

# Replacement of HR and Payroll System: November 2025 update

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**Report to:**

Investment & Finance Board.....  
Commissioner's Board.....  
Deputy Mayor's Fire Board.....  
London Fire Commissioner .....

**Date:**

25 November 2025  
10 December 2025

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**Report by:**

Sally Hopper, Director for People

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**Report classification:**

For decision

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**For publication**

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**Values met**

Integrity  
Courage  
Learning

# PART ONE

## Non-confidential facts and advice to the decision-maker

### Executive Summary

This report provides an update on the HR and Payroll system replacement project (iTrent) and records the decision to delay implementation from November 2025 to a revised projected implementation date of February 2026. There is a specific decision and request required for further funding to support the delivery of a delayed implementation, and this is broken down into phases one and two.

#### Recommended decision

#### For the London Fire Commissioner

The London Fire Commissioner agrees that up to £424,786 be allocated from forecast underspends in the People Services Directorate's 2025/26 revenue budget and organisational earmarked reserves, to complete the delivery of the replacement HR and Payroll system for the London Fire Brigade.

### 1 Introduction and background

- 1.1 In 2021<sup>1</sup> agreement was given to procure a new human resources and payroll data system over a contract period of five years and nine months (29/09/2021 – 28/06/2027). This would replace the current system – Cyborg – which has been in use for over 30 years and goes out of support at the end of December 2026.
- 1.2 iTrent was purchased by LFB in 2021 and due to a range of circumstances was not implemented at that time. To address this situation and in the knowledge that the existing HR and payroll system becomes out of date in December 2026, in November 2024<sup>2</sup>, further funding of £568,000 was agreed to support project delivery
- 1.3 Since the above approval, there have been a number of significant changes in the People Services department:
  - the new Director for People has been appointed, starting in January 2025, and the scope and scale of the iTrent project has been formally assessed.

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<sup>1</sup> LFC-0458y: Replacement Human Resources (HR) and Payroll solution – Agreement of Expenditure

<sup>2</sup> LFC-24-111: iTrent Change Request Delivering the HR & Payroll Solution

- two organisational change processes have taken place, changing the make-up of both the People Services and Finance departments' leadership teams
  - these leadership changes also impacted the role of project sponsor.
- 1.4 The Director for People took up the role of project sponsor in August 2025, following the resignation of the previous sponsor, with a target go-live date of October 2025. This 'go live' date was delayed to November 2025 and is now further delayed until February 2026. The implications of this delay, including the financial implications, are set out within this report.
- 1.5 The primary reason for the decision to not 'go-live' relate to data and, while not insurmountable, need additional time to ensure that not only are the discrepancies fixed but the root causes are understood and addressed. Three parallel runs are always considered a minimum requirement for any enterprise resourcing planning (ERP) implementation, but it should be noted that the legacy HR and Payroll system – Cyborg - having been in place for over 30 years necessitates that the level of change involved is much higher than might be expected in similar projects. More information on this is set out later in this report and should be considered in the context of an organisation of 5,877<sup>3</sup> staff with a complex pay structure. The chosen solution, namely iTrent, remains the best option.

## 2 Current issues and reset objectives

- 2.1 In October 2025 a formal meeting took place of the iTrent implementation group, chaired by the Director for People. At that meeting the Sponsor was faced with three decisions – 'go-live' / 'go-live with caveats' / 'no go-live'. In order to reach a decision, the Sponsor gave due consideration to the following factors:
- The number and financial amount of payroll variances, having run three parallel payrolls on the existing system and on iTrent.
  - The potential reputational and industrial relations risk of implementing a system that fell short of the requirements required to run an HR and Payroll provision which meets the needs of the organisation and its staff
  - Ongoing data issues, which needed time to resolve, specifically on key matters such as sickness management.
  - The complexity of any errors and likelihood of these errors recurring.
  - The readiness and robustness of any workarounds in place to respond to any setbacks post any 'go-live' decision.
- 2.2 The likelihood of a salary error was considered intolerable, and this was a key factor in allowing more time to mitigate this potential risk.
- 2.3 Despite best endeavours to fix the variances, after the third parallel run there remained intolerable variances. Since the third parallel run, much effort has been put into getting to the root cause of these variances and it has been identified as relating to the legacy HR and Payroll database, Cyborg. To rectify this root cause has required significant manual intervention to ensure that staff are located and paid correctly. The revised project approach puts greater focus on identifying and addressing these issues, so that iTrent outcomes are robust once it goes live.

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<sup>3</sup> Total staff as at 31.10.2025, PowerBI workforce composition report

- 2.4 It was agreed at Director level that there is a low-risk appetite in relation to this project and that the data issues identified were too serious to go-live without being robustly addressed.
- 2.5 The Director for People, in consultation with the Director for Corporate Services, decided to postpone iTrent go-live so that these issues and others impacting contract information and reporting can be robustly addressed with a focus on areas where greater assurance is needed before go-live can be authorised.
- 2.6 The measures put in place to reset the project are:
- New co-sponsorship from Tom Goodall, Assistant Commissioner, Catharine Gregory, Assistant Director Finance, and Andrew Cross, Interim Head of HR Systems and Operations, to provide additional oversight and support to the project, HR and payroll teams.
  - A revised delivery plan, approved by the project board, setting out a critical path to go live in February 2026.
  - A new approach to resourcing the subject matter expert (SME) team of HR and payroll colleagues who will input the data into iTrent, in order to spot and escalate issues in order to reduce and ultimately eliminate the variances in the parallel runs. This team will have access to MHR specialists, policy experts and senior leaders who will provide more hands-on oversight and support to staff.
  - The extension of the Cyborg maintenance agreement, so that the existing system is supported until iTrent goes live
  - Requesting the funding set out in this paper, to provide appropriate levels of support with contingency considerations.
- 2.7 The Portfolio Team are now providing independent assurance on the measures taken to drive this project forward.
- 2.8 Consideration has been given to alternative solutions, including:
- Shared services: the Brigade could seek to provide a supported HR and payroll system through an outsourcing arrangement to ensure it has a supported platform. This would be expensive to implement and run, as the Brigade has a complex payroll, and it would require significant resourcing internally to provide all the changes required every month. This would be a last resort if the further project extension failed to achieve the aims but is the only contingency to mitigate the risk of an unsupported system in the remaining time available.
  - Seeking an alternative system: with Cyborg going out of support from the end of December 2026, it is not considered that there is sufficient time left to go out to market for an alternative solution, and then to deliver that solution, within the required timeframe. The fundamental issues of transferring the data from Cyborg into any such new system would, due to the nature of Cyborg data, present the same issues experienced in the current project.

### **3 Risks**

- 3.1 The corporate risk ratings relating to this project, F9 and P5-8, have been increased to Red, reflecting the significance of any failure to finalise the delivery of iTrent. Those risks are:
- FN9: LFB continues operating with a Cyborg payroll system with less than 12 months support if its intended replacement (iTrent) is not implemented by December 2025 which leaves the payroll exposed to potential system errors and security vulnerabilities and could mean we are

unable to pay staff, have compromised functionality, and / or are subject to data theft of our sensitive payroll data from security breaches.

- P5-8: Continued delays with the delivery of the new HR ICT system (iTrent) and creation of the Central Data Store causes knock-on delays in the delivery of HR work strands (including simplification of HR processes), reduces staff capacity for delivering PS transformation work and prevents effective utilisation of people data for decision making.

3.2 If the funding to finalise the adoption of iTrent is not provided, the risks are:

- Cyborg goes out of support on 1 January 2027, leaving the Brigade with an unsupported HR and Payroll system.
- Based on experience with the current project, the lead-in time for any other solution would be insufficient, plus would incur unknown costs to procure and establish. There are also little to no resources available to run a full tender with adequate evaluation process.
- If iTrent were to go live now, without further support, the issues which prevented go-live in November 2025 could cause greater risk to the Brigade including reputational risk if staff were significantly under or over-paid.
- If iTrent phase one is not completed, phase two could not be implemented. Phase two contains important modules which are a key part of addressing areas for improvement issued by His Majesty's Inspectorate of Constabulary and Fire and Rescue Services (HMICFRS). These are:
  - **HMI3-004:** Staff have confidence and trust that their concerns will be heard and addressed appropriately – requires implementation of the case management module.
  - **HMI3-009:** The Brigade has systems in place to support staff performance and development, which is trusted and engaged with by staff at all levels – requires implementation of the performance management module.

## 4 Costs

- 4.1 Of the funding previously allocated to this project, at the end of December 2025, budgets currently show that £89,147 will be unspent. However during November 2025, in order to continue to support the Cyborg system until the project is delivered, £77,500 of this will be spent on extending the maintenance agreement, leaving a total project underspend of £11,647 remaining.
- 4.2 The costs of finalising delivery of phase one, along with the phase two costs to implement the case management module and the performance management module, are set out in table one below. Before contingency, the phase one costs total £220,221. The phase two costs before contingency total £56,244.
- 4.3 The revised project timeline aims to deliver go-live in February 2026, but with specific contingency for a delay of up to two months (to April 2026) if serious issues prevent assurance. The funding request reflects this.
- 4.4 The Finance department is undertaking a review of People Services forecast revenue position for the 2025/26 financial year, with preliminary indications identifying an underspend against budget. As much as is viable of any such underspend, will be utilised to mitigate the impact of the 'no go live' decision in relation to iTrent. In addition, and should it be necessary, the utilisation of

earmarked reserves will be considered.

#### **4.5 Phase two delivery**

- 4.6 The funding requested makes provision for a case management system for the Professional Standards Unit and a performance management system, which is planned to replace the Appraisal Conversations application, in order to better support staff and managers, meeting key outcomes.
- 4.7 The benefits Phase 2 brings support the Brigade response to the Areas for Improvement issued by HMICFRS, HMI3-004 and HMI3-009. Phase two will follow Phase one go-live, to manage workload alongside business-as-usual activity, and is scheduled to take place in the first quarter of the 2026/27 financial year.

4.8 Table one

Breakdown of iTrent Project Costs	Forecast to Dec 25 (committed spend)	February Go Live	Contingency	Total (inc contingency)	Contingency Note
		Phase 1 Finalisation			
Forecast Underspend/Funding remaining as at 31st December 2025				-£11,647	
Project resources	£284,728	£136,108	£77,565	£213,673	Additional 2 months costs should there be a further postponement of go-live until April 2026
MHR Support (Phase 1) Feb Go Live	£194,941	£45,713	£19,370	£65,083	Additional 2 months costs should there be a further postponement of go-live until April 2026
Additional un-identified resource to support project - 2 x FRS D for 4 months		£38,400	£19,200	£57,600	Additional 2 months costs should there be a further postponement of go-live until April 2026
Cyborg extension	£77,500				None because contract must be extended in November 2025
General Contingency (10%)		£0	£29,772	£29,772	10% applied to forecast only
<b>Total Phase 1 finalisation</b>	<b>£557,169</b>	<b>£220,221</b>	<b>£145,908</b>	<b>£354,481</b>	
		Phase 2 Delivery			
MHR - Phase 2		£37,044	£9,261	£46,305	25% contingency
Project team cost of delivering Phase 2		£19,200	£4,800	£24,000	25% contingency
<b>Total Phase 2 delivery</b>		<b>£56,244</b>	<b>£14,061</b>	<b>£70,305</b>	
<b>Total phase 1 finalisations and phase 2 delivery</b>		<b>£276,465</b>	<b>£159,969</b>	<b>£424,786</b>	

## 5 Values Comments

- 5.1 The LFC notes the Fire Standards Board requirements around adopting and embedding the Core Code of Ethics at an individual and corporate level. Following extensive engagement, the LFC has introduced Brigade values which build on and do not detract from the Code of Ethics.
- 5.2 The Brigade values are:
- Service: we put the public first
  - Integrity: we act with honesty
  - Teamwork: we work together and include everyone
  - Equity: we treat everyone fairly, according to their needs
  - Courage: we step up to the challenge
  - Learning: we listen so that we can improve
- 5.3 This funding request, and the recent decision to delay go-live, demonstrate that the project sponsor and senior responsible owner (SRO) are acting with integrity, learning from responses to detailed enquiries relating to impacts on all staff, as well as on the Brigade, and have demonstrated courage in taking the steps needed to rectify these.

## 6 Equality Comments

- 6.1 The LFC and the Deputy Mayor for Planning, Regeneration and the Fire Service are required to have due regard to the Public Sector Equality Duty (section 149 of the Equality Act 2010) when taking decisions. This in broad terms involves understanding the potential impact of policy and decisions on different people, taking this into account and then evidencing how decisions were reached.
- 6.2 It is important to note that consideration of the Public Sector Equality Duty is not a one-off task. The duty must be fulfilled before taking a decision, at the time of taking a decision, and after the decision has been taken.
- 6.3 The protected characteristics are: age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership (but only in respect of the requirements to have due regard to the need to eliminate discrimination), race (ethnic or national origins, colour or nationality), religion or belief (including lack of belief), sex, and sexual orientation.
- 6.4 The Public Sector Equality Duty requires decision-takers in the exercise of all their functions, to have due regard to the need to:
- eliminate discrimination, harassment and victimisation and other prohibited conduct.
  - advance equality of opportunity between people who share a relevant protected characteristic and persons who do not share it.
  - foster good relations between people who share a relevant protected characteristic and persons who do not share it.
- 6.5 Having due regard to the need to advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:
- remove or minimise disadvantages suffered by persons who share a relevant protected



characteristic where those disadvantages are connected to that characteristic.

- take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it.
- encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

6.6 The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

6.7 Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to:

- tackle prejudice
- promote understanding.

6.8 An equalities impact assessment for the introduction of a new HR and payroll system was carried out in 2021 and is attached as appendix one. This has been reviewed and, given that the content of the system and its functionality remain the same, it is not considered necessary to update this.

## **7 Other considerations**

### **Workforce comments**

7.1 Resourcing costs have been factored into the funding request.

7.2 The decision to postpone go-live was taken in part due to serious concerns about variances in pay that were showing up in the parallel run outcomes. The iTrent assurance list at appendix one shows the refined focus on outcomes for our staff and improved support for the teams who are responsible for updating the system.

### **Sustainability comments**

7.3 There are no sustainability implications from this project.

### **Procurement comments**

7.4 The additional services required will require a variation to the contract with the current supplier. A change of supplier would require further procurement, which would add significant time, risk (uncertainty with a new supplier) and duplication of costs. The scope and value of the supplier costs, associated with the variation, are deemed to be compliant with the Public Contracts Regulations 2015.

7.5 PCR 2015, reg 72(1)(e) permits variations to public contracts or framework agreements where those variations, irrespective of value, are not substantial. A "substantial" variation is defined by PCR 2015 reg 72(8) as any change, irrespective of value, which meets any one or more of the following conditions:

- it renders the contract materially different in character from the original.

it would have allowed other potential suppliers to participate or be selected, or another tender to be accepted.

- it changes the economic balance of the contract in favour of the contractor in a way which was not provided for.
- it extends the scope of the contract "considerably".
- it replaces the original contractor, other than where the change arises from a review or option clause in the original contract or from corporate restructuring such as merger, takeover or insolvency.

7.6 Whether a change causes "considerably" extended scope or renders a contract "materially different in character" will depend on the circumstances of each case. In this case the variation is not changing the contract "considerably" in terms of scope and value relative to the original contract and therefore does not render the contract "materially different in character".

## **Communications comments**

7.7 The communication and engagement plan was set up in summer 2025. Work took place with stakeholders and end users to develop support packages in each area of LFB. The support packages include:

- Training videos that are designed to help the end user navigate the system. They are all under a minute long to encourage people to use them and to be respectful that people are busy. Some are mandatory; all sit on Big Learning and Hotwire.
- Briefings; verbal briefings with presentation to get key points to the end user. The briefings were designed with Operational colleagues to ensure they are engaged.
- From these briefings, we have formed FAQs ensuring authenticity and genuine help for the end user.
- Reaching the audience through a myriad of methods, Viva Engage, 'Heads of' communication emails, advocates, hotwire and verbal updates.
- Over 100 people had early access. These are the system advocates, and they have been engaged with throughout the change journey.
- The Hotwire page is designed by the project team and subject matter experts.
- Subject matter experts have designed communications that are recognised as key to all e.g. Cut over details including expenses
- There are plans in place to enhance helpdesk and online support on the day of launch and post launch as the organisation heads to business as usual.

## **8 Financial comments**

8.1 This report provides an update on the HR and Payroll system replacement project (iTrent) and records the decision to delay implementation from November 2025 to a revised projected implementation date of February 2026.

8.2 The report requests approval from the London Fire Commissioner to commit revenue expenditure of up to £276,465 in order to achieve the revised implementation date of February 2026. The report also requests approval for an additional £159,969 contingency, in the event that

there is any further delay in implementation for up to an additional two months. This results in a total potential spend of up to £424,786 to complete the delivery of the replacement HR and Payroll system for the London Fire Brigade.

- 8.3 The revised project aims to deliver go live in February 2026, but with contingency for a delay of up to two months (to April 2026). It is noted that Phase 2 cannot commence until Phase 1 is complete and therefore likely that those costs will be incurred in 2026/27. Based on the February 2026 go live date it is then anticipated that of the total £276,465 cost £220,221 will be in the 2025/26 financial year with the remaining £56,244 for phase 2 in the 2026/27 financial year. In the potential event of go live being in April 2026 the £14,061 contingency for phase 2 will be in the 2026/27 financial year with the contingency for phase one being split between 2025/26 and , 2026/27,
- 8.4 The LFB's published Quarter 2 Financial Position report set out a forecast underspend within People Services Directorate of £189k. However, as a result of ongoing work to review the position, additional underspends have been identified and are currently being confirmed. The additional expenditure set out in this report will be funded from any additional underspend identified within the directorate in the first instance. This will therefore not impact the Brigade's financial forecast within the People Services Directorate or the Brigade as a whole.
- 8.5 If the underspend identified is sufficient to cover the full cost then any residual amount will be transferred into an earmarked reserve at the end of the financial year, against any potential costs in 2026/27. If the underspend identified is not sufficient to meet the full cost then use of earmarked reserves will be considered to meet any shortfall. This includes the Budget Flexibility Reserve, which has a balance of £330k held for residual costs in People Services from prior reviews.
- 8.6 If this is not sufficient or if adverse movements within People Services are identified later in the year, the Brigade will take action based on anticipated expenditure to ensure this can be managed in line with existing financial controls and regular financial position reporting.

## **9 Legal Comments**

- 9.1 This report seeks approval to commit expenditure of £424,786 set out in the report. This will be used to finalise the implementation of the iTrent system for HR and payroll.
- 9.2 Under section 9 of the Policing and Crime Act 2017, the LFC is established as a corporation sole with the Mayor appointing the occupant of that office.
- 9.3 Pursuant to section 327D of the Greater London Authority Act 1999, as amended, the Mayor may issue to the LFC specific or general directions as to the manner in which the holder of that office is to exercise his or her functions.
- 9.4 By direction dated 1 April 2018, the Mayor set out those matters for which the LFC would require the prior approval of either the Mayor or the Deputy Mayor. In particular, paragraph (b) of Part 2 of the said direction requires the LFC to seek the prior approval of the Deputy Mayor before "[a] commitment to expenditure (capital or revenue) of £150,000 or above is identified in accordance with normal accounting practices". The proposed expenditure set out in this report exceeds this financial threshold; accordingly, prior approval from the Deputy Mayor is sought.
- 9.5 The iTrent (HR and payroll) system was procured following an open procurement exercise. The variation of contract now needed to implement the system in the timeframe required is being made in compliance with regulation 72 of the Procurement Contract Regulations 2015, as set out in more detail in the procurement implications section above.

## List of appendices

Appendix	Title	Open or confidential*
1	Equalities Impact Assessment	open

### Part two confidentiality

Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part Two form, together with the legal rationale for non-publication.

Is there a Part Two form: NO