

### Investment case

1. The real time system was commissioned in 2005 at a capital cost of approx £2 million funded by the Local Transport Plan and special Government grant. It is run in partnership with the Wilts & Dorset Bus Co. and First Bus Co. Wiltshire Council has contractual agreements with them that guarantee our financial support to the project until April 2020.
2. The system provides information to bus passengers showing the expected time of arrival of buses. This gives passengers more confidence in the service and increased bus usage. Since 2005, the number of passengers on Wilts & Dorset buses has grown by 21% whereas on other buses across Wiltshire it has only grown by 5%.
3. There have been difficulties with the system due to poor signal strengths in some parts of the county. Performance has been improved but the barrier to further improvement is the radio communication system (Private Mobile Radio). Additionally the PMR system requires substantial investment because of a decision by OFCOM that we have to use a different radio frequency by 2012.
4. The contractual life of the system with bus companies and the supplier is 9 full years.
5. By replacing PMR with GPRS the system will be more reliable, annual costs will be lower and it will overcome the implications of the OFCOM decision. The annual cost savings are in radio mast rentals, mast operating costs and dedicated telephone lines. The annual cost of the maintenance contract is the same for both options so is excluded from the comparison. The bus operators support the conversion but will not contribute financially because all the cost savings accrue directly to the Council.

6. The investment of £127,400 gives a 5 year return;

	PMR	GPRS	Saving
5 years running costs	£339,900	£215,600	£124,300

7. Over the contractual life there will be a saving of £223,800;

	PMR	GPRS	Saving
9 years running costs	£611,800	£388,000	£223,800

8. Any decision after April 2020 will depend on the willingness of the supplier to continue to support the system or another supplier taking this on.