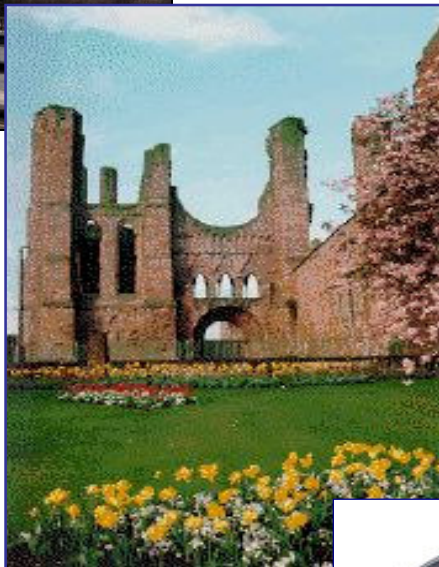
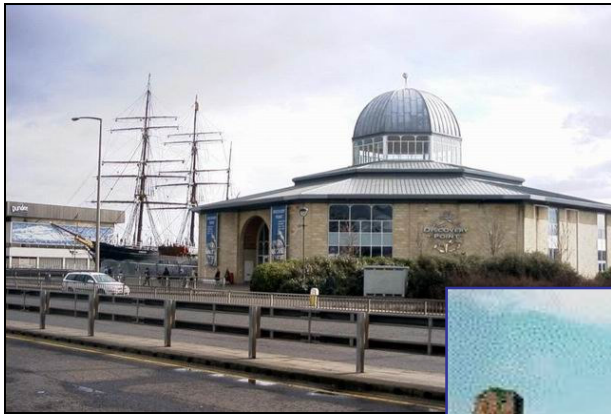


ANNUAL PERFORMANCE REPORT 2006/07



INVESTOR IN PEOPLE

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Introduction

The Local Government in Scotland Act 2003 introduced a statutory duty for local authorities to make arrangements to secure Best Value. A key requirement of this Act, under Section 13 (1), is the duty of a local authority to make arrangements for reporting the outcome of the performance of its functions to the public. Section 13 of the Act specifically extends this requirement to Joint Boards and Joint Committees as well as to Councils.

The nature and content of this performance report differs substantially from those produced by the constituent Councils. The public performance reports published by Councils are largely influenced by the Statutory Performance Indicators (SPIs) which have been drawn up by Audit Scotland in order to facilitate comparisons between local authorities' performance in different years and with other local authorities. The vast majority of those SPIs are not applicable to Tayside Contracts, given their focus on areas such as Education, Housing, Environmental Services, Planning, Sport & Leisure and collection of Council Tax. Those few SPIs which can be applied to Tayside Contracts have been included in this report.

The focus of this report is, therefore, on three key aspects of Tayside Contracts' activities and performance:

- Employees
- Financial Outcomes
- Operational Activities

The report is not intended as a detailed management information document, but rather as a summarised guide to some of the key statistics and performance indicators which underpin the business of Tayside Contracts. It is intended to continuously develop the report year on year as additional information of a suitably robust and meaningful nature is collected.

Managing Director's Overview

Tayside Contracts is increasingly regarded as an excellent example of local authorities working together to the benefit of the public, and in many ways is viewed as a model for the shared services agenda promoted by the Scottish Executive and being progressed across a range of public bodies. It was set up in its present form at local government re-organisation in 1996 by Angus, Dundee City and Perth & Kinross Councils, and is unique within Scotland as a joint local authority trading organisation. Tayside Contracts employs in excess of 2,300 people, has an annual turnover of some £55 million, and since 1996 has returned £11 million to the constituent Councils in the form of surpluses.

Since 1996 Tayside Contracts has had a mission statement which is "Community benefit through the pursuit of excellence", clearly demonstrating our commitment to providing quality services to the public of Tayside. The mission statement is supported by our vision for Tayside Contracts, which is "To excel and grow as a commercial local authority trading organisation". In order to measure progress towards achievement of our vision, Tayside Contracts' Business Plan for the period 2006 to 2011 is underpinned by four key business objectives:

1. To produce a cost effective, profitable, quality service that satisfies customer expectations.
2. To sustain and expand our customer base
3. To effectively manage and develop our people
4. To be proactive in promoting positive Health and Safety and an environmentally friendly approach to providing services.

A range of Key Performance outcomes are included in the Business Plan as a means of measuring progress and performance against those objectives. These measures are monitored on a quarterly basis, and reported to the Joint Committee half-yearly. Many of those measures are included in this report.

Tayside Contracts' Annual Report for 2006/07 provides some comment on progress and achievement against these key objectives, and should be read in conjunction with this Performance Report. Work is ongoing in Tayside Contracts within the European Foundation for Quality Management (EFQM) framework, under the banner of "Making Excellence Happen", as the framework for managing and improving the performance of Tayside Contracts. One key aspect of EFQM is the development of appropriate performance measures and collection of relevant and robust data to support those performance measures. For the purposes of this, the third Annual Performance Report produced by Tayside Contracts, the focus remains on the critical elements which underpin delivery of the business plan objectives – our employees, the services we provide and our financial performance.

To deliver a consistent and sustained high quality of service, it is important that our employees work in an environment which promotes a commitment to their health, welfare and development. During 2006/07, a down turn in Tayside Contracts good health and safety performance was recorded, albeit with no serious accidents reported, although the number of reportable accidents increased following significant improvements in previous years. Investment in training and development continued to be both substantial and cost-effective. An active approach to sickness absence management has shown positive results in a number of areas of the

business, with improved absence statistics particularly evident in the craft and manual employee category and the very strong performance in office-based staff maintained.

The financial performance in 2006/07 was sound, with the overall surplus earned being in excess of the amount targeted for distribution to the constituent Councils. This has enabled a further increase to reserves, which have now been rebuilt to approximately 1% of net turnover. Both the Construction and Facilities Services Divisions returned surpluses on their respective Trading Accounts, and both have achieved the statutory objective of breaking even over a rolling three year period. The Construction Division earned a surplus of £582k in 2006/07, and £1.359m over the three year period 2004/05 to 2006/07. The Facilities Services Division generated a surplus of £604k in the year and £806k over the three year period.

With respect to services provided to the constituent Councils, and other public and private bodies, more detailed information can be read in the divisional operational reports contained in the Annual Report.

Within the Facilities Services Division, the Cleaning Unit recorded an overall increase in workload, continuing to expand on the traditional school and office cleaning into provision of cleaning services for communal tenement areas, and computer terminal cleaning. Cleaning operations continue to be delivered to a high standard, despite on-going difficulties in a number of locations with recruitment and retention. The Catering Unit has been successful in the introduction of a number of healthy eating initiatives such as Hungry for Success, which is now fully implemented in Primary and Secondary schools across Tayside. Catering staff consistently demonstrate a very strong commitment to the highest quality standards, reflected in their achievements in gaining national recognition and awards and positive feedback from statutory HMIE school inspections. However, falling school populations and reluctance of pupils to embrace healthy eating are having a detrimental impact on meal numbers, with the consequent challenge in achieving the targeted financial performance for the Catering Unit. However, the financial performance did show a significant improvement in 2006/07 compared with the previous years.

The Construction Division, which includes roads construction and maintenance, street lighting, vehicle maintenance, quarry and sign manufacturing, had a strong year despite losing significant work on the trunk road network and reduced activity in other Council areas. A very busy end to the year through a heavy constituent Council workload, together with increased sale of quarry materials enabled a solid operating surplus to be generated despite the relatively mild winter conditions and consequent reduction in winter maintenance activity. The responsiveness of the workforce was evident throughout the year in carrying out a wide range of activities, particularly evident in the response to severe flooding in Perth & Kinross.

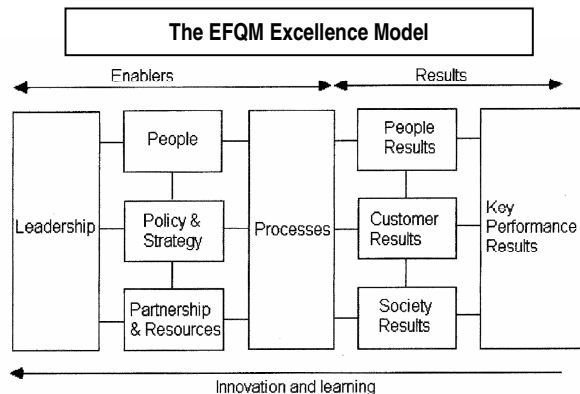
The specific measures included in this report include the statutory indicators relating to street lighting, and statistical information on Construction operational activities, school and welfare meal number trends and cleaning activity. Performance measures and statistical information will be further developed and reported in future years as robust and meaningful information is collected.

Iain C Waddell
Managing Director
26 July 2007

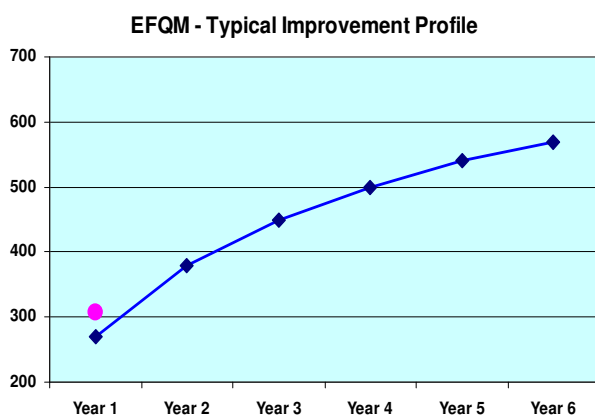
Making Excellence Happen

The Business Plan 2006 – 2011 identified that the European Foundation for Quality Management (EFQM) model would be adopted as Tayside Contracts framework for managing performance improvement across the organisation. This framework has been branded within Tayside Contracts as “Making Excellence Happen” or MEH for short and is now becoming established and embedded within the organisation. The MEH branding aligns with Tayside Contracts mission statement “*Community benefit through the pursuit of excellence*” and also the vision statement, “*To excel and grow as a commercial local authority trading organisation*”.

The EFQM Excellence Model divides the business into nine criterion parts, categorised as ‘enablers of performance’ and ‘results’. Enablers include hard issues, such as processes, as well as softer issues, such as leadership and people management. The results half of the model contains not only financial performance, but customer, society and employee results. The whole process is supported by innovation and learning.



A significant amount of work has been undertaken during 2006/07 to progress MEH, firstly involving intensive staff training followed by a detailed self-assessment exercise at the end of 2006. The purpose of the self assessment, supported by employee and customer surveys, was to evaluate the current status of Tayside Contracts with respect to the excellence model, to identify current areas of strength and more importantly to identify areas for improvement. An overall score of 308 was achieved, which is considered a reasonable rating for a first assessment, as demonstrated on the EFQM “typical improvement profile” chart. The EFQM banding for such a score describes the organisation as being “*Up and running with systematic practices in place which uses feedback from people, suppliers and customers to improve business performance*”.



While this initial score shows that the organisation has sound practices in place the process has identified a list of improvements which should be made under the concept of continuous improvement. From the list of improvement opportunities, three key strategic priority areas were identified, which align closely with the vision statement and the Business Plan objectives, and form a central part of Service plans for 2007/08. These are:

- Customer focus
- Leadership
- Business Development / Marketing

In addition a number of smaller improvement opportunities, or “quick wins”, have been identified and improvement action plans put in place. A further self-assessment is planned for November 2007 as part of the ongoing monitoring and review process, including a follow-up employee survey and further customer surveys.

Employee Statistics and Measures

The Vision for Tayside Contracts is “to excel and grow as a commercial local authority trading organisation” and our success in achieving our vision will be reflected in the provision of quality services to the communities we serve.

Our employees are the key to our success and their health, welfare and development are vitally important to us. Effective employment, safety and training policies are required to ensure that we manage the business within a culture of mutual benefit and respect. We need to understand what expectations we have of each other and to communicate in a positive and open manner.

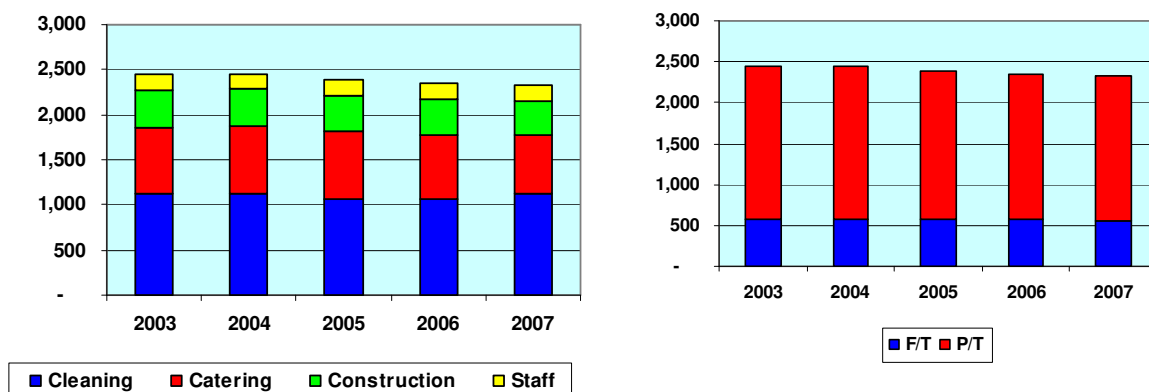
We are committed to developing a competence-based culture where all employees have access to training & development opportunities which will allow them to carry out their work safely and to the required standard, while also identifying potential for the future.

Furthermore a range of measures are in place to assess our performance by reference to national standards, for example: our achievement of Investors in People status, comparison of our accident statistics against the HSE's Revitalising Health & Safety targets and where possible by benchmarking against other local authorities in Scotland in relation to levels of sickness absence.

Details of Tayside Contracts' performance in 2006-07 are provided in the following section and in general provide positive feedback on our efforts through the year.

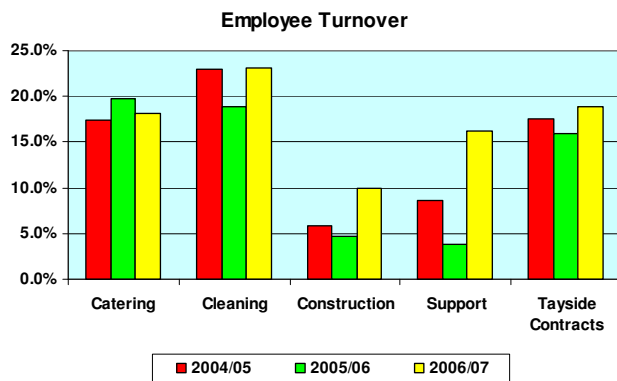
Employee Numbers

Over recent years Tayside Contracts has consistently provided employment to on average 2,400 people, albeit declining to 2,342 at March 2006 and further reducing to 2,320 at March 2007 largely as a response to reduced activity in Construction operations. The contribution of this level of employment to the local economy can be measured from a total staff cost in the region of £28m. The nature of the work in the Cleaning and Catering Units dictates that more than 75% of employees are part-time, and the Full-Time Equivalent number of staff is 1,311.



Employee Retention

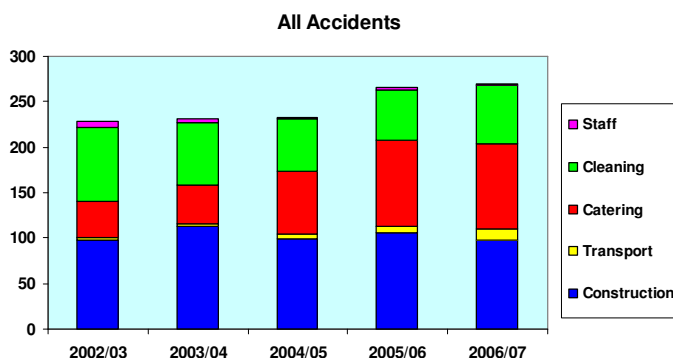
Fundamental to Tayside Contracts' success is the need to recruit and retain the number and quality of employees required to achieve our business objectives. Whilst Tayside Contracts has historically had a relatively stable workforce within Construction, Transport and Support Services, there has been an ongoing challenge in recent years to recruit and retain catering and cleaning employees. This issue is not unique to Tayside Contracts, and a national average staff turnover rate of 23% in the cleaning sector illustrates the scale of the problem. In total, employee turnover within Tayside Contracts increased from 15.9% in 2005/06 to 18.9% in 2006/07. An improvement was seen in the Catering Unit, while all other areas showed a significant increase in employee turnover compared to the previous year.



Employee turnover within the Catering Unit improved from 19.7% in 2005/06 to 18.2%, while the Cleaning Unit has declined to 23.1% after an improvement in 2005/06. Employee turnover within both Construction and support service functions has also shown a worrying decline against 2005/06 to 9.9% and 16.3% respectively. An overall employee turnover rate of 18.9% has required Tayside Contracts to recruit some 440 new staff over the course of the year.

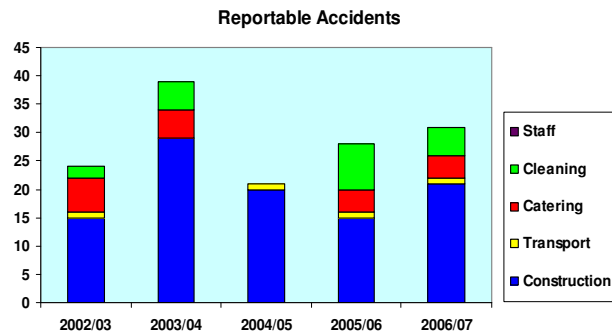
Health & Safety

Tayside Contracts continues to actively address its responsibilities as an employer to provide a healthy and safe environment for all employees. In addition, the organisation remains committed to the promotion of proactive health and safety management by creating a culture which secures involvement and participation of employees at all levels.



The trend of all accidents recorded showed a small increase from 265 in 2005/06 to 270 in 2006/07. Fewer accidents were recorded in Construction, Catering and Staff, while increases were reported in Cleaning and Transport.

It is also concerning to note that, despite ongoing active health and safety management complemented by initiatives such as the Safety and Health Awareness Day, the rate of reportable accidents in Construction increased in 2006/07 from 15 to 21 following good improvements in the previous two years, although it is reassuring that no major injuries were reported. Action is being taken to increase manual handling training and provide more effective lifting aids. The overall increase in reportable accidents from 28 to 31 is in line with the average performance over the last five years.



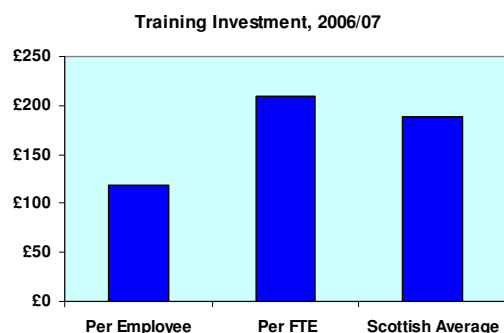
Training & Development

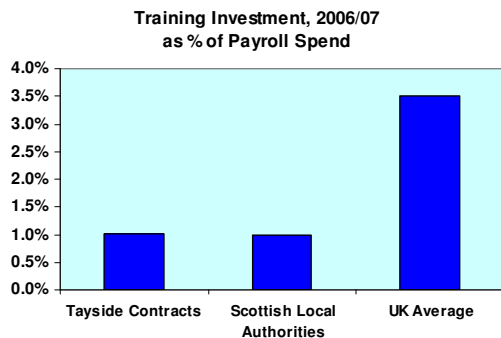
Tayside Contracts is committed to training, developing and realising the potential of all staff and generating a culture within the organisation which actively encourages innovation. A significant proportion of staff training is delivered from in-house training resources in order to ensure that training is appropriately targeted to meet staff and business needs and is delivered in a cost-effective manner.

During 2006/07

- 9,640 employee training occasions
- 88 employees achieved food hygiene certification
- 57 employees achieved Construction Skills Certification Scheme registration
- 56 employees achieved/retained Traffic Management registration cards
- 105 Construction employees passed Health & Safety test
- 70 employees achieved SVQ
- 11 employees achieved Institute of Leadership & Management certification
- £275k invested in training
- £64k income from training third parties
- Tayside Contracts is an approved Training & Assessment Centre for
 - Scottish Qualifications Authority
 - British Sign Graphics Association
 - Road Surface Dressing Association
 - Royal Environmental Health Institute of Scotland
 - Equipment Operators Registration Scheme
 - Institute of Leadership & Management

The amount invested in training during 2006/07 per employee would appear some way below the national average for local authorities. However, when measured on a basis of investment per full-time equivalent employee, Tayside Contracts' investment is in line with the national average.





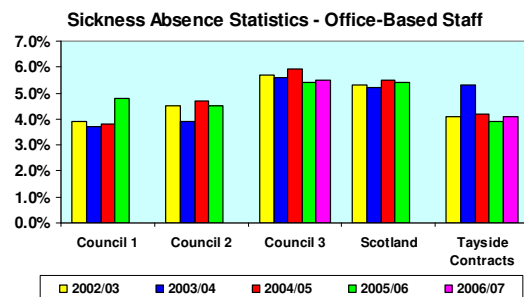
This statistic is reinforced by the amount invested as a percentage of payroll costs, which is marginally higher than the average for Scottish local authorities, although investment at this level is significantly lower than the UK average for all businesses and public organisations.

Sickness Absence Management

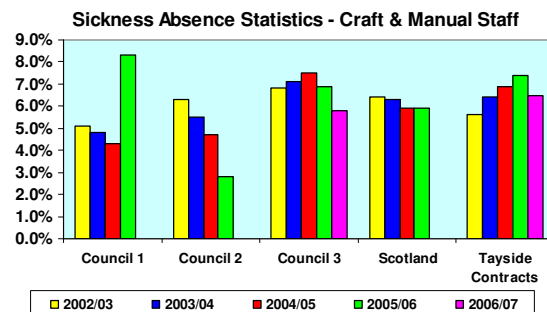
Tayside Contracts is committed to a policy of support for employees through periods of absence from work through illness, and their subsequent return to work. A positive and active approach is also applied to the management of sickness absence to minimise any detrimental impact on employees and costs to the organisation and consequently to the local taxpayer.

To facilitate valid and effective benchmarking, Tayside Contracts applies the same basis for calculating sickness absence statistics as that employed by the 32 Scottish Councils. Comparative figures are provided over the last three years against the three constituent Councils, and the national average as published by Audit Scotland. Note that the national average figures for 2006/07 are not yet available.

In 2006/07, the absence rate for APT & C staff increased by 0.2% from 2005/06 to 4.1%. Despite the increase, this absence level compares favourably with the constituent Councils, and would place Tayside Contracts in second place in the national rankings based on 2005/06 Audit Scotland data, and 1.3% below the national average of 5.4%.



The position for craft and manual employees has typically been less favourable. However, after an increasing trend from 2002/03 through to 2005/06, in which an absence rate of 7.4% was recorded, an active management approach has resulted in an improvement to 6.5% in 2006/07. This rate would place Tayside Contracts 16th in the national rankings (2005/06 data) compared to 25th the previous year, 0.6% above the national average, which indicates that there remains further room for improvement.



The costs associated with sickness absence can be categorised as direct costs (i.e. the total cost of occupational and statutory sick pay) and indirect costs. Indirect costs include those which are tangible and readily measurable, such as occupational health referrals and administration, and costs which are detrimental but not readily measurable, such as loss of productive time, management time, back-up staff and impact on staff morale. In 2006/07 the direct costs of sickness absence increased by £12k (1%) against 2005/06, while the indirect costs (the costs invested in managing absences) reduced by a small amount (£2k).

Health surveillance is increasingly applied as a pro-active means of supporting employee health. The main areas of focus were HAVS testing, audiograms, vaccinations and other specific medicals (e.g. night working, quarry and traffic management employees).

Equal Opportunities Policy

The delivery of quality services is dependent on a trained and motivated workforce and it is therefore essential that an organisation's employment policy reflects their commitment to equal opportunities. To that end, Statutory Performance Indicators have been introduced to measure the percentage of the highest paid 5% and 2% of earners among employees that are women.

Against the top 2% measure, the national average among Scottish councils reported for 2005/06 was 31.7%. Tayside Contracts is somewhat lower than the national average at 19% for 2006/07.

Against the top 5% measure, the national average in 2005/06 was 38.0%. Tayside Contracts comes in closer to this measure at 32% in 2006/07.

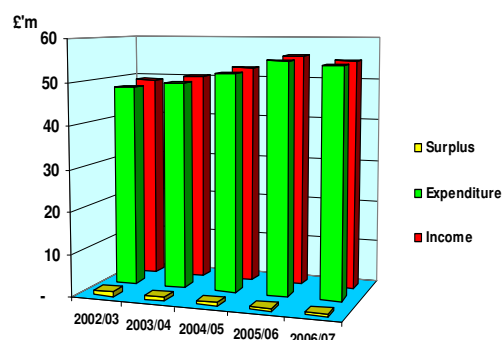
Financial Measures

Summary Financial Performance

Tayside Contracts overall financial performance in 2006/07 showed an operational surplus of £0.7m, of which £0.5m was returned to the constituent Councils and £0.2m retained in reserves. Income generated from Construction and Facilities Services activities showed a 1.6% decrease over the previous year to £54.7m.

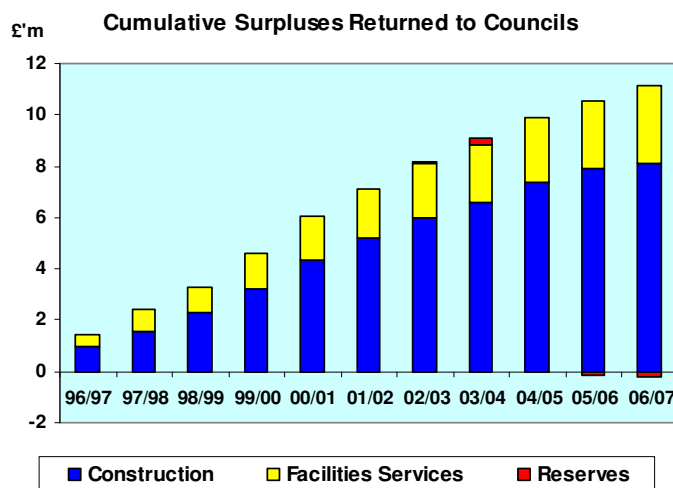
Consolidated Income and Expenditure

	2002/03	2003/04	2004/05	2005/06	2006/07
	£'m	£'m	£'m	£'m	£'m
Income	49.2	50.3	52.6	55.6	54.7
Expenditure	(48.2)	(49.6)	(51.5)	(54.9)	(54.0)
Operational Surplus	1.0	0.7	1.1	0.7	0.7
Transfer (to)/from Reserves	0.1	0.2	(0.3)	(0.1)	(0.2)
Returned to Constituent Councils	1.1	0.9	0.8	0.6	0.5



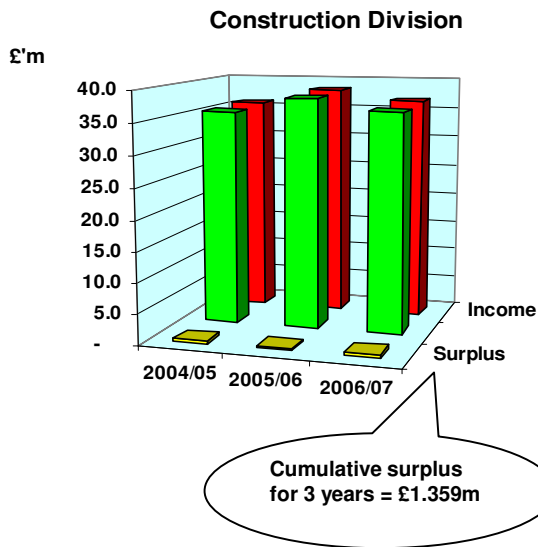
Surpluses Returned to Constituent Councils

In the 11 years since local government reorganisation in 1996, Tayside Contracts has returned a total of £10.9m to the constituent Councils, of which 75% has been generated from Construction activities and 25% from Facilities Services.



Statutory Trading Accounts

The Local Government in Scotland Act 2003 requires that trading accounts be maintained for significant trading operations, and these must achieve a financial break-even position over a rolling three year period. Tayside Contracts complies with this requirement through the inclusion in the Annual Report of trading accounts for the Construction Division and Facilities Services.

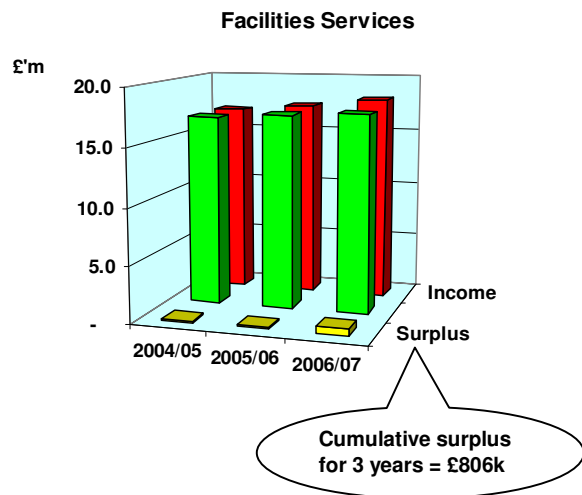


In 2006/07, the Construction Division trading account shows a surplus of £582k. Over the rolling three year period from 2004/05 a cumulative surplus of £1.359m has been achieved, thus comfortably achieving the statutory financial objective.

This surplus is reported after charging increased notional pension costs as required by Financial Reporting Standard (FRS) 17, amounting to £128k over the three years. The underlying operational financial performance of the Construction Division is therefore in surplus by £1.487m over the three years.

The Facilities Services Division, which comprises the Cleaning and Catering Units, reported a surplus of £604k in 2006/07. The cumulative position for the three years trading accounts is a surplus of £806k.

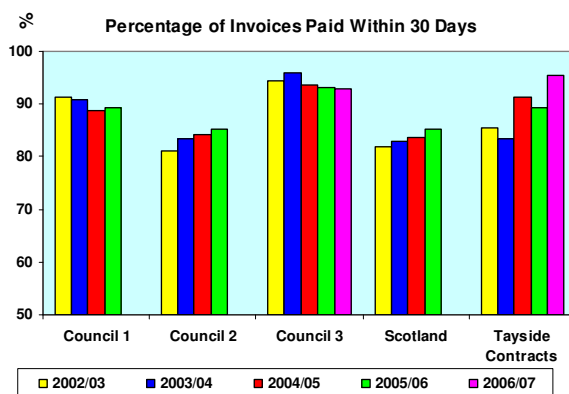
As with Construction, this surplus is reported after charging the additional pension costs required by FRS 17. In Facilities Services these notional costs amount to £67k over the three years, the underlying operational performance therefore being in surplus by £873k.



Invoices Paid Within 30 Days

One of the Statutory Performance Indicators which local authorities are required to report relates to the payment of invoices to suppliers within 30 days.

Tayside Contracts performance over the last five years has generally been better than the national average. In 2006/07 the performance improved from 89.4% to 95.4%. This improvement is largely due to increased use of procurement cards through which suppliers are paid through the Visa system within 4 days of supply. This performance remains well ahead of the national average of 85.1% for 2005/06.



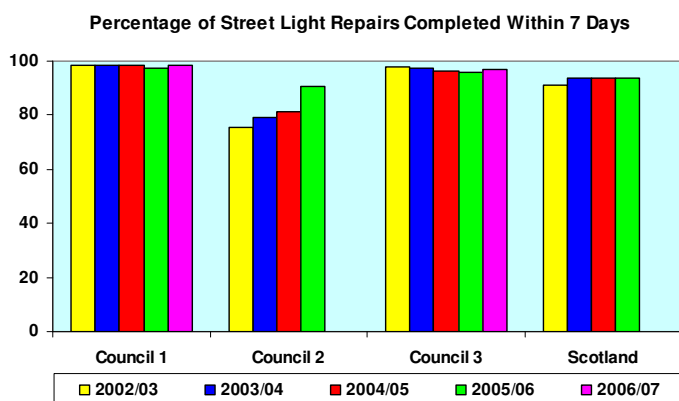
Service Measures

Almost all of the service-related statutory performance indicators reported to Audit Scotland relate to Council services which are not relevant to Tayside Contracts. A range of performance measures are used within Tayside Contracts for operational management purposes. Further performance indicators are being developed to measure achievements against Business Plan targets and objectives, and these will be included in future performance reports when they are considered to provide sufficiently robust and meaningful performance information.

Construction Operations

Street Lighting

One of the major activities within the Construction Division is the maintenance of street lighting in each of the constituent Council areas. A statutory performance indicator relating to the percentage of street light repairs completed within 7 days is reported by each of the Councils.

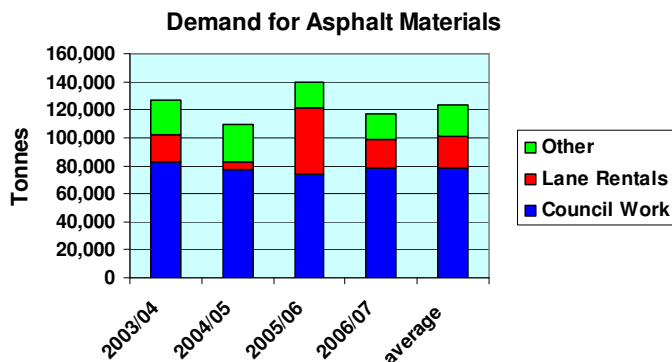


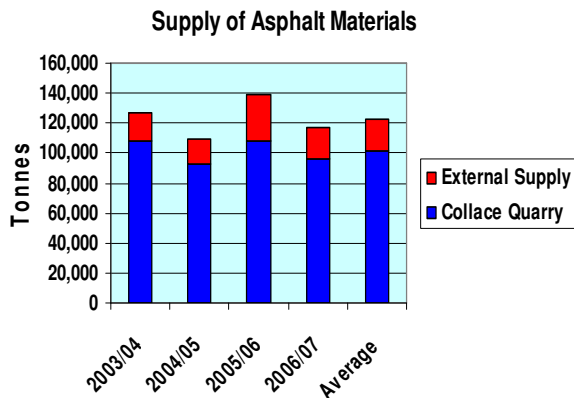
The performance of each constituent Council, and therefore of Tayside Contracts street lighting operations continues to be of a consistently high level in Dundee and Perth & Kinross, well above the average for Scottish Councils, and shows a significant improvement in Angus over the last four years.

Surfacing Activity

Tayside Contracts is involved in providing a range of roads maintenance services to the constituent Councils which are the subject of statutory performance indicators. However, because these services are not exclusively provided by Tayside Contracts they cannot be reported as measures of Tayside Contracts performance.

Taking the demand for asphalt materials as an indication of road surfacing activity, the level of activity during 2006/07 was lower than the average over the last four years, but higher than in 2005/06. Work for the constituent Councils was slightly higher in 2006/07; lane rental work was in line with average activity while work carried out for other Councils and third parties was down on previous years.

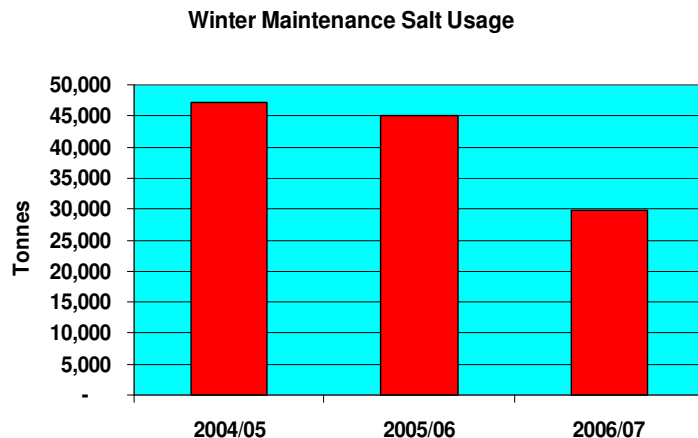




On average, some 120,000 tonnes of asphalt has been used over the last four years, comprising 100,000 tonnes supplied from Collace Quarry and 20,000 tonnes from external quarries. In 2006/07, the volume sourced externally was in line with average, while supply from Collace was down on the previous year and also down on the average level of output. This is a result of works being carried out in locations which are uneconomic to supply from Collace, and also the demand for material during lane rental work in excess of Collace's throughput capacity.

Winter Maintenance Activity

A key feature of Tayside Contracts activity on behalf of the constituent Councils is the provision of a winter maintenance service, involving road and footpath gritting and snow clearing. The workforce in the Construction Division is largely determined by the level of manning required to provide the level of winter maintenance service specified by the Councils. The level of activity and to some extent the profitability of Tayside Contracts is dependent on the severity of winter conditions. An indicative measure of winter conditions and of the level of winter maintenance activity may be taken from the amount of salt used in gritting. As may be seen from the chart showing winter maintenance salt usage over the last three years, there was a significant reduction in 2006/07. This was due in part to the loss of the trunk road contract which previously included a winter maintenance service for BEAR

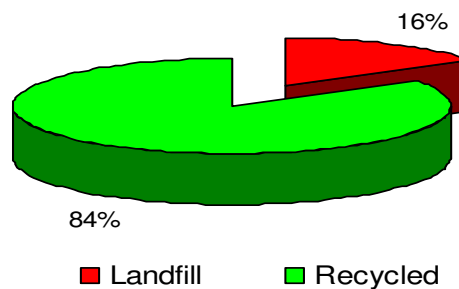


Scotland, but also to the milder, wetter winter conditions. Salt usage reduced from in excess of 45,000 tonnes in the previous two years to 30,000 tonnes in 2006/07. Of the reduced usage of some 33% (15,000 tonnes), around 5,000 tonnes is due to the reduced trunk road work while the bulk of the reduction of 10,000 tonnes is attributable to milder weather conditions.

Recycling

Recycling is increasingly a core consideration in Construction activities, for both environmental and economic reasons. Significant amounts of material are generated from road planings and other civil engineering works, and with the increasing cost and tax burdens of disposal to landfill, together with taxes on quarrying new stone and the high cost of bitumen, it is both financially and environmentally advantageous to seek means of recycling these materials. Tayside Contracts has set up a number of recycling centres across Tayside to separate out the reusable

materials (primarily top soil, stone aggregates and asphalt planings). During 2006/07, in excess of 65,000 tonnes of such material was generated from Construction activities, of which 84% (55,000 tonnes) was recycled and the balance of 16% sent to landfill. Around half of the landfill material was directed to Pairnie quarry, which is an exempt site and is being landfilled for environmental reasons.



In addition to these materials, some 8,000 tonnes of gully waste was collected. This material is processed through the reed bed systems at Forfar and Loanleven, enabling the liquid content of 60% to be cleaned and recycled. The objective for the remaining solids is to meet the required environmental standard to allow recycling as green compost. In 2006/07 more than 50% of these solids were composted and the balance, around 1,400 tonnes, was sent to landfill.

A system for recycling and reuse of asphalt planings has been developed at Collace and the coating plant modified to enable hot mix recycling of the asphalt planings, processed along with new material. Since being brought into use in 2004/05 following investment of £110k, more than 6,000 tonnes have been processed in this manner with savings to date approaching £200k. In addition to the financial benefits this recycling initiative has provided, substantial environmental benefits have been achieved, as follows:

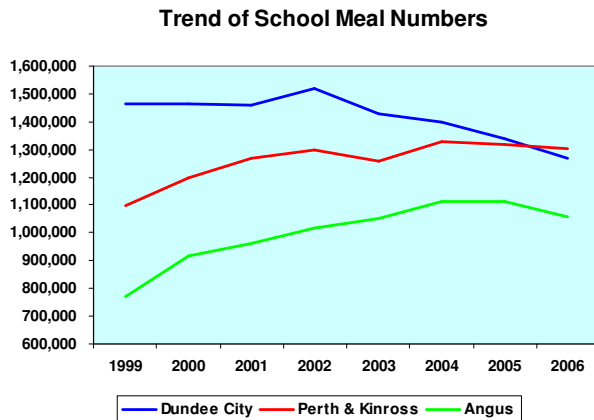
- **Reduction in Bitumen usage** **371 tonnes**
which has consequently led to -
- **Reduction in Crude Oil usage to manufacture bitumen** **411,867 litres**
which can be equated to -
- **Carbon Reduction of** **103.79 tonnes**

This clearly demonstrates the value which can be achieved through the global supply chain as a consequence of recycling.

Development of this recycling has continued throughout 2006/07 with the aim of introducing a cold mix recycling process. If successful, this will have the dual benefits of further reducing bitumen usage and also reducing the energy required in the hot mix process. Funding for this development has been supported by the DTI through the Knowledge Transfer Partnership. Site testing is underway at a number of sites, and it is hoped to have the cold mix product in productive use within the next 12 months.

Catering

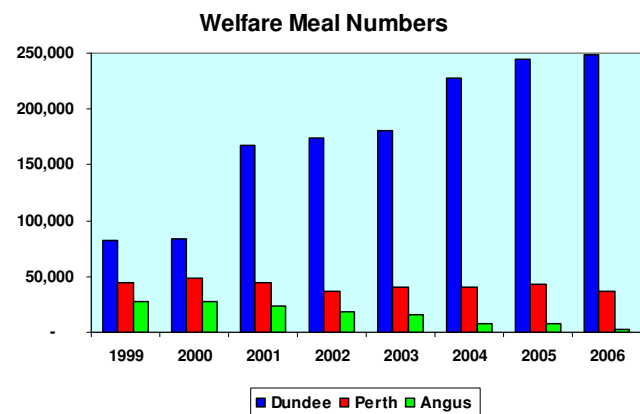
There are no statutory performance indicators which relate to Catering operations. However, some statistics are provided relating to trends in the number of school and welfare meals provided.



After a period of sustained growth in school meal numbers in the Angus and Perth & Kinross Council areas, these levelled off in 2004/05 and fell in 2005/06. A further reduction was seen in 2006/07, particularly evident in the secondary schools sector. In Dundee, the declining school population has resulted in a corresponding reduction in meal numbers. All areas have implemented the Hungry for Success agenda in Primary and Secondary schools, aimed at improving both awareness of healthy eating, and the

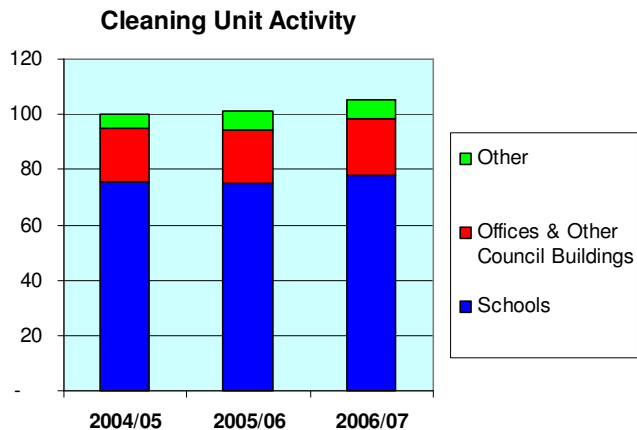
nutritional quality of food provided. The initial response from pupils in both sectors was somewhat negative, but through time meal numbers in the primary sector have recovered. Secondary meal numbers fell back even more dramatically, and are taking longer to recover to their previous levels. However, the healthy eating agenda is a long term commitment and a holistic approach is being followed involving close working with the constituent Councils to achieve a sustained improvement.

The trend in Welfare meal numbers have shown substantial growth in Dundee, where meals have been provided from the Tay Cuisine cook-chill facility since 2003. Previously, welfare meals were provided from school kitchens and then from the kitchens at Harefield House with a limited capability of some 80,000 and 180,000 meals per annum respectively. However, the level of meals provided has now largely levelled out, with 256,000 meals provided in 2006/07 compared to around 250,000 in 2005/06. Meals in Perth & Kinross are provided from school kitchens, and therefore restricted to school days and term times. A very small number of welfare meals are provided by Tayside Contracts in Angus.



Cleaning

There are no statutory performance indicators which relate to cleaning activities. However, some information is provided on the activity of the Cleaning Unit in 2006/07 compared with the two previous years.



The major element of the Cleaning Unit's activity is the schools' cleaning service, which accounts for around 75% of the work carried out. Of the remaining work, 20% relates to cleaning of Council offices and other buildings, while the remaining 5% relates to the cleaning service provided to Tayside Fire & Rescue and the communal area service to housing tenants. There has been a small amount of growth in each area over the three year period, amounting to some 5% overall. The Cleaning Unit income has increased to £8.8m in 2006/07 from £8.5m in 2005/06.

When viewed by Council area, it can be seen that the growth over the last two years has been achieved in each Council area, and also in the non-Council work. The more routine nature of cleaning work enables the Cleaning Unit to benefit from a greater degree of stability than either the Catering Unit or Construction Division. This stability has in turn enabled ongoing investment in equipment and employees to deliver a quality service and continuous improvement in productivity to the mutual benefit of Tayside Contracts and the constituent Councils.

