	746	725
Waxholms Ångfartygs AB, pension obligations	-	-	18	17
Locum AB, pension obligations	-	-	317	321
Danderyds Sjukhus AB, pension obligations	-	-	3,872	3,228
S:t Eriks Ögonsjukhus AB, pension obligations	-	-	642	558
Södersjukhuset AB, pension obligations	-	-	5,118	4,253
Södertälje Sjukhus AB, pension obligations	-	-	1,143	893
TioHundra AB, pension obligations	525	439	525	439
Folktandvården Stockholms län AB, pension obligations	-	-	1,133	978
Other companies, pension obligations	-	-	186	139
Total	525	439	16,912	15,139
Contingent liabilities in favour of parties external to the Group**				
AB Transitio***	1,490	1,404	1,490	1,404
Archipelago Foundation, pension obligations	44	41	44	41
Other guarantees, pension obligations	15	16	15	16
Other contingent liabilities	18	39	18	39
Total	1,567	1,500	1,567	1,500
Total contingent liabilities****	2,092	1,939	18,479	16,639

*Region Stockholm has guarantee commitments to Group companies regarding financial leasing contracts, mainly in respect of SL. These guarantees are not recognised as contingent liabilities in the Group as finance lease commitments are recognised in the consolidated balance sheet.

**Regions are liable as co-owners of the LÖF patient insurance for the company's liabilities up to an amount equal to 10 times the premium the county council has had to pay for each year in which a loss has been incurred in the patient insurance. In 2023, the premium for Region Stockholm amounted to SEK 318.5 million.

***Region Stockholm has entered into a joint and several guarantee with a ceiling of SEK 8 billion in favour of AB Transitio regarding the financing of rail vehicles. As at 31 December 2023, SEK 2.3 billion has been used. Through a right of recourse agreement, Region Stockholm's commitment is limited to the part financed by SL through AB Transitio. This part amounted to SEK 1.4 billion as of 31 December 2023.

****Region Stockholm's assessment is that no contingent liabilities other than the item Other contingent liabilities could give rise to future costs.

Region Stockholm is the counterparty in a lawsuit filed with Stockholm District Court. This dispute concerns possible damages to a supplier in connection with the procurement of COVID-19 protective equipment. In June 2023, Stockholm District Court issued a judgement dismissing the lawsuit in its entirety. The other party appealed the judgement in the autumn of 2023. Recommendation R9 of the Swedish Council for Municipal Accounting, Provisions and contingent liabilities, states that information on the estimated size of contingent liabilities and the probability of fulfilment need not be disclosed if the information could have a negative impact on the municipality's or region's negotiating position in a dispute with other parties. With reference to this wording of the recommendation, Region Stockholm does not provide information regarding the estimated financial impact of the ongoing legal proceedings or an assessment of the likelihood of the contingent liability being realised.

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Note 21 Leasing fees

SEKm	Regional Group		Region	
	2023	2022	2023	2022
Financial leases exceeding*				
Total minimum lease payments	1,919	2,925		
Present value minimum lease payments	2,084	3,068		
Of which mature within 1 year	208	1,072		
Of which mature within 2–5 years	953	754		
Of which mature in later than 5 years	923	1,242		
Non-cancellable operational leases				
Lease payments due within 1 year	452	385	112	92
Lease payments due within 2–5 years	1,393	1,098	457	255
Lease payments due later than 5 years	1,421	1,659	48	230

*Financial leases refer to rail vehicles and buses. Financial leases are recognised in the balance sheet and included in the item machinery and equipment.

Note 22 Cost of auditing the accounts

SEKm	Regional Group		Region	
	2023	2022	2023	2022
Costs of auditing the accounts	9.9	8.9	4.8	4.0

Note 23 Information on separate accounts drawn up

These statements refer to	Legislation
Dental care activities in Folktandvården Stockholms län AB	the Act on the transparency of certain financial relations, etc. (2005:590)
Laboratory activities at Karolinska University Hospital	the Act on the transparency of certain financial relations, etc. (2005:590)

The separate reports are available from each committee or company, respectively, and on the Region Stockholm website as follows.

Folktandvården Stockholm län AB, telephone +46 8 123 166 00
 Karolinska University Hospital, telephone +46 8 517 700 00
www.regionstockholm.se/om-regionstockholm/ekonomi/finansiella-rapporter/

Note 24 Intra-group conditions

Unit SEKm	Shareholder contribution		Group contributions		Dividend	
	Left	Received	Left	Received	Submitted	Received
Region Stockholm						
Landstingshuset i Stockholm AB			138			
Danderyds Sjukhus AB				83		
Södersjukhuset AB				92		
Södertälje Sjukhus AB				28		
S:t Eriks Ögonsjukhus AB			5			
Ambulanssjukvården i Storstockholm AB				2		
Tobiasregistret AB			5			
Folktandvården Stockholms län AB			27			
Locum AB			9			
MediCarrier AB			23			
Film Stockholm AB						
AB Storstockholms Lokaltrafik				138		
AB SL Finans			100			
SL Nya Tunnelbanan AB						
Waxholms Ångfartygs AB			38			
Unit SEKm	Sales		Contribution		Interest rates, etc	
	Income	Cost	Income	Cost	Income	Cost
Region Stockholm	3,600	16,724		12,336	1,011	403
Landstingshuset i Stockholm AB					4	28
Danderyds Sjukhus AB	5,084	869	941		78	
Södersjukhuset AB	6,676	1,056	251		117	
Södertälje Sjukhus AB	1,788	274	32		23	
S:t Eriks Ögonsjukhus AB	621	25	62		20	
Ambulanssjukvården i Storstockholm AB	517	29	20		3	
Tobiasregistret AB	9	10	2		1	
Folktandvården Stockholms län AB	705	75	27		38	
Locum AB	391	9			14	
MediCarrier AB	998	1	25			11
Film Stockholm AB	23	1	1			
AB Storstockholms Lokaltrafik	698	8,050	10,502		136	961
AB SL Finans		402			13	101
SL Nya Tunnelbanan AB	6,617	253			47	
Waxholms Ångfartygs AB	66	15	473		7	11

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Unit SEKm	Loan		Surety	
	Source	Recipient	Source	Recipient
Region Stockholm	43,155		16,387	
Landstingshuset i Stockholm AB		1,495		
Danderyds Sjukhus AB				3,872
Södersjukhuset AB				5,118
Södertälje Sjukhus AB				1,143
S:t Eriks Ögonsjukhus AB				642
Ambulanssjukvården i Storstockholm AB				156
Tobiasregistret AB				2
Folktandvården Stockholms län AB				1,133
Locum AB				317
MediCarrier AB				28
Film Stockholm AB				
AB Storstockholms Lokaltrafik		41,460		746
AB SL Finans				3,212
SL Nya Tunnelbanan AB				
Waxholms Ångfartygs AB		200		18

All companies are wholly owned by Region Stockholm or their respective parent companies.

Note 25 Key ratios 2023

Key ratios	Unit	2023	2022	2021	2020	2019
Population						
County of Stockholm	Number	2,455,914	2,437,158	2,411,859	2,391,990	2,374,550
- Population change	%	0.8%	1.0%	0.8%	0.7%	1.5%
Sweden	Number	10,555,448	10,514,719	10,443,100	10,378,483	10,319,473
- Population change	%	0.4%	0.7%	0.7%	0.6%	1.0%
Percentage in County of Stockholm	%	23.3%	23.2%	23.1%	23.0%	23.0%
Tax						
Tax income, general government and equalisation	SEKm	97,028	92,760	87,970	84,905	81,418
Tax revenue, general government grants and equalisation	SEK/capita	39,508	38,061	36,474	35,496	34,288
Profit share of tax revenue, general government grants	%	-1.0%	5.4%	2.1%	6.8%	2.1%
Tax revenue change	%	4.6%	5.4%	3.6%	4.3%	4.7%
Tax rate Region Stockholm	SEK	12.08	12.08	12.08	12.08	12.08
Average regional tax nationwide	SEK	11.57	11.56	11.56	11.56	11.49
Income statement						
Turnover	SEKm	127,812	123,118	119,346	114,699	106,454
Net income Region Stockholm	SEKm	-1,011	4,965	1,821	5,802	1,723
Operating income, change	%	1.4%	-3.2%	5.3%	19.0%	6.2%
Operating costs, trend	%	7.1%	9.0%	0.1%	3.9%	4.1%
Depreciation costs, change	%	2.8%	-1.9%	6.6%	6.3%	8.0%
Net cost, change	%	8.8%	2.3%	9.0%	-0.7%	3.7%
Balance sheet						
Balance sheet total	SEKm	166,593	155,831	147,914	141,854	135,319
Equity	SEKm	25,989	27,001	22,036	18,871	13,070
Equity/asset ratio	%	15.6%	17.3%	14.9%	13.3%	9.7%
Equity/asset ratio incl. contingent	%	2.5%	3.3%	-0.4%	-2.6%	-7.1%
Liquidity	SEKm	4,163	2,766	6,462	4,012	3,385
Loan and lease debt	SEKm	41,153	42,702	47,891	49,662	51,838
OPS debt	SEKm	5,164	5,399	5,612	5,819	6,177
Total pension obligations	SEKm	64,442	57,828	56,622	54,186	54,294
Investments						
Investments	SEKm	16,761	13,013	11,026	10,916	11,923
Self-financing rate of investments	%	100.0%	100.0%	100.0%	100.0%	100.0%
Operations						
Healthcare visits	Number	21,281,573	19,971,972	17,566,742	19,373,464	19,088,883
Medical care events, healthcare	Number	328,810	313,302	309,858	300,456	310,574
Boarding on a normal weekday	Number	2,366	2,232	1,765	1,859	2,851
Public transport, tax financing rate	%	51	51	57	54	45
Cultural cost	SEK/capita	231	228	224	226	223
Staff						
Number of full-time equivalents, Region	Number	44,958	44,114 ²⁰	44,033	43,533	43,561
- of which healthcare	Number	42,491	41,645	41,527	41,183	41,256
- of which transport	Number	1,010	957	970	965	915
- of which culture	Number	128	125	125	112	112
- of which regional planning*	Number	0	0	50	68	57
- of which other staff	Number	1,329	1,387	1,331	1,205	1,221

*Included in other staff from 2022.

²⁰The accounting of full-time equivalents was changed in 2023 to achieve a more accurate value. This change means that the 2022 outcome should have been 182 full-time equivalents more than shown in the table.

Auditor's report for the Regional Executive Committee in 2023

We, the auditors appointed by the Regional Council, have audited the activities and financial statements of the Regional Executive Committee for the 2023 financial year.

The Regional Executive Committee is responsible for managing and coordinating Region Stockholm activities.

The executive committee shall supervise the other committees and executive committees by continuously monitoring the activities to ensure that they are conducted in accordance with applicable goals, decisions and guidelines, as well as the laws and regulations that apply to the activities. The Executive Committee has a leading position and must have an overview of the whole, with responsibility for monitoring and reporting to the Regional Council. The Executive Committee is responsible for monitoring the development of operations and finances and taking action where necessary.

The auditors are responsible for examining the activities, internal control and accounts and for checking whether the activities have been carried out in accordance with the Council's mandates and goals and the laws and regulations applicable to the activities. We also aim to assess whether the financial statements are consistent with the financial and operational goals set by the Council.

The audit was conducted in accordance with the Local Government Act, good auditing practice in municipal operations as well as the audit regulations. The review has been conducted with the focus and scope necessary to provide a reasonable basis for assessment and accountability and has produced the results presented in the Audit Office's 2023 Annual Report to the Regional Executive Committee. We attach a report on the results of the review.

We have examined whether the financial and operational performance for 2023 are consistent with the Council's decision on the goals and guidelines. We note that, the Regional Council has set a negative budgeted result for 2023 with reference to exceptional reasons and that the result for the year is negative, but higher than the budgeted result. We are of the opinion that Region Stockholm's economic performance for 2023 is consistent with the decision of the Regional Council.

Based on the reporting in the annual report and the adopted goal model, we note that two of the Regional Council's four orientation goals have been achieved: *Sound financial management* and *Sustainable regional development*. As in the previous year, the orientation goal *Sustainable employer* has been partially achieved. The orientation goal *Needs-based quality healthcare* has not been achieved. There is a continued need for the Regional Executive

Committee to ensure that the indicators to be included in the Council's budget decisions are sufficiently quality-assured so that they can be used for management and monitoring in the region's management by objectives. We are of the opinion that the results according to the

annual accounts are essentially consistent with the financial and operational goals defined by the Regional Council.

We are of the opinion that the Regional Executive Committee's financial control was not entirely adequate. The Regional Executive Committee, which is responsible for supervision and coordination, should be clear in its reporting to the Regional Council about how the work on measures to achieve the net income requirements adopted by the Regional Council has progressed during the year. In cases where measures according to the committee's/executive committee's performance forecast are not deemed to have sufficient impact, this needs to be clearly reported for each committee and company. We are of the opinion that action plans that include long-term measures, which may take several years to implement in order to have full impact, should also be reported on an ongoing basis.

Furthermore, we are of the opinion that the Regional Executive Committee has reinforced investment management, although there is still a need for development in respect of investments in healthcare equipment. As comprehensive property strategy documents have not yet been produced for decisions to be made, we would like to emphasise the importance of ensuring that these are produced and adopted as soon as possible.

In 2023, our work has included reviewing efforts for securing inpatient water supply, and we are of the opinion that this needs to be reinforced so that there is capacity to prevent, withstand and manage disruptions. We are also of the opinion that there is a need to develop support for committees and companies in their work on risk and vulnerability analyses, which should also include the activities of any private providers.

We are of the opinion that the region's overall IT governance still needs to be clarified in the ongoing efforts. There is also a need to clarify the division of responsibilities between the Regional Executive Committee and the Property and Services Committee regarding responsibility and ownership of shared IT services. As regards the generational shift in healthcare IT, which includes procurement of a new primary medical records system, the audit is of the opinion that there is still a need to describe the forms and criteria for the work more clearly.

In our opinion, the financial statements give a true and fair view of the year's net income and financial position. Overall, we are of the opinion that the Regional Executive Committee has conducted its operations in an appropriate manner. We are of the opinion that, from a financial standpoint, given the Council's decision on special reasons, operations have been conducted in an essentially satisfactory manner, but that the Regional Executive Committee needs to focus on vigorous measures to balance the budget going forward. Our overall assessment is that internal control is not fully adequate.

We approve the adoption of the 2023 consolidated annual accounts for Region Stockholm.

We recommend that the Council grant discharge to the Regional Executive Committee and its individual members.

Stockholm, 11 April 2024 (*electronic signature*)

Kjell Öhrström

Kenneth Strömberg

Leni Björklund

Åke Wickberg

Thomas Magnusson

Arnold Boström

Anders Bergman