

**From:** [Brendan Lyon](#)  
**To:** [PAWC](#)  
**Cc:** [Office of Abigail Boyd](#)  
**Subject:** RE: Report tabled - NSW Government's use and management of consulting services  
**Date:** Wednesday, 29 May 2024 12:51:02 PM  
**Attachments:** [image009.png](#)  
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**Importance:** High

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Dear Committee Chair and Secretary,

I write to raise my concern that one aspect of the final report of your inquiry into the management and use of consultants by the NSW Government is factually incorrect and inadvertently defamatory to me.

At paragraph 4.31 the Committee has includes two concluding sentences, highlighted in the excerpt below:

KPMG has continued to be engaged for government work.  
On the other hand, there have been significant personal consequences for Mr Brendan Lyon, a former partner at KPMG, who exposed the potential flaws in TAHE's operating model. Mr Lyon lost his job, and at least \$2 million in costs and earnings. He also suffered substantial reputational damage for his actions.  
The investigation into this matter has been limited as Mr Lyon has resigned from CA ANZ. In future, Mr Lyon could re-join to clear his name and rebuild his reputation.

The concluding two sentences are factually incorrect, because:

- a. I did not resign from CAANZ, my membership lapsed after I was dismissed from the KPMG Australia partnership.
- b. My membership as an affiliate member was managed in all regards by KPMG Australia.
- c. My evidence to the inquiry included in part that the CAANZ scheme is used to retard otherwise unlimited liability of general law partnerships
- d. I testified that this is a key part of the pseudo-corporate structure that has enabled large-scale misconduct by the Big Four firms.
- e. The status of my membership has no impact on the actions of CAANZ as the regulator of the professional standards scheme.
- f. Rejoining CAANZ Could not offer any opportunity to 'clear my name', because there are no allegations or findings to address.
- g. Rejoining CAANZ could similarly not offer me any opportunity to 'rebuild my reputation', because I am not an accountant.

In its current form the report:

- a. Infers I resigned my membership to complicate or prohibit CAANZ from investigating KPMG Australia's ethical and professional misconduct.
- b. Infers that I was facing adverse allegations or findings over my ethical and professional misconduct of which CAANZ investigations were similarly prohibited by my 'resignation'.
- c. Infers that those allegations or findings are damaging enough to warrant rejoining CAANZ so that I could '*clear his name and rebuild his reputation*'.

Theses sentences are factually incorrect and on their natural wording convey damaging and false inferences, based on false matters of fact.

I have at all times provided honest testimony, supported by extensive documentary evidence and cooperated in full with the NSW Parliament.

My experience as a subpoenaed and then invited witness to your Committee's two inquiries concerning TAHE have been life-changing in all regards and as the case study correctly notes – has cost me dearly in financial and emotional terms.

The damage to my reputation has been caused by the necessity of my testimony to expose material wrongdoing that risked the safety of rail passengers. It was aggravated by the spurious and vexatious false evidence of KPMG Australia and Mr Mike Pratt and his senior colleagues under parliamentary privilege. This included Mr Pratt describing me as a 'misogynist' and KPMG Australia's false testimony over its actions and the resulting circumstances of my dismissal.

I request the Committee delete those sentences from the report as soon as practicable.

They are unintentionally defamatory and do not serve the Parliament's duty to protect me as an honest and faithful witness across your inquiries – at great personal cost.

Yours faithfully,

Brendan Lyon

**Professor Brendan Lyon**

He/Him

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*We acknowledge the Traditional Custodians of the Land in which we work and live & pay respect to the community members who have led and continue to lead the way.*

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**From:** PAWC <PAWC@parliament.nsw.gov.au>

**Sent:** Wednesday, May 29, 2024 10:47 AM

**To:** PAWC <PAWC@parliament.nsw.gov.au>

**Subject:** Report tabled - NSW Government's use and management of consulting services

Good morning

It is my pleasure to announce the release of the report of Public Accountability and Works Committee, entitled 'NSW Government's use and management of consulting services'.

The report was tabled with the Clerk of the Parliaments on 29 May 2024.

The report is available on our [website](#) along with submissions, transcripts of evidence and other inquiry documents.

The report and its recommendations are now with the government for consideration. The government is required to respond to the recommendations within three months. You will be advised of the government response when it has been received.

On behalf of the committee, I take this opportunity to thank you for your contribution to the inquiry. The committee has been greatly assisted by these contributions and we appreciate the time and effort taken by all those who have helped us with this important inquiry.

Yours sincerely

Ms Abigail Boyd MLC

**Committee Chair**

## Public Accountability and Works Committee

Upper House Committees

Legislative Council

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**Acknowledgement of Country** The Department of the Legislative Council acknowledges and respects the traditional lands of all Aboriginal people, and pays respects to all Elders past and present. We acknowledge the Gadigal people of the Eora Nation as the traditional custodians of the land on which the Parliament of New South Wales stands.

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