

12 Financial management shared services: implementation progress

- 12.1** In January 2016, the financial management shared services (FMSS) programme was approved by Government. The aim of the programme includes the replacement of many different financial management and reporting systems in use across central government departments and offices with a single centrally managed system supported by a new finance shared service.
- 12.2** The National Shared Services Office (NSSO) is responsible for the delivery of the programme and the Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation (the Department of Public Expenditure) is an 'executive sponsor'.¹ The FMSS is a strategically important programme that represents the transformation of financial management for central government, through
- the creation of a single common chart of accounts²
 - standardisation of accounting processes and
 - technology automation.
- 12.3** The FMSS programme is a key enabler for the planned transition of central government departments and offices from a modified-cash basis of accounting to full accrual-based accounting.
- 12.4** Progress on the development of the FMSS system in the initial years was slow.³ In September 2020, the Government approved a proposal from the Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation for the continued deployment of the FMSS programme over an extended indicative timeline to 2025 and an expanded indicative project budget of up to €115 million including VAT.

¹ The Department of Finance is also an executive sponsor.

² A chart of account is a listing of all the accounts and account codes that an organisation has identified as required for recording transactions in its general ledger.

³ *Report on the Accounts of the Public Services 2019*, chapter 5, [Implementation of financial management shared services](#).

⁴ A similar report was published in September 2023 — see *Report on the Accounts of the Public Services 2022*, chapter 6, [Financial management shared services: implementation progress](#).

Focus of the examination

- 12.5** This examination was undertaken to review the progress that the NSSO has made in implementing the FMSS programme since its reformulation in 2020.⁴ It does not assess the technical and operational capabilities of the FMSS system.
- 12.6** The examination involved the review of documentation, a comparison of plans/ budgets with actual output, and interviews with relevant NSSO staff. All expenditure figures presented in the report include VAT unless otherwise noted.

Project timescale

- 12.7** The business case for the FMSS programme, approved in January 2016, included a plan to deploy the FMSS system to the within-scope public service bodies (PSBs) in five waves by June 2020. The current onboarding schedule is shown in Figure 12.1. In all, 48 departments and offices are within the scope of the project.

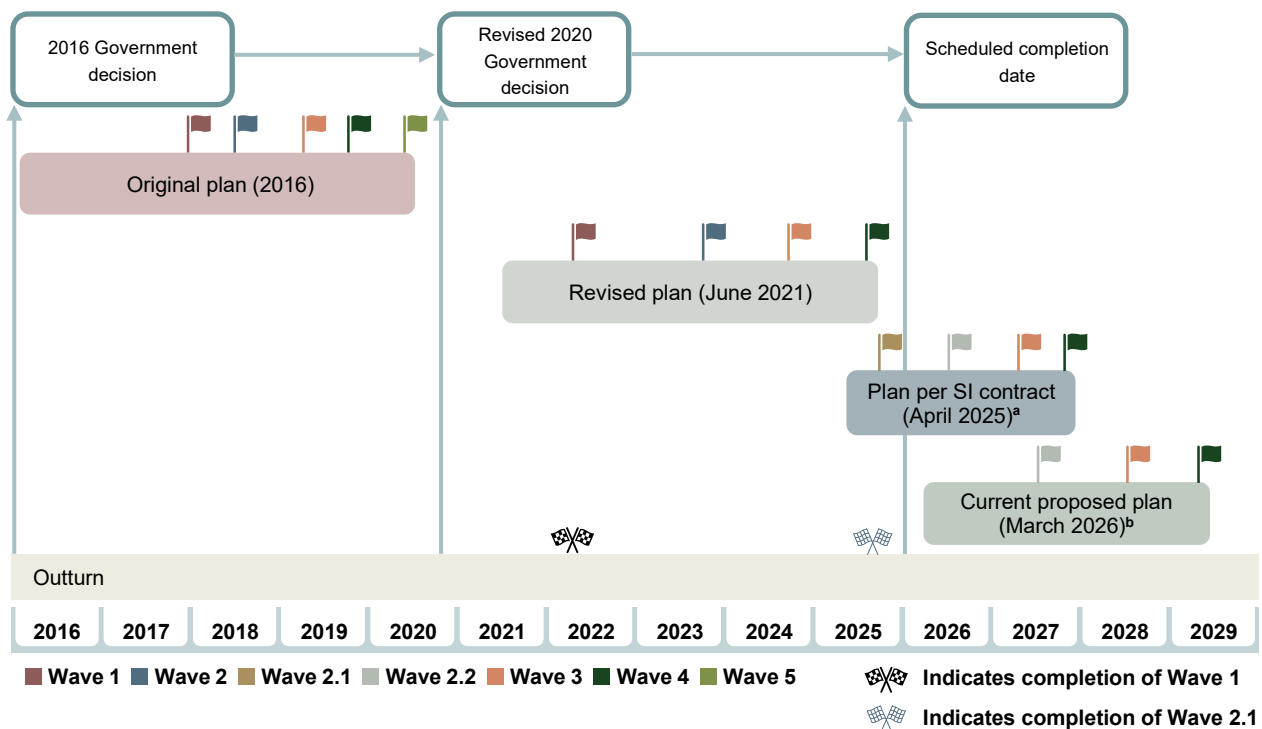
Figure 12.1 Composition of FMSS onboarding schedule, presented to the FMSS Client Steering Group in March 2026^{a,b}

Wave 1 (April 2022)	Wave 2.1 (Sep 2025)	Wave 2.2 (Q2 2027)	Wave 3 (Q2 2028)	Wave 4 (Q2 2029)
• Department of Finance • Office of the Ombudsman • President's Establishment • Department of Public Expenditure, Infrastructure, Public Service Reform and Digitalisation • Office of the Government Chief Information Officer • National Shared Services Office • Office of Government Procurement • Office of Comptroller and Auditor General	• Department of the Taoiseach • Fiosrú • Data Protection Commission • National Museum of Ireland • Department of Rural and Community Development and the Gaeltacht • Táilte Éireann • Policing and Community Safety Authority • Department of Transport	• Department of Justice, Home Affairs and Migration • Courts Service • Department of Culture, Communications and Sport • Irish Prison Service • An Garda Síochána • Department of Social Protection • Office of the Revenue Commissioners • Tax Appeals Commission	• Department of Health • Public Appointments Service • Law Reform Commission • Legal Aid Board • National Council for Special Education • National Library of Ireland • Office of Public Works • Office of the Director of Public Prosecutions • Central Statistics Office • Department of Children, Disability and Equality • Irish Human Rights and Equality Commission	• Chief State Solicitor's Office • Department of Agriculture, Food and the Marine • Department of Climate, Energy and the Environment • Department of Defence • Department of Education and Youth • Department of Foreign Affairs and Trade • Department of Enterprise, Tourism and Employment • Department of Further and Higher Education, Research, Innovation and Science • Department of Housing, Local Government and Heritage • National Gallery of Ireland • Office of the Attorney General • State Examinations Commission • State Laboratory

Source: National Shared Services Office

Notes: a FMSS has been deployed to wave 1 and wave 2.1.

b In October 2024, the Minister for Public Expenditure, Infrastructure, Public Service Reform and Digitalisation informed the NSSO that a revised governance framework for the FMSS project shall be put in place. The FMSS Client Steering Group and the FMSS Working Group were established, replacing the previous governance framework, including the FMSS Programme Board. The Steering Group is not a decision-making body.

Figure 12.2 FMSS planned rollout vs actual (as at May 2026)

Source: National Shared Services Office. Analysis by the Office of the Comptroller and Auditor General.

Notes: a System implementation partner.

b See Figure 12.1.

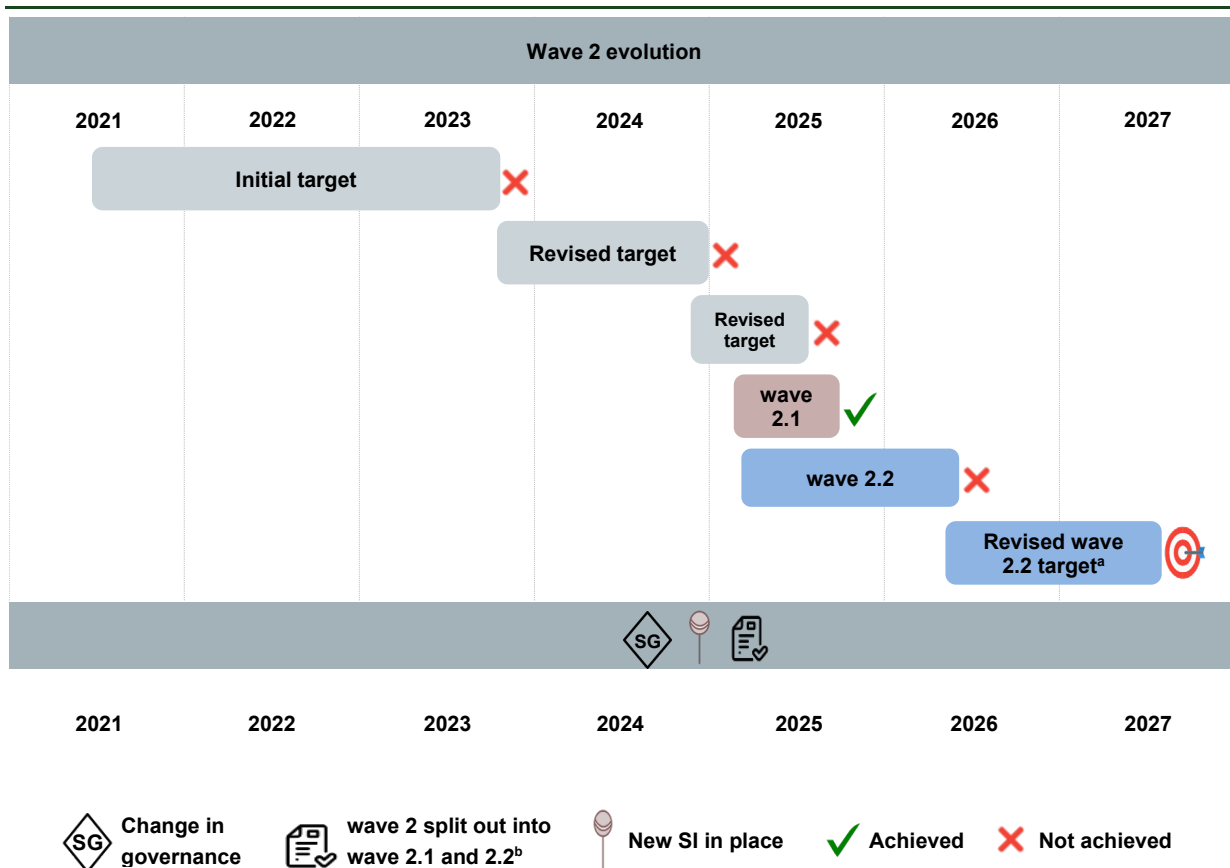
- 12.8** Overall, there have been significant delays in the rollout of the programme. Figure 12.2 provides an overview of plans in place at various times since the commencement of FMSS and what has been delivered to date.
- 12.9** In September 2020, a revised full project implementation timeline to 2025 was approved by Government. To date, 16 PSBs have been onboarded to the FMSS system in two separate tranches.
- 12.10** The proposed plan for the rollout of the FMSS, supported by the FMSS Client Steering Group (Steering Group) in March 2026, envisages a project completion date of 2029 i.e. nine years after the original planned completion date.
- 12.11** The proposed plan replaces the indicative timeline set out in the contract signed in April 2025 between the NSSO and the system implementation partner (SI).⁵ Within a year of that contract being signed, the completion date of the FMSS project was extended by 18 months, from quarter 4 2027 to quarter 2 2029. A detailed implementation plan has been prepared for wave 2.2 with high-level plans in place for wave 3 and 4.
- 12.12** The Department of Public Expenditure stated that the FMSS system has been delivered, and the programme has transitioned to an operational and change management approach. Furthermore, the Department of Public Expenditure stated that it is considering the future operational deployment of the programme.

⁵ The April 2025 contract was with a new SI, replacing the SI who had been in place since 2016. The SI is responsible for the design, configuration, build, test, implementation, transition, environment management, application management, post go-live support and exit management services required to deploy the FMSS solution for future waves.

Scope of the FMSS

- 12.13** The FMSS was rolled out to eight PSBs in April 2022. While the administrative expenditure of the Department of Finance was included within the shared service rollout, the planned extension of the system to cover transactions of the Central Fund of the Exchequer was dropped. The Central Fund no longer forms part of the scope of the FMSS.
- 12.14** Three other bodies which were previously included in the scope of the FMSS programme are not included in the current proposed implementation plan. These are the Houses of the Oireachtas Commission, the Competition and Consumer Protection Commission, and the Irish Auditing and Accounting Supervisory Authority.
- 12.15** In addition to the bodies dropped from the latest proposed implementation plan, some PSBs have moved between waves (see Annex 12A). What was originally planned as ‘wave 2’ has also been split into ‘wave 2.1’ and ‘wave 2.2’, with different implementation target dates. In September 2025, the FMSS was rolled out to the eight PSBs that constitute wave 2.1, bringing the total number of PSBs operating on FMSS to 16. Figure 12.3 illustrates the different target dates for the deployment of wave 2 since the 2020 government decision.

Figure 12.3 Timeline of wave 2 deployment



Source: National Shared Services Office. Analysis by the Office of the Comptroller and Auditor General.

Notes: a As per proposed plan supported by the Steering Group in March 2026.

b In April 2025, the Steering Group approved the option to split wave 2 into two phases — wave 2.1 and wave 2.2.

Deployment of remaining waves

- 12.16** In March 2026, the NSSO provided the Steering Group with five delivery options for the deployment of the FMSS to the remaining waves of PSBs (see Annex 12B). This included finishing the deployment to five wave 2.2 bodies and then ceasing the project.
- 12.17** The Steering Group agreed to support the adoption and deployment of option two. This included increasing the number of PSBs included in wave 2.2 from five to eight, with completion of that wave by June 2027, and waves 3 and 4 being completed in 2028 and 2029.

Project delays

- 12.18** The NSSO provided the following explanations for the delays in the FMSS programme rollout
- infrastructure readiness — the NSSO's infrastructure required upgrading during the programme
 - procurement of a new SI — the procurement process took 11 months from issuing of the tender to the contract being signed
 - increasing programme scale and complexity — the scope expanded beyond what had been anticipated during the initial planning phases in 2016
 - evolving cybersecurity and data protection requirements
 - developing financial reporting standards and associated compliance requirements necessitated extra system configuration, validation, and build effort to ensure the solution remained aligned and future proof
 - complexity involved was underestimated — each PSB starts from different legacy practices and readiness levels, and aligning their data, behaviours, roles and workflows requires careful coordination
 - disruption caused by the Covid-19 pandemic
 - lessons learned reviews — original plans did not allocate dedicated time for lessons learned reviews after each deployment.

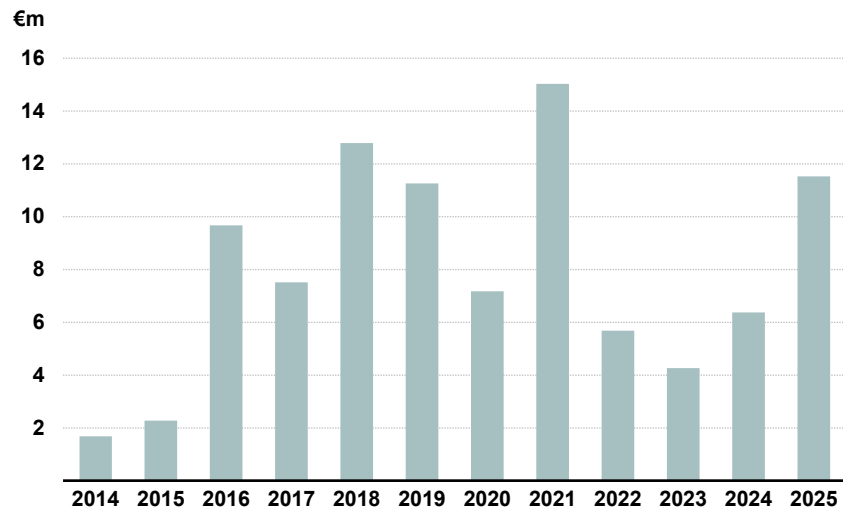
Post-implementation reviews

- 12.19** The NSSO conducted an independent review of the implementation of the wave 1 transfer of eight PSBs to the FMSS. The NSSO stated that, following the implementation of wave 2.1, it conducted an internal review in conjunction with relevant stakeholders including wave 1 and wave 2.1 PSBs.
- 12.20** The NSSO stated that the lessons learned from wave 2.1 highlighted progress made since wave 1 in areas such as training, governance and PSB feedback. It also identified areas where improvement is required, particularly relating to transition preparation, configuration testing, early provision of data and the embedding of operational change.

Project costs

- 12.21** At the end of 2025, total expenditure on the FMSS project amounted to €95 million. Total expenditure by year is set out in Figure 12.4.

Figure 12.4 Total expenditure on the FMSS programme per annum, 2014 – 2025



Source: National Shared Service Office. Analysis by the Office of the Comptroller and Auditor General.

Initial budget

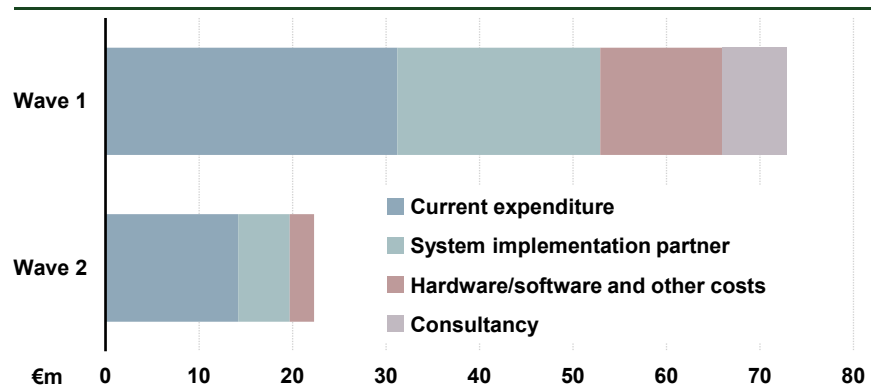
- 12.22** The initial business case, approved by Government in January 2016, proposed an investment of €54 million for the full implementation of the FMSS system for 48 PSBs with an expected completion date of quarter 2 2020.⁶ Expenditure on the FMSS project at the end of 2020 amounted to €52 million with no PSBs transferred to the FMSS system.

Revised budget

- 12.23** In September 2020, the Government approved a revised total budget of €115 million for the continued deployment of the system to all PSBs by the end of 2025. The memorandum for Government included an indicative annual funding requirement/profile until 2025 but did not include a breakdown of the estimated costs to deploy each individual wave.
- 12.24** The NSSO has not set out a project budget reflecting each stage of the project. Therefore, it is not possible to assess cost overruns on a wave-by-wave basis. However, with 83% of the budget amount spent by end 2025, only 16 of the currently planned 48 PSBs had transferred to the FMSS system. A balance of €20 million remains in the current budget to cover the cost of transferring the remaining 32 PSBs over a projected four-year implementation period (2026 – 2029).

⁶ The memorandum for Government proposed a total budget of €47.4 million, excluding VAT.

- 12.25** Figure 12.5 presents the breakdown of expenditure for the waves deployed to date.

Figure 12.5 Breakdown of FMSS expenditure for waves 1 and 2, 2014 – 2025

Source: National Shared Services Office. Analysis by the Office of the Comptroller and Auditor General.

- 12.26** In July 2023, the NSSO presented a budget to the FMSS Programme Board for wave 2. The projected costs to complete wave 2 were €19.3 million.
- 12.27** At the end of 2025, wave 2 expenditure had exceeded the complete wave 2 budget. The NSSO could not break down actual wave 2 expenditure between wave 2.1 and 2.2. The NSSO has stated that as activities will overlap during the various implementation phases, it is not possible to estimate the cost of each specific wave without a more detailed analysis of the activities undertaken within each workstream.

Remaining budget requirement

- 12.28** The NSSO was unable to provide the examination team with project budgets for waves 2.2, 3 and 4 and an estimate of the costs to complete the FMSS project has not been provided to the examination team.
- 12.29** The proposed plan supported by the Steering Group (March 2026) indicates that full rollout of the FMSS system will extend to 2029. The NSSO has indicated that additional funds to deliver the programme over a longer timeframe would be required and the amount of incremental funding that may be required to deliver the full programme are being assessed.
- 12.30** The NSSO has stated that an updated budget was presented to the Department of Public Expenditure in May 2026, with a further follow-up in July 2026, on foot of the Steering Group's support of the proposal to deliver the remainder of the programme over three annual go-live waves.
- 12.31** Government approval has not been sought for the ongoing deployment of the FMSS project beyond 2025, nor for the additional funding required. The Department of Public Expenditure stated that future funding decisions will be considered through the annual estimates process with full oversight by Government.

Anticipated project savings

- 12.32** The original business case for the FMSS programme anticipated savings of €15.4 million per annum once the programme was fully operational. The original business case also set out a project payback period of 7.1 years based on the original budget.
- 12.33** Since the original business case, only 16 of the PSBs have transferred to the FMSS system and the budget has increased by approximately €47 million (excluding VAT). However, the NSSO has not conducted a formal cost-benefit analysis that takes account of the extended timeline and increasing budget.
- 12.34** In the last examination of the FMSS project (September 2023), the Comptroller and Auditor General recommended that the NSSO should recalculate the 2016 estimated savings, taking account of the experience from the wave 1 rollout. The NSSO stated that it would undertake the recommended review after the wave 2 implementation, which at that stage was anticipated to occur at end 2024. The NSSO has reconfirmed its stated intention to undertake the recommended review exercise following the implementation of wave 2 in full, currently projected to be by end June 2027.

System implementation partner

- 12.35** The NSSO signed an interim contract with a new SI in December 2024 and subsequently signed a contract for services with that SI in April 2025. The contract included
- an implementation plan to deploy the FMSS to all the remaining within-scope PSBs by the end of 2027 and
 - a payments structure linked to key project milestones.
- 12.36** The interim contract amount was €1.1 million and the full contract for services amount was €15.8 million. As of July 2026, €1.1 million has been spent on the interim contract and €4.2 million on the contract for services. No payments have been made to the SI for work on waves 3 and 4.⁷
- 12.37** The contract included several milestones attributed to the different waves — five in the interim contract and 39 in the contract for services. The last milestone date is the end of November 2027.
- 12.38** However, the new proposed plan supported by the Steering Group in March 2026 — 11 months after the SI contract was signed — has pushed out the planned delivery dates for each of the waves. This results in a delay of 18 months on the completion of the project when compared to the contract dates.

Conclusions and recommendations

- 12.39** The financial management shared services (FMSS) project is a significant programme that aims to transform financial management for central government. The National Shared Services Office (NSSO) is responsible for the rollout of the programme in partnership with 48 client public service bodies (PSBs).

⁷ The figures stated for the interim contract, the contract for services and the amounts spent are VAT exclusive.

Progress and costs

- 12.40** Delivery of the FMSS project is significantly behind schedule. There have been numerous changes to planned rollout dates and the configuration of the implementation waves.
- 12.41** The contract put in place with the new SI in April 2025 had a final milestone for the rollout of the last wave as November 2027.
- 12.42** In March 2026, the latest proposed implementation plan was presented by the NSSO to the FMSS Client Steering Group. That plan envisages full deployment of the FMSS system by quarter 2 2029 — this is nine years later than what was envisaged in the initial 2016 plan approved by Government and over three years later than what was envisaged in the revised plan approved by Government in 2020.
- 12.43** To date, only one-third of the planned PSBs had transferred to the FMSS system.
- 12.44** In 2020, the Government approved a revised project budget of €115 million for the FMSS. At the end of 2025, total expenditure on the programme amounted to €95 million, representing 83% of the revised budget. While spending on the FMSS currently remains within the approved spending limit, it does not appear to remain within budget to complete all waves.
- 12.45** The NSSO did not align the programme budget with the implementation waves/phases. As a result, there is limited potential for effective budget monitoring and cost control by wave.
- 12.46** The NSSO has acknowledged that additional project funds will be required, but there is no government approval in place for any further extension of the programme timelines or budget.

Recommendation 12.1

The NSSO should put in place a comprehensive plan for the completion of the FMSS programme that details realistic and achievable targets along with accurate and evidence-based budgets by wave (phase) to allow for informed decisions about the future of the programme.

Accounting Officer's response

Agreed.

The NSSO will provide a plan to the Department of Public Expenditure in advance of the next Steering Group meeting in September 2026. This plan along with budgets will be updated at key milestones through the remainder of the programme. While budgets will be prepared by wave, it is important to note that many outputs are delivered in parallel and not always possible to attribute directly to a specific wave. The timing of go live for PSBs will remain flexible and PSBs may move between waves depending on priorities and readiness status. Therefore, the budgeted cost per wave is likely to change throughout the programme.

Timeline for implementation

September 2026.

Anticipated savings and payback

- 12.47** The original business case for the FMSS programme anticipated savings of €15.4 million per annum once the programme was fully operational and projected a payback period of 7.1 years based on the original budget. Since then, the original budget has doubled, with the expectation that further funding will be required to complete the project.
- 12.48** In September 2023, the Comptroller and Auditor General recommended that the NSSO should reappraise the estimated savings anticipated from the project, taking account of the experience from the wave 1 rollout. As wave 2.1 has since been rolled out, there is potentially further information to inform an assessment of the value for money achievable through the FMSS reforms. Any such analysis and subsequent decision making should, of course, recognise the sunk costs represented by the considerable investment to date.
- 12.49** Ten years have elapsed since the anticipated savings and payback period relating to the FMSS programme were calculated. The project is continuing with delays, increasing expenditure and significant under-delivery. A cost-benefit analysis for the programme based on the current information is not available. In the absence of a comprehensive investment re-evaluation, there is a risk that the FMSS programme will continue without assurance that value for money is being achieved.

Recommendation 12.2

The NSSO should reassess the projected savings and payback period for the FMSS along the lines set out in the 2016 business plan and conduct a cost-benefit analysis of the options currently available for the future of the programme.

Accounting Officer's response

Agreed.

The NSSO has committed to conducting a benefits analysis following the full deployment of wave 2 in quarter 2 2027. It is deemed that the shared services delivery model will have reached the necessary scale and maturity at that stage. A framework to benchmark and track benefits and savings has been developed by the NSSO. This will be applied to assess projected savings and payback periods as set out in the 2016 business case.

A high-level cost benefit analysis was prepared for all of the programme implementation options considered by the FMSS Client Steering Group in March 2026.

Timeline for implementation

December 2027.

Annex 12A Change of wave composition since previously reported in 2023

Wave 1	Wave 2	Wave 3	Wave 4	Key
- Department of Finance - Exchequer - Office of the Ombudsman - President's Establishment - Department of Public Expenditure - Office of the Government Chief Information Officer - National Shared Services Office - Office of Government Procurement - Office of the Comptroller and Auditor General	- Tailte Éireann - National Museum of Ireland - Department of the Taoiseach - Fiosrú - Policing and Community Safety Authority - Department of Rural and Community Development and the Gaeltacht - Data Protection Commission - Department of Transport - Department of Justice, Home Affairs and Migration - An Garda Síochána - Irish Prison Service - Courts Service - Department of Culture, Communications and Sport	- Department of Foreign Affairs and Trade - Department of Housing, Local Government and Heritage - Office of Public Works - Office of the Director of Public Prosecutions - Houses of the Oireachtas Commission - Central Statistics Office - Department of Health - Legal Aid Board - Competition and Consumer Protection Commission - Office of the Revenue Commissioners - Tax Appeals Commission - National Council for Special Education - Law Reform Commission - National Library of Ireland - State Examinations Commission - Irish Human Rights and Equality Commission	- Department of Climate, Energy and the Environment - Office of the Attorney General - Office of the Chief State Solicitor - Department of Children, Disability and Equality - Public Appointments Service - Department of Education and Youth - Department of Enterprise, Tourism and Employment - Department of Social Protection - Department of Defence - State Laboratory - Department of Agriculture, Food and the Marine - National Gallery of Ireland - Irish Auditing and Accounting Supervisory Authority - Department of Further and Higher Education, Research, Innovation and Science	- Removed from FMSS project - Wave 2.1 - Wave 2.2 - Wave 3 - Wave 4

Source: National Shared Services Office. Analysis by the Office of the Comptroller and Auditor General.

Annex 12B Options provided to the FMSS Client Steering Group for the continued deployment of the FMSS project, 11 March 2026

Option 1	Option 2 ^a	Option 3	Option 4	Option 5
• Extend wave 2.2 timeline to Q2 2027, with future waves moved sequentially to 2028 and 2029	• Augment wave 2.2, link additional PSBs and introduce go-live windows in Q2 2027, 2028 and 2029	• Reorder waves, bring one or more wave 3 PSBs forward to Q1 2027, then deliver the Justice Vote group in Q3 2027	• Reconfigure into two final waves delivering wave 3 in 2027 and wave 4 in 2028	• Complete one wave within the current budget, then stop

Source: National Shared Services Office

Note: a Option 2 was the preferred and agreed option by the FMSS Steering Group.